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REPROMO

*Renewable Energy Promotional Campaign for the Realization
of Transnational RES Projects, especially in CEEC*

WHO IS WHO IN BIO-ENERGY AND SOLAR ENERGY IN CENTRAL AND EASTERN EUROPEAN COUNTRIES



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Who is who in Bio-energy and Solar-energy in Central and Eastern European Countries

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8 Conclusions

The “Who is Who” Analysis shows a wide spectrum of actors in Central and Eastern Europe (CEE) in the field of RE project development, manufacturing, and financial engineering. The awareness and support of the public sector is growing to exploit the abundant renewable energy sources of the region. A surprising amount of projects are under preparation. Various “Best Practice” have been successfully implemented.


At the same time, the analysis clearly shows the complexity of CEEC energy markets. Central and Eastern Europe is a region in quick transition what is particularly the case for the energy markets. The monopoly structures of the former Socialist period are transferred into a more market driven approach. A main driving force in the transformation process is the region’s new membership in the European Union that enforces the complete liberalisation of the energy markets. Consequently, new private actors start to emerge particularly Energy Service Companies (ESCOs) and Independent Power Production (IPP). Western European energy companies use the chances of the transition period for massive investments in the privatised national and local energy utilities. Also the dynamic RE industries from Western Europe strive to develop markets for their products and technologies in the New Member States.

The complexity of CEEC energy market structures requires to differentiate the analysis between four main markets for energy supply: bio-electricity, bio-heat, bio-fuels, and solar energy. The publication shows very successful actors in the fields of **bio-heat** which are based on long traditions and strong domestic technological knowledge. New and quickly expanding market players can be found within the production of **bio-fuels** particularly pellets and bio-gas. These commodities are primarily produced for export to Western European Countries. Less success can be found in the sector of **bio-electricity**. Electricity prices in CEEC are rather low and the legislation still comprises many constraints for IPPs. Often, the political support for bio-electricity is not strong enough to overcome these barriers. Thus, bio-electricity actors are primarily found between the large energy utilities initiating projects for co-firing in conventional energy plants. The **solar energy sector** is still underdeveloped in CEEC. Only very small niche markets for solar applications exist e.g. in the field of telecommunication and leisure huts. Consequently, most successful solar energy actors are found in the field of research and in the industrial production of PV Solar systems. The economic incentives of the New EU Member States attracts economic activities from Western European companies to further develop the existing competences and resources.

The **financial sector** is often seen as the most critical “actor group” for renewable energy development in CEEC. The long and expensive project preparation, small project sizes and lack of securities and transparent market conditions reduce the attractiveness of RE investment in CEEC. The “Who is Who” shows a wide spectrum of public funding sources ranging from International Development Money down to National Environmental Funds. Also commercial credits are available in all CEEC for energy investment. Only few private investment organisations and institutes have been found with focus on renewable energy investment in CEEC.



“Who is Who” also addresses public actors in CEEC like Non Governmental Organisations (NGOs), Local and National Energy Agencies as well as independent research organisations. The analysis shows that these organisations are still not present in many CEE regions and where present they are still limited in size and strength. Western European experiences confirm the importance of the public sector for RE promotion particularly in the field of awareness raising, information exchange and project initiation. Thus, the deficits in this sector contribute to the insufficient transparency for energy market structures and the lack of objective and reliable information sources. In this respect, initiatives like the EU funded REPROMO project are highly important to close the remaining information gaps and help creating vital and transparent renewable energy markets in Central and Eastern Europe.



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