

**DIALOGUE PROCESS WITH LOCAL, REGIONAL AND
NATIONAL AUTHORITIES AND POLITICIANS
IN THE BIOVILL TARGET COUNTRIES
CROATIA, MACEDONIA, ROMANIA, SERBIA AND SLOVENIA**



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Further information about the BioVill project on: www.biovill.eu



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Abbreviations and acronyms

CHP	Combined Heat and Power
DH	District Heating
DKTI	German climate technology initiative
d.o.o	Limited liability company
e.g.	for example
EUR	Euro
GmbH	Limited liability company
Ltd.	Limited liability company
Mio.	Million
MW	Megawatt
NGO	Non-governmental organisation
SEE	South-Eastern Europe
SME	Small and medium enterprises
T	Task (within the BioVill project)

Executive Summary

This task is part of the BioVill project work package 3- Participation of citizens, local stakeholders and politicians. The main goal of the work package is to involve relevant stakeholders of the target villages, e.g. citizens, farmers and foresters, policy makers, local, regional and national authorities, utilities and private companies, as much as possible in the project activities, in order to increase and ensure public acceptance of the set-up of sustainable bioenergy value chains. Within the task, the partners provided continuous information about the project implementation and ensured knowledge exchange with the responsible representatives of municipalities, counties, energy agencies, ministries, heating and cooling utilities etc.

Further, an important part of the BioVill project activities focused on developing a permanent dialogue between the responsible national, regional and local authorities. This should support the establishment of specific national support programmes for the uses of bioenergy for local energy production in countries where such measure does not yet exist. It should improve the coherence between the existing national plans and strategies and the realities in the local communities. In Romania, for instance, two parliamentarians were involved in the project activities. They are now promoting the bioenergy village approach in the Romanian Parliament and lobbying for financial support programmes. Nevertheless, even in countries without specific national support programmes, municipal or local governments have legislative and purchasing power which they can use to initiate and implement changes, e.g. for the transition towards sustainable energy, in their municipalities and wider communities. Therefore, local governments can become agents for change in their region or country, demonstrating the effectiveness of policies and local action, raising awareness as well as initiating and facilitating community and business actions. And usually, when early leaders among local governments take initiative, it increases the pressure for change. Others will follow, replicate the good practice and successful examples and improve upon the early efforts.

From the beginning of the project, representatives of local, regional and national authorities as well as politicians were closely involved in the project activities, e.g. in the selection process for the target villages and by signing a Memorandum of Understanding (T2.6), by contributing to the local bioenergy working groups and to information days in the target villages (T3.4) and by participating at study tours and trainings (T2.3/T5.2/T5.3). Furthermore, the BioVill project objectives and the potentials of the bioenergy village approach were presented to local, regional and national politicians and decision makers, e.g. during official meetings in the municipalities/villages and public events, like the Tourism Day in Dole pri Litiji/Slovenia, the 7th International Wood Energy Conference in Zagreb/Croatia and the Energy Fair in Belgrade/Serbia. During these meetings and events, also strengths and weaknesses as well as potentials and challenges for the improvement of existing and the elaboration of new national and local strategies and policies to support the use of sustainable energies and biomass-based heating systems were discussed. Further discussion topics focussed on identified barriers to implement renewable energy and district heating systems in the target villages and on financial support schemes and promotion measures for biomass-based individual and district heating projects. In addition, the BioVill project partners are using their regular meetings and networks (e.g. SKGO committees, SDEWES conferences, etc.) as opportunities to present the bioenergy village approach as well as the current state of the bioenergy projects in the target villages to the present authorities, politicians and decision makers.

All stakeholders contacted so far agreed, that the activities of the BioVill project can be seen as a good example for an appropriate planning and promotion of sustainable energy and heating systems on local level. Especially the involved national authorities recognized, that the implementation of a local bioenergy concept, like the bioenergy village approach, is a challenging and ambitious project, but very useful to create best practice examples for the implementation of the national plans and strategies for the use of renewable energy sources and energy efficiency. They proposed that the local authorities shall continue with such activities even after the termination of the BioVill project. The key stakeholders shared enthusiasm for the project implementation in all target countries and promised support for all activities to be further implemented in the target villages. This can be seen as a result of the very good communication, which was maintained throughout the BioVill project so far.

