

**REPUBLIC OF BULGARIA
MINISTRY OF ECONOMY AND ENERGY**



**Renewable energy sources policy
in Bulgaria**

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*Seminar on "Financing Energy Efficiency and Renewable Energy
Investments with the European Clean Energy Fund"*

21 February 2008, Geneva, Switzerland

RES POLICY

- ❖ RES target according to 2001/77/EC Directive:

11 % share of the RES electricity in the gross final energy consumption for 2010.

- ❖ Biofuels target according to 2003/30/EC Directive:

5,75 % share of the biofuels in the fuel consumption in transport sector for 2010.

- ❖ New RES targets according to the "Energy and Climate change" Package:

16 % share of the RES energy in the gross final energy consumption for 2020;

10 % share of the biofuels in the fuel consumption in transport sector for 2020.



NEW LAW

**Directive
2001/77/EC**

**Directive
2003/30/EC**

**Law on renewable and
alternative energy sources and
biofuels**



MAIN GOALS

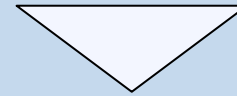
- Support of the development and utilization of technologies for production and consumption of RES and AES energy and consumption of biofuels;
- Reduction of the expenses for energy resources import;
- Increase of the capacity of the small and medium enterprises, RES and AES energy producers and biofuels producers;
- Diversification of energy supply;
- Creation of conditions for achievement of sustainable development on local and regional level;
- Environmental protection.



SUPPORT MECHANISMS

RES electricity production

Twelve year period for obligatory purchase of the RES electricity on feed-in tariffs set by State Energy and Water Regulatory Commission



More secure and accurate forecast of the cash flows by years and better return rate forecast



Obligatory connection to the electricity grid



FEED-IN-TARIFFS

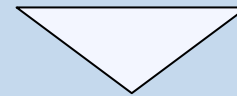


Feed-in-tariffs for HPP		40 €/MWh
Feed-in-tariffs for biomass		
	wood residues	108 €/MWh
	agricultural residues	81 €/MWh
	energy crops	92 €/MWh
Feed-in-tariffs for wind power generators		
Already in exploitation		60 €/MWh
New installations:		
	with effective working hours less than 2 250 h.	90 €/MWh
	with effective working hours more than 2 250 h.	78 €/MWh
Feed-in-tariffs for PV		
	with installed capacity less than 5 kW	391 €/MWh
	with installed capacity more than 5 kW	359 €/MWh

SUPPORT MECHANISMS

RES heat or cooling energy production

Replacement of conventional fuels with RES in heat energy production



Complex utilization of the RES



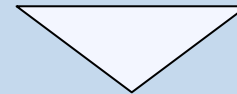
Guarantees of origin not only for the electricity produced by RES but for the heat and cooling energy also



SUPPORT MECHANISMS

Biofuels production and consumption

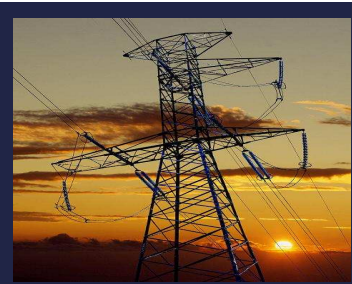
National indicative targets for support of biofuels consumption in transport sector



Obligatory blending for the distribution companies

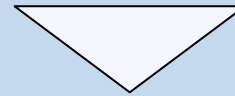


“Zero” excise tax for the pure biofuels and introduction of proportional excise tax exemption for the blends from 2008

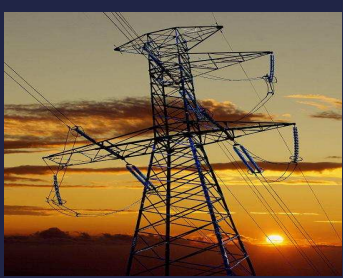


NATIONAL PROGRAM

NATIONAL LONG-TERM PROGRAM ON THE SUPPORT OF BIOFUELS CONSUMPTION IN THE TRANSPORT SECTOR 2008-2020



- ✿ Analysis of the potential of energy crops growth and biofuels production;
- ✿ Setting of national indicative targets for biofuels consumption in transport sector;
- ✿ Creation of preconditions for support of the biofuels consumption in transport sector;
- ✿ Monitoring and reporting in front of the Council of ministers and European Commission for the biofuels support policy implementation.



NATIONAL BIOFUELS TARGETS



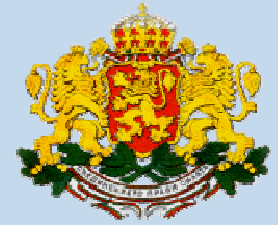
Thousand tones	2005	2008	2009	2010	2015	2020
Mineral fuels	1 952	2 193	2 265	2 317	2 732	3 146
Gasoline	572	485	456	426	417	370
Diesel	1 380	1 708	1 809	1 891	2 315	2 776
Biofuels	0	44	79	133	218	315
Bioethanol	0	10	16	24	33	37
Biodiesel	0	34	63	109	185	278
Total fuels	1 952	2 237	2 344	2 450	2 950	3 461
National target, %	0,00	2,00	3,50	5,75	8,00	10,00

CONCLUSION

- ❖ Reduction of the fuel import dependence;
- ❖ Diversification of the energy supply;
- ❖ Sustainable development of the agriculture and forestry;
- ❖ New job opportunities;
- ❖ Climate change mitigation;
- ❖ Increase of the competitiveness of the local enterprises;
- ❖ Reduction of the harmful impact over the environment;
- ❖ Implementation of the New energy policy of the European Union.



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Thank you for your attention!

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