

Serbia: If Serbia had wind farms it would no longer import electricity, state under pressure from wind developers lobby

By the construction of wind farms, Serbia almost would not have to buy electricity from abroad, suggest experts. The wind farms in Serbia could "blow up" uncertainty over the electricity import . before each winter season. If investors set up 500 MW wind turbine in the next years, not only that we will fulfill an obligation under the European Energy Community, but we will reimburse 90 percent of the kilowatts purchase from abroad during winter.

Only one wind farm could "inflict" even 250 MEUR in the state treasury from abroad, and in front door of Serbia there are investments "heavy" whole billion EUR that hinder - state guarantees.

The biggest advantage of wind farms, explains Ana Brnabic from Serbian association for wind energy, is that produce 70 percent of the electricity in the winter when Serbia imports most electricity and when import is the most expensive.

- If we meet the quota for the next six years, we will import only ten percent of electricity - says Brnabic. - This is crucial for the security and independence of Serbia's energy system. It is also often forgotten the direct impact of the wind farms construction on the country's economy, and emphasis is placed on how wind farms are expensive.

Thus, one wind farm of 150 MW would bring direct financial benefit to Serbia during its working life of around 250 MEUR. 130 MEUR from this would go to the Republican budget through property taxes, profits, dividends, and about 50 MEUR would go to the construction and electrosector during construction.

However investors amongst which lead Germans, Italians, Americans and Russians, in order to encash the money in the state treasury for wind energy, seek in turn - greater guarantees.

- Billions of EUR of investment in wind farms in Serbia wait at the borders because contract to purchase electricity does not provide security to financiers - said Jurgen Welschof, director of "German Development Bank" in our country. - Serbia has great potential for generating electricity from wind energy and there are interested investors, financiers and equipment manufacturers.

The problem, as considers Milos Banjac, assistant Minister in the Ministry of Mining and Energy, is that investors seek to advance their work to be pay out and just for the high-power wind farms.

- We will get a new energy law in November, which should be occupied with this issue - says Banjac. - It is important for investors to be fully secured in order to justify their investments. From other side, we have already enabled them privileged status in the country over the favorable feed-in tariffs.

It is expected the new Contract model on the electricity purchase on the basis of which the banks will feel safe to finance hundreds of millions of EUR in the construction of wind farms. Experts expect the law also to better define getting of permits and construction of wind farms connections.

Serbia: If Serbia had wind farms it would no longer import electricity, state under pressure from wind developers lobby

#### CONSTRUCTION FOR THREE YEARS

- Wind energy is important because we need to raise production from renewable sources, and it turned out wind farms to be the most economical - said Milos Banjac, Assistant Minister in the Ministry of Energy and Mines. - So far we have published 14 energy permissions for the construction of such wind farms throughout the country. They would be able to produce 1,300 megawatts of power, but we do not need so much because we are committed to Europe to produce less than half by 2020<sup>th</sup>. The first wind turbines, says Banjac, could begin to be built in the country for at least three years, and our energy system will be supplied with a total of 50 megawatts.