Nevertheless, the dialogue process with the local, regional and national authorities will continue also after the submission of the deliverable, e.g. to present and discuss the individual bioenergy concepts for the target villages (T6.1) and to acquire the letters of commitment from the key stakeholders (T6.2). Additional results will be reported in the final technical report at the end of the project.

1 Introduction

1.1 The BioVill project

BioVill is a three years project supported by the European Union's Horizon 2020 research and innovation programme with a budget of around EUR 1.99 Mio. The project started in March 2016 and is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH in collaboration with 8 partners from the BioVill target partner countries Croatia, Macedonia, Romania, Serbia and Slovenia, as well as from Germany and Austria.

Many South East European countries have high biomass potentials, but they are often not or only inefficiently used for local energy supply and regional economic development. Thus, the overall objective of the BioVill project is to support the development of regional bioenergy concepts and the establishment of bioenergy villages in Croatia, Macedonia, Romania, Serbia and Slovenia. This will be achieved by identifying suitable biomass value chains according to local and regional needs and transferring existing experiences in Austria, Germany and other European countries to the South-Eastern European partners. Thereby the market uptake of domestic bioenergy supply chains will be increased and the role of locally produced biomass as a main source of energy supply and added value for the local and regional economy will be strengthened.

Core activities of the BioVill project include national and local framework analyses, technological and economic assessments of local bioenergy value chains, development of the institutional set-up and energy management concepts for the potential Bioenergy villages as well as capacity building on financing schemes and business models. As a key factor of success, the BioVill project uses a multi stakeholder approach fostering the involvement and active participation of the citizens and all relevant stakeholders in the planning and implementation process.

Major results of the BioVill project will be the initiation of at least five bioenergy villages in the target partner countries up to the investment stage for physical infrastructure, the raise of public acceptance and awareness of a sustainable bioenergy production and its commercial opportunities as well as increased capacities of users and key actors in business and legislation to sustainably manage bioenergy villages and to enact national and EU legislation. Altogether, the BioVill project will contribute to the expansion and sustainability of the bioenergy markets in Europe and the European Union.

1.2 Scope of the task/deliverable

Particularly in South-Eastern European countries, the planning and implementation of innovative approaches, like the bioenergy village is, very much depend on the support and the decisions of the responsible authorities and politicians. Therefore, representatives of local, regional and national authorities, as well as relevant politicians have been involved in the project activities in the target villages from the very beginning. They have been invited to information campaigns, to info events for the citizens as well as to support the local bioenergy working groups. Further, the project and the bioenergy village approach have been presented at various on the meetings of the municipality and/or the village councils, as well as at other political events.

The report presents the activities undertaken so far in the BioVill project in the five BioVill target countries Croatia, Macedonia, Romania, Serbia and Slovenia. It focuses on the involved authorities, their attitudes and major concerns towards the development of local bioenergy markets. It also provides lessons learnt to create a constructive dialogue between local/regional and national authorities for further development processes.

2. Dialogue process with local, regional and national authorities and politicians in Croatia

Representatives of local authorities in Croatia, especially the mayor of Perušić and the mayor of Lekenik, were closely involved from the beginning of the BioVill project, e.g. by signing a Memorandum of Understanding (T2.6). The signatures show the commitment and the willingness of the local authorities to contribute to the BioVill project and to its activities foreseen in the next years, e.g. assessments and surveys, information events, training courses, and working group meetings to formulate strategic bioenergy goals. They were invited to relevant project activities and events, so that they can closely follow all actions implemented in the target villages in order to gain experience and knowledge and to be able to replicate the results which will help them to set up a bioenergy village in the future. Besides the mayors of the target villages, the participants on the meetings (events) were representatives from Ministry of Agriculture, County Prefects, public administration, academia, national and European associations, public and private companies.

Several meetings with the local authorities have been organised by REGEA on various occasions. It also has to be stressed out that the representatives of the target villages in Croatia have been continuously informed about the progress of the project from its beginning, by participating on various BioVill dissemination activities. Furthermore, the e-mail communication was maintained on a regular basis, both with the mayors of the municipalities of Perušić and Lekenik and with other representatives of different departments in the village.

