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Moldova Energy and Biomass Project **Newsletter**

Moldova Energy and Biomass Project

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May the splendor and magic of the Winter Holidays bring You lots of health, warmth, happiness and fulfillment of all your dreams!

Happy New Year!

Sincerely, Moldova Energy and Biomass Project Team

PROJECT NEWS



Moldova Eco Energetica Has Chosen its 2012 Edition Winners

Moldova Eco-Energetica – the largest contest for awarding the successful initiatives in the Moldovan Sector of Renewables and Energy Efficiency – has chosen its Winners at the “Gala Moldova Eco-Energetica” Award Ceremony which took place on 7 December.

„The use of renewable energy sources and increasing the efficiency of energy use are a priority for the Republic of Moldova. This reform aims to enhance the energy security of the country, diminish the dependency on imports, create new jobs and not at last, protect the environment. I salute the initiative of launching a competition that acknowledges the most notable accomplishments in the area of renewable energy use and energy efficiency. I am confident that the success stories promoted today will encourage others to follow the example”, declared Vlad Filat, Prime-Minister of the Republic of Moldova, during Moldova Eco-Energetica Awards Ceremony.

More than 300 Invitees, Top Official Representatives of the Republic of Moldova, Ministers, Ambassadors, Representatives of international organisations, private sector, Academia and Civil Society have participated to the Ceremony.

„I am enjoying the fact that Moldova Eco Energetica First Awarding Edition takes place in 2012 – the year de-

clared by the UN General Assembly as the International Year of Sustainable Energy for All – an Initiative supported by 60 Governments, the Moldovan Government inclusive”, Cihan Sultanoglu, Deputy Administrator and Director of the UNDP Regional Bureau for Europe and CIS has pointed out. *„We all pursued the goal to provide access to modern energy services to the people, to significantly reduce the energy intensity and to double the use of renewable energy sources world-wide”.*

11 Prize-Winners – individual, enterprises, public institutions, NGOs – have been declared as Champions of the Eco-Energy Sector of the Republic of Moldova. During 01 July-20 September, 2012 when the Contest was unfolded, more than 65 files were submitted, which were reviewed by groups of experts in two stages: file review and field visit.

„Last year we named Moldova Eco-Energetica as a call to action, in the sense of energy efficiency; now I am glad to see the amplexity this Contest has got. The submitted files are backed by a whole industry we managed to launch in the course of this year”, Valeriu Lazar, Deputy Prime-Minister, Minister of Economy, has mentioned.

„The success of any completed reform shall be measured not just by the Authorities; every Member of the Society should be involved. When ordinary citizens, private sector and civil society launch initiatives unfolded hand-in-hand with the Government endeavours to reform the Energy Sector, we can speak about true

reforms. The Success Stories awarded today may serve as such evidence”,

Dirk Schuebel, Head of EU Delegation in the Republic of Moldova has stated.

Moldova Eco Energetica is organised by the Ministry of Economy and Agency for Energy Efficiency upon the initiative of Moldova Energy and Biomass Project, financed by the European Union and co-financed and implemented by UNDP Moldova.

The Contest Moldova Eco Energetica - 2013 will be launched in the first half of the next year. More information on Moldova Eco-Energetica is available at: www.aee.md



MOLDOVA ECO-ENERGETICA WINNERS



The Best Solar Energy Project: Ecowatt Impex SRL, Chisinau

One can spot fruits and vegetables on the Agricultural Market in Calea Basarabiei Street as well as BIO power. More exactly, the sellers here use the power generated by the largest photovoltaic park (100 kW) of the Republic of Moldova. The panels installed by „Ecowatt Impex” SRL Company Management convert the sunlight directly into power.



The Best Wind Energy Project: Technical University of Moldova, Chisinau

The first wind turbines „Made in Moldova” were manufactured by the teachers and students of Technical University of Moldova (UTM). One can go and judge by himself that these generators are efficient by visiting the UTM Park in Rascani Sector of the Capital. The UTM Leadership believe that the wind turbines, known among the people as „windmills”, could be a solution to lead the country villages out of the darkness. With an investment worth 20 thousand EURO a community may forget about the street lighting costs for at least 20 years.



