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Moldova Energy and Biomass Project Newsletter



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PROJECT NEWS



SCHOOLS AND KINDERGARTENS CONNECTED TO BIOMASS HEATING PLANTS WILL REPORT ABOUT THE PURCHASE OF BIOFUEL TO THE ENERGY EFFICIENCY AGENCY

Public institutions connected to biomass heating systems shall ensure the procurement of high quality biomass fuel for the cold season and report the information on their readiness status for the new heating season to the Energy Efficiency Agency. For the first time this clause has been stipulated by the Government Decision on Measures aimed to prepare the national economy and the social sphere for autumn-winter period 2014-2015 (No. 685 dated 20.08.2014). According to the aforementioned Government Decision, managers of public institutions shall purchase high quality biomass fuel that is suitable for the type of heating plant installed at their organization and in quantities that meet the needs for the whole heating season 2014-2015.

The clause on supplying the public institutions with biofuel has been stipulated following the increase in number of schools, kindergartens and community centres connected to biomass heating systems.

Nowadays, there are circa 200 schools, kindergartens, Mayor's halls and community centres that have biomass heating plants installed in the Republic of Moldova, of which 144 public institutions switched to biomass heating systems under Moldova Energy and Biomass Project. Hence, the Project allocated, at the expense of European funds, \$12,286 thousand for heating plants design, procurement and installation. The new heating plants are alternative to the ones based on natural gas or coal, and led to the creation of circa 400 new jobs, as well as to the launch of 100 businesses involved in the production of briquettes and pellets in the Republic of Moldova.

More information about the biomass heating projects for public institutions is available at: <u>www.biomasa.md</u>



BIOMASS ENERGY USERS HAVE NOW A VIDEO GUIDE THAT HELPS THEM BUY HIGH QUALITY BIOFUEL

<u>A Video Guide</u> that helps the users distinguish between high quality and poor quality biofuels by using tools readily-available to everybody has been developed by the EU-UNDP Moldova Energy and Biomass Project in partnership with the Energy Efficiency Agency.

The Infographics in video format is addressed to Managers of kindergartens, schools, community centres, and undertakings connected to biomass heating systems, as well as to private individuals who are going to purchase briquettes and pellets for the heating season to come. "Choosing high quality biofuels appropriate for the biomass-based boilers is a core condition for efficient operation of biomass heating plants and, ultimately, for ensuring indoor thermal comfort. This video guide will help our Beneficiaries identify high quality briquettes and pellets on the basis of affordable methods", Alexandru Ursul, Manager of Moldova Energy and Biomass Project, has mentioned.

Please note that there is no laboratory to test the quality of biofuel in the Republic of Moldova. Therefore, the Authorities are searching for solutions to establish such a lab. Concurrently, as per a Government Decision approved in December 2013, certification of solid biofuel manufactured in Moldova would be mandatory as of January 2015.

More than 140 kindergartens, schools and community centres across the country will enter the new heating season 2014-2015 having modern biomass heating systems in place installed at the expense of European funds allocated through Moldova Energy and Biomass Project. Also, 500 households have biomass boilers installed, being refunded part of the incurred costs by the Project.

The increased demand for biofuel has led to the launch of more than 100 businesses involved in briquette and pellet manufacturing, while the market for such fuel is under development. The existing equipment has a production potential of approximately 120 thousand tonnes per year, and this quantity is equivalent to circa 53 mln. 700 m³ of natural gas or 80,000 tonnes of coal.

The Infographics will be circulated to the Beneficiaries of Moldova Energy and Biomass Project, posted on websites of Project national and local partners, promoted through social networking and Mass-media. We kindly ask Mass-media entities to help the Project disseminate this video as widely as possible.

HUNDREDS OF BIOFUEL PRODUCERS AND USERS PARTICIPATED AT THE FIRST NATIONAL BIOENERGY FORUM OF THE REPUBLIC OF MOLDOVA

The first National Forum that brings together the Moldovan producers of briquettes and pellets, the users of biomass energy and the bio-energy development policymakers took place on 18 July in Chisinau with the support granted by the EU Delegation.

