

German KfW Bank will provide 80.5 million euros in favorable loans for energy projects in North Macedonia aimed to transition from coal to natural gas, as well as a 2.4 million euros grant for renewable energy projects, said Prime Minister of North Macedonia Zoran Zaev. State-owned power utility ESM signed a 2.4 million euros grant agreement with the German bank. The funds will be used to finance the development of studies for the feasibility, environmental impact and social aspects of planned renewable energy projects. The grant will back studies for the installation of solar power plants with a total capacity of over 140 MW at coal-fired thermal power plant Bitola, hydropower plants rehabilitation, the construction of Miravci wind farm, the upgrade of the Energetika complex in Skopje and setting up a district heating network in Bitola. The implementation of these energy projects would increase electricity production by about 650 GWh per year. Last month, General Director of ESM Vasko Kovacevski said that the company plans to close unit 1 of coal-fired thermal power plant Bitola by 2024 and replace it with 250 MW gas-fired cogeneration unit, which will also supply thermal energy to the city of Bitola. He said that the two remaining units of TPP Bitola will be modernized through the reconstruction of electrostatic filters by 2023 and the installation of desulfurization facility by 2026, thus extending their operational life and complying with the EU environmental standards. He reminded that ESM will permanently close its TPP Oslomej and build a solar power plant with an installed capacity of 100 MW on the site of the plant, a project which is already under construction. The state also plans to convert TPP Negotino (which runs on fuel oil and is not operated by ESM) to natural gas.