



Serbian Wind Energy Association (SWEA) said today that the proposed reduction of the purchase price for electricity produced from wind energy would postpone for two years or even stop the construction of wind farms in Serbia.

If the proposal of the Ministry of Energy for the “feed-in” tariff is accepted in its present form, Serbia will lose billion of direct foreign investment in wind farms, which were ready to be realized, according to a press release of the association.

According to the proposal of the Ministry of Energy, electricity produced from wind power could be bought out at a cost of 9.2 eurocents per kilowatt hour, instead of 9.5 euro cents, which is a reduction of about three percent.

- Serbia is today one of the few countries without wind farms and any discouraging of the investment in this sector is bad government policy and sends a message that Serbia will not be able to fulfill earlier commitments and provide a share of 27 percent of total consumption from the renewable sources by 2020 - said in a statement.

As stated, without the participation of large wind farms that goal can not be achieved, given that all other renewable energy sources and related technologies can not be applied on a larger scale in Serbia.

In SWEA they said that the proposed price of kilowatt hour obtained from biomass is 13.82 eurocents, which is 45 percent more expensive than wind.

- If Serbia would meet its objectives in the use of renewable sources exclusively through biomass instead of the wind, the consumers would have to pay more than 150 million Euros a year - said in a statement.

SWEA has evaluated that the proposed “feed-in” tariffs made wind farms in Serbia non profitable and they favor the official electricity producers in the state and the current technology - burning coal.

One of the advisors to the Ministry of Energy in the formation of the new tariffs - International Finance Corporation (IFC) has proposed a feed-in tariff for wind to be higher, which implies that the ministry’s decision to favor more expensive technologies was apparently politically motivated.

Serbian Wind Energy Association is an association of local and foreign investors interested to invest over a billion Euros over the next three to six years.

Most of the investors have been present in Serbia since 2008 and so far they have invested millions of Euros in development of projects that are threatened by the new proposal of the Ministry of Energy, said in a statement by this association.

*Source Serbia Energy Magazine*