"The Republic of Moldova is 95% dependent on energy imports. Therefore one of key priorities of the national authorities is to reduce this dependence and increase the country energy security. Out of the available renewable energy sources bioenergy is the most sustainable option for the Republic of Moldova, and it has displayed an unbelievable start", Tudor Copaci, Deputy Minister of Economy, present at the Forum, has stated.

Thanks to the European investments allocated through Moldova Energy and Biomass Project, the demand for biomass fuel soared in less than four years, leading to the launch of more than 100 briquette and pellet-production businesses. The existing equipment has the overall production capacity of approximately 120 thousand tonnes per annum, which is equivalent to circa 53,700 m³ of natural gas or 80,000 tonnes of coal.

"Although the biomass energy market has evolved and developed significantly over the past years, there are many constraints requiring to be tackled by a broader group involving all stakeholders. The constraints refer to the reduced cost of coal imported from Ukraine, the lack of state control on priority purchase/use of biofuels by the institutions – beneficiaries of technical assistance projects, including Moldova Energy and Biomass Project and Social Investment Fund of Moldova, 20% VAT on produced biofuel relative to 8% VAT on raw materials purchased from the agricultural sector", Nicolae Zahar-



ia, Business Development Expert of Moldova Energy and Biomass Project, has mentioned.

Ala Gadarautan launched the production of briquettes in 2012 in Rascani District, and her firm employed women only. "I have launched the production of briquettes together with my spouse who is an agricultural entrepreneur. Large quantities of wheat, rape and barley straws remained after the harvest, and these straws are now transformed into biofuel. The production line is operated no-stop. This is a pretty good start for us and for the country as well. We really want to produce more and, thus, create new jobs, develop the business and cut the population dependence on natural gas or coal imports", Ala Gadarautan has asserted.

The Government has approved technical regulations for the production of solid biofuel to become binding as of 2015, and solutions for setting biofuel quality testing labs will be identified.

In 2012, a pellet-fuelled heating plant was installed at the kindergarten from Calfa Village, Anenii Noi District; the plant being an alternative to the natural gas based heating system. "I have to confess I was rather sceptical when it was about to switch from the natural gas based heating system to the one based on biomass. Now I am a promoter of heating based on locally produced biofuel. I am seeking for funds to have other public entities connected to bio-energy as well. Hence, we are not dependent any more on geopolitical decisions taken by the countries – suppliers of natural gas or coals. Moreover, we have savings, we create new jobs, and the money we pay for fuel remains in the Republic of Moldova", Ludmila Ceaglic, Mayor of Calfa Village, Anenii Noi District, has mentioned.

The First National Bioenergy Forum of the Republic of Moldova has been organised by the <u>Energy Efficiency</u> <u>Agency</u> and by the <u>EU-UNDP funded Moldova Energy</u> <u>and Biomass Project</u>. The Forum will be conducted on a yearly basis, and aims at setting a sustainable platform for discussions, identifying solutions for the sector-related issues, ensuring high quality of locally produced biofuels and promoting the use of bio-energy by the national economy sectors.

All conclusions and recommendations made by the Forum participants will be submitted to the National Authorities representatives responsible for the development of the bioenergy sector.

BUSINESS OPPORTUNITIES IN THE BIOENERGY SECTOR WERE PRESENTED TO DIASPORA

Moldova Energy and Biomass Project presented bioenergy sector business opportunities to the fellow countrymen as well as some assistance programmes granted by the Project to those people who would like to launch or foster biofuel production in the Republic of Moldova. The presentation took place at the Ministry of Economy on 28 August under the Open Doors Days for Diaspora.

The Diaspora representatives learned from the experts of Moldova Energy and Biomass Project about Project outcomes, the country biomass energy potential and its employment with the aim to mitigate the dependence on external energy resources.

It is necessary to recall that in 2012 the Energy and Biomass Project launched a Programme worth EUR 1 million for marketing, by instalments, biomass processing and biofuel production equipment. The procurement criteria were as follows: the repayment period – three years; 0% VAT, 0% interest, and 0% bank commission. So far, 30 undertakings have benefited from this Programme and purchased equipment for biomass briquetting, pelleting, chopping and baling. Some of undertaking representatives were part of Diaspora overseas who returned to the Republic of Moldova.