On 7th and 8th June 2017, REGEA was hosting a two training courses, one on business models for bioenergy villages and one on financing of bioenergy projects, in the Bračak Energy Centre. The trainings were supported and guided by the BioVill partner KEA. The training courses brought together 80 participants from different sectors: regional and local government, local/regional energy agencies, local and regional public utility companies, representatives from the private sector – forest owners, producers of pellets and of equipment for heating plants and potential investors in biomass exploitation. **Training on business models was attended by representatives of the Faculty of Mechanical Engineering and Naval Architecture, University of Zagreb and representatives of Hrvatske Šume (Croatian Forestry Ltd.)**

Croatian BioVill advisory board member Mr. Zlatko Benković from Ministry of Agriculture participated on the training course on bioenergy projects for the financial sector in a round table discussion on the subject of “How to ensure a stable investment climate for sustainable bioenergy projects in Croatia”, with Environmental Protection and Energy Efficiency Fund and the Croatian banks. The discussions focused on the opportunities, as well as the obstacles in financing bioenergy projects in Croatia. During the moderated discussion, the participants discussed possible solutions for financing district heating projects in Croatia. Participants spoke about funding of the district heating systems in the municipalities of Lekenik and Perušić. Since bank loans are linked with high interest rates and the financial budgets of municipalities in Croatia are limited they are not the most favourable option. A representative of the Ministry outlined that the necessary national support for using renewable energy sources should be created from a bottom up approach, which means local level defines the details and national level defines an overall framework program, which will boost bioenergy sector in Croatia. The representative from the Ministry also pointed that this program should define support measures for safe and reliable supply of heat, thermal systems for the use of heat energy for heating and cooling.

The training about business model pointed the panel “Be inspired! - Project Lab - How to utilize the best biomass in the region?”, which had the goal of identifying barriers and solutions for a better biomass utilisation by encouraging regional heating projects throughout the whole of Croatia. The representative of Croatian Forest Ltd., emphasised at the panel, how its company ensures a safe and reliable biomass supply, a high quality of the fuel they produce and whether there is room for improvement in that area. The panel discussed various topics, among others: the sustainable use of forest biomass for energy production and the impression that forest potential is increasingly oriented towards the production of woodchips and biomass for energy production as a highly profitable product that will direct the Republic of Croatia to sustainable development, less dependency on energy imports, the development of the economy and environmental protection. It was concluded that future meetings were welcomed in order to discuss these topics in detail and provide input for the policy recommendations. The training courses were also attended by distinguished lecturers from Germany and Austria, Jan Bleyl, who since 1994 has been developing and managing the ESCO models that represent intelligent energy solutions, and Karl Totter, the lead representative of the Austrian bioenergy village Mureck. Both provided extensive advice based on their experience and on existing best practice examples in Austria and Germany. Therefore, stakeholders in Lekenik and Perušić are truly hoping to receive subsidies from the Croatian government to finance the district heating systems in their villages.

Other important events were the information days, which were held on 25th April and 3rd October 2017 in the Bračak Energy Centre.

The objective of these meetings was to present to the local authorities of Perušić and Lekenik more details about the economic calculations and the opportunities to set-up biomass-based district heating networks and combined heat and power (CHP) plants in the Croatian target villages. Key actors from Perušić and Lekenik, but also from Krapina-Zagorje county, e.g. the **mayor Mr. Željko Kolar** (for which REGEA prepared already a prefeasibility study for district heating systems in 6 towns and municipalities), attended the events. The discussions focused on using local renewable sources (biomass), on creating conditions for the development of an energy services market as well as on main problems and barriers for the implementation of bioenergy projects and potential solutions for financing bioenergy projects in Croatia. The local authorities from Perušić and Lekenik actively participated and exchanged ideas among each other, especially on topics regarding the financing of biomass district heating systems in Croatia. The participants also received information materials prepared by the BioVill project.

