

Serbia has a great potential for electricity generation from the wind energy and there were interested investors, financiers and producers of equipment for this field, but there were still no conditions for projects implementation, the director of the German Development Bank (KfW) in Serbia, Jürgen Welschhof, said on 21<sup>st</sup> October.

He commented that these investments could reach one billion euros, and that the main obstacle was the Power Purchase Agreement which did not provide security to the financiers. For now, Serbia has one wind power plant with the capacity of 0.5 megawatts. One billion euros of investments in the wind farms in Serbia [were] waiting at the borders because the Power Purchase Agreement [did] not provide security to the financiers, Welschhof said at the presentation of the Wind Atlas of the Balkans.

He said that the equipment manufacturers were also ready, planning not only to deliver wind generators worth several hundred million euros, but also to enter into long-term contracts on wind farms management, which would bring additional money to Serbia.

“This is not happening because the financiers believe that the Power Purchase Agreement (PPA) does not provide sufficient security”, said Welschhof.

He expressed his expectation that the talks with the Serbian officials on this subject would be renewed.

Welschhof expressed his hope that the problems would be resolved and that the projects with public enterprises, such as the project of the Electric Power Industry of Serbia (EPS) for the wind farm in Kostolac, but also with the private sector, would be implemented in Serbia.

He said that the KfW bank expected the contract on financing the EPS wind farm in Kostolac to be signed at the end of 2015, but that this depended on whether the Serbian Ministry of Finance would include the issuance of the guarantee for this loan in the next year’s budget.

Welschhof also added that the Wind Atlas of the Balkans, which had been prepared by the Sander and Partner institute at the request of the KfW bank, would facilitate the financing and implementation of new projects for using the wind energy in Serbia and the region.

The director of the Sander and Partner institute, Johannes Sander, said that the Wind Atlas of the Balkans included wind maps and the data on the wind force within the period of 60 years on more than 40.000 locations and that they could be used free of charge.

“The data shows that, in Serbia, there is a large space with good conditions and favourable winds for building wind farms”, said Sander.

The advisor at the Ministry of Mining and Energy of Serbia, Rastislav Kragić, said that the energy permits for the construction of 12 wind farms with the capacity of 1.300 megawatts had been issued in Serbia until that moment.

“One wind farm with the capacity of 0,5 megawatts has been implemented so far, and the total of four wind farms with the capacity of 35 megawatts have obtained the temporary status of privileged electricity producers”, he said.

Kragić reminded that Serbia was planning the construction of wind farms with the capacity of 500 megawatts in the context of fulfilling the obligations towards the Energy Community that the participation of energy from renewable resources should be increased from the today's 21,2 to 27% by the year 2020.