

Last week, the European Bank for Reconstruction and Development (EBRD), the Serbian Government and the representatives of local self-governments have signed a Memorandum of Understanding (MoU) on the realization of the first phase of the project for the use of renewable energy sources in district heating systems in 11 municipalities in Serbia, for which the amount of 40.5 million euros has been allocated.

Minister of Mining and Energy Zorana Mihajlovic said that the signing of the MoU means not just raising the energy efficiency and including RES in the production of thermal energy, but primarily a cleaner living environment. She said that out of the total amount, 30 million euros is a loan from the EBRD, 8.5 million euros in a grant from the Swiss Government, while 3 million euros is the EU grant.

Minister Mihajlovic said that Serbia currently produces 37 GWh of thermal energy per year from renewable sources, but, when this project is implemented, the amount will increase 3.5 times to 197 GWh. It would also mean 200,000 tons less of CO2 emissions.

She said that the completion of biomass heating plant in Novi Pazar is expected ahead of the heating season in October, while the construction of similar facilities in Priboj and Mali Zvornik have already been commissioned.

In June 2017, former Minister of Energy and Mining Aleksandar Antic has signed a loan and donation agreement with the representatives of German KfW Bank and Swiss Government that will enable ten heating plants in Serbia to switch from using fossil fuel to renewable energy sources, namely biomass. The first stage will include heating plants in the municipalities of Mali Zvornik, Nova Varos, Novi Pazar, Prijepolje, Bajina Basta, Valjevo, Priboj, Kladovo and Majdanpek.