The Best Geothermal Energy Project: Sergiu Cocarla

For Sergiu Cocarla the news about the price increase on natural gas and coal is not a source of concern anymore: he heats his household in cold season and cools it in summer time by using the geothermal energy. The first geothermal system operated along with solar panels was installed in the yard of Sergiu Cocarla back in 2006. The savings of tens of thousands MDL speak for themselves about the benefits of this system.



The Best Biogas Project: Vasile Moraru

To make his dreams come true and transform the agricultural waste into power, Vasile Moraru from Colonita Village has invested his life-time savings in this Project. Today he is proud to say that he has exceeded his own expectations: he is the first Businessman who managed to sell BIO power to the State and also he is the first to get Green Tariffs from ANRE. Since 2004, when he risked to produce biogas, Vasile Moraru has created many jobs. The Farmer's plant processes up to 40 tonnes of biomass a day, generating heat, power and organic fertilisers as outputs.



The Best Biomass Project: Agrobiobrichet SRL

Last year Manager of Company „AgroBioBrichet” SRL, Oleg Donoaga resigned from his civil servant position and launched renewable energy projects. Namely, he focused on the production of briquettes out of agricultural waste, and now he uses the energy, which, metaphorically speaking, we all walk over. In the course of one year, Company „AgroBioBrichet” SRL can produce 4,000 tonnes of biomass briquettes – an amount sufficient to heat 30 rural community schools and kindergartens during the cold period.



The Best Energy Efficiency Project in the Public Sector: Public Hospital from Orhei

Any sign of suspicion and mistrust towards the energy efficiency benefits will be swept off by the savings in the amount of hundreds of thousands. In order to ensure the most efficient option for the use of heat and power, the Institution Management has undertaken several simple steps, i.e. has the roof of maternity hospital changed, has solar collectors installed as well as an intelligent system to monitor the energy consumption. Today, the hospital from Orhei is considered to be a model of energy efficiency, which concurrently renders services to three neighbouring districts: Soldanesti, Rezina and Telenesti.



The Best Energy Efficiency Project in the Private Sector: Laiola SRL

The use of renewable energy could be both efficient and intelligent. This statement has been proved by Company „Laiola” SRL after it has equipped Commercial Centre „Poșta Veche” with solar panels and “employed” the gas emissions. Thanks to the air-air, air-water heat exchangers and solar collectors, the Commercial Centre uses the same volume of natural gas even after having extended its spaces with 1000 m2. The Company premises include a bakery, a pharmacy, a restaurant and a supermarket.



The Best Educational Initiative: Technical University of Moldova

For almost one decade the teachers of Technical University of Moldova have trained professionals in the area of renewables and energy efficiency – capable to meet the European criteria/standards. The UTM Lectures assure us that the National Energy Efficiency and Renewable Energy Programmes may come true with the UTM students’ support.



The Best Communication Initiative: Ion Muntean

Thanks to the blog designed by young Ion Muntean, the „Google” search engine and not only, offers analytical information about the energy efficiency projects in the Republic of Moldova world-wide. Since 2009 www.ionmuntean.com is the „bedside” blog for a large part of students studying at the Technical University who get inspired for their essay papers and annual theses from the posted studies on renewable energy.



The Best Youth Initiative: Gutta Club

The members of the Republican Centre for Children and Youth „Gutta-Club” prefer to use their energy to promote... renewable energy. Today, they affirm, it is in vogue to recharge your laptop or cell phone battery through devices operated by solar or wind energy. The Centre Team travelled across Moldova bearing the slogan „Yes to ECO energy” and encouraging people to use the energy efficiently.



Special Award of Moldova Eco-Energetica, 2012 edition: Nufarul SA

Management of „Nufărul” Dry Cleaners decided to take care not just of delicate clothing but also of environment; thus, early this year it started using the energy more efficiently. The Company Managers persisted in modernizing the water supply and sanitation pipeline, equipping the premises with energy efficient ventilation systems; as for heating, it is already on its own account. Moreover, the crisis did not scare the Company Leadership; on the contrary, it encouraged it to take a loan through the EBRD BAS Programme. „One could save tens of thousands of EURO when he takes the chance” – this could be the Slogan of JSC „Nufărul”.