Another event, which REGEA has organized on 3rd December 2017, provided different information and experiences on how to encourage market development and ensure the reliability of biomass energy sources. The objective of the information day was to raise the awareness of consumers (private households, local government, SMEs and public institutions) about the advantages of using woody biomass for energy production and its benefits for the local economy, e.g. the biomass producers and the producers of renewable energy technology. Small-scale combustion of local biomass is extensively used in Croatia and currently the majority of fuelwood is consumed by the household sector, primarily for space and water heating. The info day was attended by many experts and producers of wood pellets, woodchips and biomass boilers, e.g. Polytechnik Luft und Feuerungstechnik GmbH, HERZ Armaturen Ltd. Pelet project d.o.o, and Centrometal Ltd. Centrometal Ltd. for instance is the leading Croatian thermotechnical equipment constructor, representatives from the Ministry of Agriculture, Prefect Mayor of the Krapina-Zagorje County and representatives from the target villages Perušić and Lekenik. Mr. Zlatko Benković, **(BioVill advisory board member)** from the Ministry of Agriculture supports project's focus on scaling up bioenergy villages in Croatia, strengthening regional supply chains and increasing the utilization of bioenergy with the aim of stimulating local economic growth, local energy supply and environment protection. He lobbies for the project and its major objectives, providing external expertise and contacts and fostering exchange of experiences and know-how with other relevant projects and institutions. Meeting has been primarily aimed for discussion in the light of the new support schemes for projects of district heating from renewable sources. The representative from Ministry discussed the applicability of the bioenergy concept within framework conditions and possible financial obstacles in its realization. He announced a call for the subsidy of renewable energy projects which will be open in the second half of 2018.

Based on the presented examples, the participants together with the experts draw the conclusion that the establishment of local biomass value chains and small biomass based district heating networks can bring economic and environmental benefits to the society, if all relevant actors and stakeholders are willing to cooperate and work together. They also expressed their hope, that the participating officials now have enough information to proceed with the necessary actions, to support sustainable biomass heating systems in the target villages.

REGEA and the Faculty of Mechanical Engineering in Zagreb ensured synergy and know-how exchange between three Horizon 2020 projects in Croatia – PLANHEAT, CoolHeating and BioVill by including project partners in each project information day, local workshop, dialogue process and etc. Promotional material of all of three projects is distributed at the information points in the BioVill target villages Lekenik and Perušić. Moreover, local authorities from Lekenik and Perušić were also invited to participate at a training course organized by the PLANHEAT project in order to improve their capacity on decarbonising heating and cooling systems. Whenever possible, REGEA uses synergies with complementary programmes, projects and initiatives in order to increase the impact of BioVill and take the conversation on bioenergy concept further.

Last but not least, the BioVill project was presented by REGEA at the 7th International Wood Energy Conference held in Zagreb, on February 24th 2017. REGEA presented BioVill objectives, and actions and launch a first exchange of ideas and suggestions on the actions in progress. Discussion was held about benefits of the project with representatives of AEBIOM, the European association for biomass, as well as representatives of the leading global association in bioenergy sector, the World Bioenergy Association (WBA). Presented was also the Italian Association of Biomass Producers, AIEL, which actively promotes development and increased use of agricultural

and wood biomass and wood fuels. The conference focus was on the development of a bioenergy market in Croatia, within the framework of new European legislative and the latest sectoral trends, technologies and innovations, with the aim to increase the use of renewable energy sources from wood biomass. One major point of discussion was the planned introduction of excise duties on products derived from renewables, which according to the announcements will be 15%. The representatives of the Croatian Wood Cluster, which has been the conference organizer for seven years in a row, warned that the introduction of such excise duties on renewables, including biomass, might completely destroy biomass cogeneration and pellet production in Croatia. The topics were challenging, including the position of renewable energy in the Commissions winter energy package, and local biomass cogenerations and pellet production issues. On the conference REGEA highlighted that it is necessary to change the energy policy in a sustainable one that will encourage the development of new renewable fuels and successful replacement of imported fossil fuels. The discussion's was carried also with Director of Croatian Wood Cluster, it was pointed, also to ensure that the citizens of the various energy cooperatives and other collective schemes can really contribute to the quality of the energy transition in Croatia, but also was emphasized the importance of investments in the applications of new technologies and solutions. Conference was also attended by group of bankers who were a good corrective to the conference and accurately assess whether the biomass, pellet and CHP are still attractive for further funding. In general was concluded there is no doubt that the renewable energy sector is facing with many challenges, including lack of transparency in providing incentives for capacity building. Sectoral experts believe that the biomass cannot be classified in the same category as renewable energy sources , which through cogenerations plants provides new employment, retaining current jobs in wood industry and forestry, and is has a positive impact on rural development and the circular economy. Finally REGEA find it of great importance to enlighten the general public about project BioVill as well as the decision makers on the comparative benefits of the usage of biomass which has a great ecological and social benefit for whole country. The conference has brought together more than 250 participants from Croatia, but also from other SEE countries, France, Belgium, Germany and Austria; mainly companies (forestry, wood processing, energy), suppliers (technologies for processing biomass), members of professional chambers (forestry, wood technology, architecture, energy), local government and state institutions, bank sector, international investors. Besides the European Biomass Association (AEBIOM), also the Croatian Ministries of Economy and of Environmental Protection as well as the Energy Efficiency Fund, the Faculty of Agriculture, University of Zagreb and the Energy Institute Hrvoje Požar have supported and attended the conference.