ENERGEL SUMMER CAMP GATHERED TOGETHER THE ADVOCATES OF CLEAN ENERGY

100 of VII-VIII-grade school children from 13 Districts and ATU Gagauz-Yeri learned how to produce renewable energy and use it efficiently at ENERGEL Summer Camp, third Edition. The Summer Camp is an initiative launched by the Energy and Biomass Project funded by the European Union and co-funded and implemented by UNDP Moldova.

At 16 July, the promoters of clean energy shared their knowledge with the EU Ambassador in the Republic of Moldova, Pirkka Tapiola; the Resident Representative of UNDP Moldova, Nicola Harrington-Buhay; the Director of the Energy Efficiency Agency, Mihai Stratan and their children, who are visiting today ENERGEL Summer Camp.

"It is an enormous pleasure for me and my children to be here and see the enthusiasm of children in promoting renewable energy, modern technologies and energy se-





curity. Very soon the graduates of the ENERGEL Summer Camp, came from across the country, will be adults and will have to take ownership for the development of their own country. Sustainable Energy leads to sustainable society. I am confident that the eco-energy champions I met today will be effective leaders of such a society while holding others accountable", stated Ambassador Pirkka Tapiola, Head of the European Union Delegation in the Republic of Moldova.

ENERGEL Summer Camp unrolled its third edition during 8-18 of July in Raculesti Village, Criuleni District, while the first edition took place in summer 2012. Traditionally, the Summer Camp gathers together children from those rural communities where the Project installs biomass heating plants at the expense of European funds. This Edition facilitated the meeting of children from the Villages where clean technologies have been brought during the period of 2013 – 2014.

During the 2013-2014 school year circa 1,500 pupils from 21 schools studied the Course on Renewables and Energy Efficiency.

"Young people have always been the link to change. School students from Energel Summer Camp are important promoters of renewable energy. They know the benefits of solar, wind, hydro or biomass energy, promoting them in their own family, community, country. I am confident that apart from making new friends, at the end of the summer camp, children will have new knowledge, skills, principles, which will help them successfully attain their mission as clean energy advocates", Nicola Harrington-Buhay, UNDP Resident Representative in Moldova, said.

"Together with our Colleagues from the EU Delegation in Moldova, the UN Development Programme and the Energy and Biomass Project, we initiate large-scale changes for the Republic of Moldova; however, these changes are not possible to implement without the direct involvement of children because, namely, the children are our future. I do not exaggerate when I assert that; only together, i.e. the adults and the children, we can ensure a better future for our country", Mihai Stratan, the Director of Energy Efficiency Agency, has mentioned.

The Educational Initiative on renewables and energy efficiency is conducted in partnership with the Continuing Education Institute and with the Republican Centre for Children and Youth "Gutta-Club", and initially covered just those communities that decided to have their schools and kindergartens connected to biomass heating systems within the EU-UNDP funded Moldova Energy and Biomass Project. Beginning with 2013, the Course on Renewables and Energy Efficiency has been included in the list of optional school subjects by the decision approved by the Ministry of Education, and is available in all schools of the country.



SCHOOL CHILDREN HAVE GOT A NEW TEXTBOOK TO LEARN ABOUT RENEWABLE ENERGY SOURCES

School children can learn about renewable energy sources from a new textbook. The teaching support is part of the Educational Initiative launched by the Energy and Biomass Project in partnership with the Energy Efficiency Agency with the aim to promote renewables.

The textbook presents in an easy way the information on all renewables and on energy efficiency measures, as well as the data on renewable energy potential for the Republic of Moldova and energy saving solutions readily available to all.

The textbook will be used by those school children who select the course on Renewables as an optional subject. Also, this textbook could be useful for teaching such subjects as Environmental Education, Mankind and the Environment, Education for Community Development, being helpful for Environmental and Young Naturalist Coteries.

It is worth to recall that the course on Renewables has been included in the list of optional subjects in 2013 through a written Order issued by the Ministry of Education. Previously, the course on Renewables and Energy Efficiency was taught only in those communities that connected their schools and kindergartens to biomass heating systems under the EU-UNDP funded Energy and Biomass Project.

Since the launch of the Energy and Biomass Project (2011) and up until now (2014) this course has been taught in 352 schools across all country districts, involving circa 19,000 children.

SURSE DE ENERGIE REGENERABILE



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