

## Catching the wind in the Western Balkans

*With EU requirements to have a 12% share of electricity produced from renewable sources by 2010 and 20% by 2020, the promotion of renewables has become an integral part of energy policy agendas of the Western Balkan countries.*

Promoting the use of renewable energy sources is important both to the reduction of the EU's dependence on foreign energy imports and in meeting targets to combat global warming. Of all the renewable sources, wind power marks the highest development rate during the last two decades.

### GENERATING RENEWABLE ENERGY

The electricity generation company in the former Yugoslav Republic of Macedonia, ELEM, has developed a pilot wind farm in the southeast part of the country, to give a practical demonstration of how the technology works, to prove the viability of wind energy, and to encourage private investment in further such renewable energy projects. For its first wind park project, ELEM has targeted a minimum annual net production of 100 GWh from wind energy – approximately 2% of its current annual electricity generation.

Project preparation started with a feasibility study in 2009 financed by a EUR 400,000 grant from the EU-funded Western Balkans Investment Framework (WBIF) and implemented by the WBIF's technical assistance team. The WBIF is a joint initiative of the EU, International Financial Institutions, bilateral donors and the governments of the Western Balkans. This is an example of the best practice of a WBIF grant that has progressed from feasibility stage through to design, financing, construction and operation.

In the first phase, 16 windmills have been built, each with a capacity of between 2 MW and 3 MW and the wind farm has become part of the electric power system of the country. It will serve as a model for similar schemes in the region. Major funding for the EUR 55.5 million contract to construct the wind farm came from the German Development Bank and ELEM.



## Instrument for Pre-accession Assistance (IPA)

## Western Balkans

IPA – AN INVESTMENT IN EUROPE. AN INVESTMENT IN SUSTAINABLE ECONOMY.

### BENEFITS FOR MEMBER STATES

The benefits include: improved security of energy supply; reduction of the negative environmental impact of energy use; mitigation of climate change for the beneficiary and the neighboring EU Member States (Greece and Bulgaria); contribution to economic development (in-country and cross-border).

### PROJECT DETAILS – Eco-friendly energy

**WBIF Grant for project preparation:**  
EUR 400,000

**Estimated total investment:**  
EUR 75 million

**(Lead IFI) KfW loan:**  
EUR 33 million

**Start date:**  
April 2009

**End date:**  
June 2009

**Results:**  
More renewable electricity produced; climate change mitigated;  
contribution to cross-border economic development

**Techniques:**  
Feasibility study; wind measurement studies; environmental and  
social impact analysis; advice on positioning of wind turbines