Valeriu Lazar: The 2012 Event is the successful launch of energy efficiency and the use of renewable energy resources industry

“The Ministry of Economy succeeded in launching energy efficiency and started to use renewable energy resources in 2012. We have developed and implemented the relevant policy and legislation, we have created facilities and have already had success stories in this industry”, Valeriu Lazar, Deputy Prime

Minister, Minister of Economy has mentioned at the meeting of Moldova Energy and Biomass Project Board which took place on 20 December.

“The EU and UNDP Moldova financed Project triggered these really successful processes both in Moldova and in the region”, the Minister of Economy appreciated. He pointed out that the authorities shall keep track on the market signals and promote a flexible approach aimed at encouraging the market development and avoid providing any state aids, which may distort the market. “Concurrently, these processes have not become irreversible yet; therefore it is important to ensure their sustainability in the medium- and long-run”, Valeriu Lazar stated.

During the meeting, the Project Experts reported that as many as 104 biomass-based heating systems (with the total capacity of 26 MW) have been installed or are being installed, having created 226 new jobs. Building performance has been assessed in 69 settlements, and 65 briquette production businesses have been launched during the reporting period.

At the same time, a leasing mechanism was launched for the briquetting equipment; so far, four sets of equipment have been purchased for solid biomass packing and handling. Likewise, the production of domestic biomass-fired boilers has been supported, as well as the industrial cogeneration from biomass, and a study to assess the biomass potential of the Republic of Moldova has been conducted.

Thanks to the Project support, the development of technical regulations for biomass products is in place, and manuals and guidelines for teachers have been developed and distributed to more than 220 schools across the country.



Energy Efficiency Agency and EU-UNDP Project „Moldova Energy and Biomass” launched a communication web platform dedicated to biomass energy

The Energy Efficiency Agency, in partnership with Moldova Energy and Biomass Project, launched a communication web platform dedicated to biomass energy, one of the most accessible information source about renewable energy in the Republic of Moldova.

„www.biomasa.aee.md is the place where one can find all the information about biomass energy: figures and facts about the potential of biomass energy in the Republic of Moldova, news from the sector, studies, communication materials, and success stories”, said Mihai Stratan, Director of Energy Efficiency Agency. The web page was developed with the support of the EU-UNDP Project „Moldova Energy and Biomass”.

For now, the web page, part of the Energy Efficiency Agency’s web page, contains complex information about Energy and Biomass Project, the biggest project in the field of biomass energy in the Republic of Moldova. *„When we launched the project, we were aware of the fact that there is an information gap in the field of renewable energy in the Republic of Moldova, which was proven by daily requests for information and expertise from people. Together with*

the Energy Efficiency Agency, we decided to reduce this gap by creating a web page, which will serve as an information epicenter dedicated to biomass also after the end of our project”, said Alexandru Ursul, Moldova Energy and Biomass Project Manager.

The web page contains complex information about the activity and the mandate of Moldova Energy and Biomass Project, including news, studies and researches developed in the framework of the project, video and print communication materials, photo galleries, etc. It also contains an interactive map that presents detailed information about the investments made by Energy and Biomass Project in the installation of heating systems based on biomass in public institutions in rural areas of the Republic of Moldova: beneficiary institution, amount of investment made by the project, community’s contribution, boiler’s type, efficiency and country of origin, type of fuel, and the number of beneficiaries of the alternative heating system.

The information on the web page is available in Romanian and English languages.



Biomass heating season launched in 60 institutions in Moldova

60 schools, kindergartens and community centres from the Republic of Moldova are heated with alternative energy from biomass. Rural public institutions have modern biomass heating systems thanks to the investments made by Energy and Biomass Project, funded by the European Union, and co-funded and implemented by UNDP.

The kindergarten in Crasnoarmeiscoe village, Hincesti, is one of the 60 institutions that switched to biomass energy. The launch event of the new heating system was organized on 30 October. *“I am pleased to see modern heating technologies, which, besides an obvious economic impact, bring also multiple social benefits. The money for the purchase of fuel necessary for this kindergarten and other tens of institutions that installed alternative heating systems will not go abroad, but will stay in the country. Thus, we also create new jobs and develop new businesses in Moldova”*, Deputy Prime Minister Valeriu Lazar, Minister of Economy, said during the event.

