

Romania: Failed RES investment adventure of Spanish Rios Renewable

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Through the Romanian established company project "Blue Wind", Spanish energy group Rios Renovables started its RES investment plans in. When they arrived in Romania three years ago, Spanish group announced they will invest over 530 million euros in the production of renewable energy. One of the first investments which was promised was 9 MW wind farm near Tulcea.

To finance projects in Romania, the Spanish company planned to borrow money from the Bucharest branch of Caixa Bank.

Last year, however, the problems started for Rios. In the fall, six companies of the group, who have already obtained environmental approvals and permits to operate eight photovoltaic parks on about 70 acres in Giurgiu and each about 24 ha in Timis were approved insolvency. Company investor was unable to pay its debts on time and that changed economic conditions which did not allowed them to realize their investment as originally proposed. Some of these companies believe that there are chances of reorganization and will submit a plan in this regard.

In the meantime, to companies established in Romania, Spaniards receivables million lei in Tables creditors without high projects.

Returning, we say that the Spanish group has wind projects in Romania and two of the companies that are present locally is "Rios EOLICA" and "Blue Wind". Problems with debt, specifically declared inability to pay debts they had apparently influence on investment start wind.

That is Rios, who held 99.99% of the shares of the company "Blue Wind" recently decided to sell minority shareholders. Nominal value of shares sold was just over 4.1 million lei.

Photovoltaic projects problem

The six companies which are insolvent are Rios Baneasa Energy, Energy Bansolar Rios, Rios Solar Baneasa, Rios Solar Proyect, Rios Solar Rios Renovables and Total Solar.

Rios surfaces Baneasa Energy (10 MW installed power per area of 20.5 ha), Rios Bansolar Company (5 MW to 10 ha), Rios Solar Baneasa (10 MW 20 ha), Rios Solar Total (9.9 MW to 20 ha). Giurgiu projects have access to the national road DN5 and are located in the village Baneasa Baneasa village. They were to have a combined installed capacity of over 35 MW.

Lovrin township project in Timis County involved the construction of a photovoltaic park with

an installed capacity of 9.9 MW, with 43,400 photovoltaic modules.

Spanish group reduced investments in Spain for the same reason that appeals to insolvency in Romania: the reduction or abolition of subsidies.