

## **Serbia: Building of biomass heating plant in Arilje has started**

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The construction of biomass heating plant in Arilje was initially planned for mid-June, but it was delayed due to issues with the environmental impact study. Deputy Mayor of Arilje municipality Branko Vukajlovic said that the construction of biomass heating plant has now started.

According to Vukajlovic, thermal output of the new woodchip-fueled heating plant would be slightly under 2 MW and it will initially provide heat for public buildings in the municipality, with the option for more connections. The construction of the plant should be completed by the end of 2020. The project is worth around 1.5 million euros and construction works are performed by a consortium of local and Austrian companies. Last year, the Public Investment Management Office said that it is carrying out the state project of financing the construction of biomass-powered heating plants in towns and municipalities with funds provided through the German KfW bank. The municipalities which took part in this project can expect to get new environmentally friendly heating plants in 2019 and 2020. In June 2017, Serbian 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. Total worth of the project is 27 million euros, which also includes a 2 million euros grant from KfW Bank and 5 million euros grant from Swiss Government.