The kindergarten from Crasnoarmeiscoe has an area of over 900 square metres and it has been heated until now with stoves, using wood and coal. Due to its inefficient heating system and high prices for coal and wood, more than 70 children and 20 kindergarten staff were spending the winter seasons in barely heated room. As a result of the installation of the heating system on pellets, the heating costs will be reduced by half. In addition, new jobs have been created. *“In the neighbouring village, Ivanovca a pellet production line has been launched which will supply pellets to the kindergarten. Due to this business, 6 jobs have been created. At the same time, in Crasnoarmeiscoe village 3 new jobs have also been created: 3 operators who will be in charge of the heating system of the institution”*, Sergiu Sova, Mayor of the village, said.

The total investment of the community and Energy and Biomass Project for the installation of the new heating system amounted for about \$US 129,000. “The new heating system brings visible benefits to everyone: more economic opportunities to the community, better conditions in schools and kindergartens, and new jobs,” Nicola Harrington-Buhay, UNDP Resident Representative, UN Resident Coordinator in Moldova, said. “Without the leadership of the Government of Moldova and the commitment of the local public authorities, success stories like this one would not be possible”. Hincesti district is one of the first 8 regions, where Moldova Energy and Biomass Project launched its activities in 2011. Thanks to the project, alternative heating systems on biomass have been installed in 7 communities from Hincesti district (Crasnoarmeiscoe, Carpineni, Dancu, Dragusenii Noi, Loganesti, Boghicieni, Cotul Morii). In total, 5 schools, 2 kindergartens and 1 health care centre from Hincesti district will be heated during the heating season 2012-2013. The total investment of Energy and Biomass Project in Hincesti district amount for 499,342.00 USD, with the communities’ contribution representing 2,568,053 MDL (207,772 USD).

By 2014, Moldova Energy and Biomass Project will cover all districts from the Republic of Moldova. In total, at least 130 schools, kindergartens, other public institutions shall install alternative heating systems on biomass with funds from the European Union.

One million Euro are provided by the European Union for the purchase of biomass fuel production equipment through the leasing mechanism

The Deputy Prime Minister Valeriu Lazar, Minister of Economy, jointly with the Deputy Resident Representative of UNDP in Moldova, Narine Sahakyan, have signed on 25 October the document aimed at launching a new Programme, totalling EUR1 million, provided for lease purchase, by instalment, of biomass fuel production equipment. The money is provided by the European Union, through the Energy and Biomass Project, financed by the EU and co-financed and implemented by UNDP Moldova.

The Programme aims at fostering the biofuel production market in the Republic of Moldova, and is intended to facilitate the procurement of a wide range of biomass briquetting equipment by private sector entities. The equipment will be sold under favourable conditions for a three-year period, with no commission, no interest and 0% VAT. It is expected that 200-250 new jobs will be created by the leasing mechanism.



„Through this Programme we pursue the goal to set incentives aimed at encouraging and developing the biofuel production market in the Republic of Moldova, having launched a whole industry in this area, which would use the agricultural wastes in an efficient manner. From the other hand, we shall take care to ensure the demand for such products from the public sector side by having biomass boilers installed in schools, hospitals and other public institutions in each District”, Valeriu Lazar has stated at a briefing held after having signed the Programme documents.

The three-year leasing period is of great importance. Thus, the first down-payment, worth 20 % of the equipment cost, shall be settled within five working days following the conclusion of the Agreement of Intent to purchase the industrial equipment. The second instalment, worth 20 % of the equipment cost, shall be settled during the first contract year, i.e. within 360 days following the conclusion of the Leasing Contract. The third and the fourth instalments, totalling 30% each, shall be settled by the end of the second and, respectively, the third year following the conclusion of the Leasing Contract.

“The launch of this Programme serves as an example of comprehensive approach applied by the Energy and Biomass Project, which along with the installation of modern biomass heating systems within public institutions, intends to involve the private sector to develop the production of biofuels, so that the latter are readily available for all users. I am sure that the launch of this Programme will have a great impact on the development of rural communities, having brought new opportunities for both men and women, such as new jobs, cleaner environment, savings to be invested in community development”, Narine Sahakyan, Deputy Resident Representative of UNDP in Moldova, has pointed out.

