

Serbian Minister of Mining and Energy Zorana Mihajlovic met with the CEO of the European association for wind power WindEurope Giles Dickson and discussed Serbia's potentials for the production of electricity from renewable energy sources, primarily wind farms, as well as the Ministry's plans to hold the first auction for wind capacities in early 2022.

Minister Mihajlovic said that Serbia expects more investments in RES and hopes that the first auctions, which will take place in late January, will produce results. She reminded that the Serbian Energy Agency (AERS) has already set the maximum amount of incentives, that is, premiums, adding that Serbia's plan is to increase investments in the RES sector and reach 40 % of energy produced from renewable sources by 2040.

Dickson said that, by adopting the Law on Renewable Energy and preparing the regulations, Serbia had opened the way toward the visibility of its capacities in this area. Many financial institutions and funds are interested in Serbia's potential and many companies are interested to participate in electricity generation in Serbia. In the upcoming period, the competition between European countries when it comes to investments in this field will increase, but Serbia should have enough potential to attract new investments.

Last week, The Serbian Association of Renewable Energy Sources (RES Serbia) has expressed concerns for the future of RES sector in Serbia after the setting of the maximum purchase price for electricity produced by wind farms, which, due to the model of two-way premiums, could make investors decide not to take part in auctions, whereas finance institutions and banks could decide not to finance projects.

AERS set the maximum purchase price for electricity produced in wind farms with an installed capacity of more than 3 MW at 5.57 eurocents/kWh, which is one of the lowest in Europe.