Any private entity working in the rural area and capable to manage and operate biomass briquetting equipment may become a Programme recipient. Applications to participate to this Programme shall target the maximum value of 750,000 MDL, comprising the cost of equipment, its shipping and handling, insurance, inspection and other equipment purchase related expenses. It is envisaged to purchase new low-energy equipment with improved performance only. No technical units and agricultural machinery such as combines, tractors, seeders, transportation means, including the specialised ones, shall be accepted for procurement.

The potential recipient shall be registered pursuant to the requirements of the legislation in force, six months at latest prior to lodging the application to participate to this Programme, having no outstanding liabilities towards financial and banking and/or non-banking institutions or fiscal liabilities towards the budget. Should the entity have any fiscal liability, it shall settle it voluntarily within 30 days following the date of lodging the application to participate to the Programme. Another requirement in this regard states that the potential recipient shall not be under any of the following statuses: insolvency, bankruptcy, reorganisation or legal proceedings, while its business shall be located on the territory of the Republic of Moldova.

The suppliers of briquetting equipment may be national or international private companies working in the area of manufacturing and marketing of such equipment. Priority shall be given to undertakings, which have implemented the quality management system (ISO 9001:9002).

It is worthy to mention that the Leasing Programme will be financed by the EU through the Energy and Biomass Project.

More information can be found on www.biomasa.aee.md



Civil servants will study renewables and energy efficiency

Civil servants will study a specialized course about renewable energy and energy efficiency at the Academy of Public Administration.

Starting with 2013, local public authorities will increase their knowledge on the use of renewable energy sources and increase of energy efficiency in rural communities. The course will be part of the annual training program conducted at the Academy of Public Administration.

On the 17th and 18th of December, a group of mayors participated in the pilot training course on renewable energy and energy efficiency, which will be conducted widely beginning with 2013. The course is an initiative of the Energy and Biomass Project and the Energy Efficiency Agency. *„This is the first time when the Academy of Public Administration approaches this subject, which is a priority for the Republic of Moldova. I wish that this course, besides the knowledge in alternative energy and energy efficiency, motivates mayors to use renewable energy in their communities. As such, we will have communities that are energy efficient and free from fossil energy sources”* Vasile Marina, the rector of the Academy of Public Administration, said. *„We have already made a step toward using alternative energy. We installed a modern heating system based on briquettes in the community school and kindergarten. I am interested to learn about other ways of using alternative energy, and for this reason I will attend this course with great interest”* Ecaterina Sereper, mayor of Tomaiul Nou village, who participated in the pilot course this year, says.

The pilot course was prepared and presented by a common group of experts from the Institute for Development and Social Initiatives (IDIS) “Viitorul” and the Academy of Public Administration.

Energy and Biomass Project is financed by the European Union and co-financed and implemented by UNDP Moldova.

Biofuel producers learn from Dutch experience

Over 50 briquettes and pellets producers, representatives of local public authorities from all the regions of the Republic of Moldova learned the Dutch experience of producing and using biomass energy.

Jan Anton Zeevalkink, international expert from the Netherlands, presented to the local producers the European experience of transforming wastes into bio fuel. The international expert organized two training seminars on the 13th and 14th of December in Cimisia and Balti, at the invitation of the EU-UNDP Project „Energy and Biomass”.

„The Republic of Moldova has big potential for the production of energy from biomass. I am glad that the new fuel from biomass is so demanded and the demand for briquettes and pellets exceeds the supply. It is a clear sign, which will contribute to the launch of new businesses and the development of the existing ones in the sector”, Jan Anton Zeevalkink said.

We would like to remind that in the last year the number of briquettes and pellets producers in the Republic of Moldova increased 4 times, exceeding the number of 50.



„It is a new sector for the Republic of Moldova. When we launched the production of briquettes and pellets, we had no one to learn from the technology of transforming biomass into fuel. Some things we learned by doing. For this reason, the experience of countries advanced in the production of fuel from biomass is very useful for us”, Alexandru Ciudin, briquettes and pellets producer from the central region, said.

The Energy and Biomass Project organized several training sessions for agricultural entrepreneurs, producers and potential producers of briquettes and pellets. This is the first workshop with the participation of an international expert in the field.

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