A key recommendation of the performed dialogues with local, regional and national authorities was to continue and institutionalize the awareness building and educations campaigns across the whole country on national level, with a focus on offering the independent advice on efficient biomass district heating systems and technologies (biomass plants and CHP) and potential sources of financing for this purpose. Representative of Ministry of Agriculture highlighted that is need to advance changeover to efficient and sustainable biomass heating in Croatia homes until 2030, it is necessary to:

- Replace inefficient wood stoves with efficient stoves,
- Switch from electric heating appliances to efficient biomass stoves in stand-alone houses,
- Switch from fossil fuel boilers to biomass district heating systems.

Implementation of these steps would yield multiple benefits including lower heating costs for consumers, wood savings, and reduced use of electricity, reduced dust and greenhouse gas emission, and development of local economy through increased investments. Ministry of Agriculture has announced in the second half of 2018 a call for biomass projects. The next major step is meeting with Minister of Agriculture Ministry together with the key stakeholders from target villages, to advance changes of improvements in the policy and regulatory frameworks, increase in the volume of sustainable biomass supply available to the market, and increase in the availability and investments in efficient biomass based heating technologies, which are all needed to implement a bioenergy concept in Perušić and Lekenik.

The Croatian target villages in cooperation with REGEA will continue to meet with local, regional and national authorities, in order to provide them information on successful experiences and jointly identify innovative solutions for the implementation of bioenergy projects at local and municipal level in Croatia.

3. Dialogue process with local, regional and national authorities and politicians in Macedonia

Meeting 1 within the Budget Forum of the Municipality of Kichevo

The Budget Forum of the Municipality of Kichevo for 2018 took place on 7th December 2017 in the Hotel “Arabela”, in Kichevo. Institutions/organizations participating in the forum were the Municipality of Kichevo (represented by the mayor, the council and the administration), the public schools, the Regional Forest Service “Lopushnik”, the informal group “Worth to be from Kichevo”, the Chamber of Commerce-Regional Office of Kichevo, SMEs and NGOs. Main topic of the forum was the municipal budget (the amount and allotment) for the following year. Tino Aleksov, as representative of the local administration and adviser for energy efficiency and public lighting as well as BioVill’s local responsible person supported by SDEWES-Skopje, used the opportunity to present the BioVill project in Kichevo, to explain the benefits of the planned biomass district heating system, and to raise the question of supporting such projects directly from the budget. During the discussion, many participants stated that the budget is quite limited and the municipality has relatively low borrowing capacity. At the end, it was agreed, that efforts shall be made to further investigate the possibilities to apply for a loan offered by the commercial banks, since the first phase of the planned district heating system (comprising several public buildings, like schools and kindergarten) would also solve the major problems, the Municipality, as responsible party, is currently facing with the outdated and inefficient individual heating systems in those buildings.

Meeting 2 with Mr Fatmir Dehari, mayor of the Municipality of Kichevo

The meeting with the mayor of the Municipality of Kichevo was held on 17th January 2018 in the City Hall, as part of the visit of the Steering Committee in the BioVill target village. Participants in the meeting were: Fatmir Dehari (mayor of the Municipality of Kichevo), Tino Aleksov (adviser for energy efficiency and public lighting in the municipality and BioVill’s local responsible person), Renate Glaser (German expert and representative of the bioenergy village Glonn/Bavaria), Jens Adler (GIZ), Dominik Rutz (WIP), Natasha Markovska and Ljupcho Dimov (SDEWES-Skopje). Since the mayor has already been acquainted with the core activities of the BioVill project and has signed the Memorandum of Understanding (Task 2.6), the main objective of the meeting was to present the current state of the project implementation in Kichevo as well as to lobby for a proactive engagement of all politicians, stakeholders and citizens, which is necessary for the further project realisation. The mayor expressed his will to support all ongoing and future project activities, e.g. development of an individual business model for Kichevo and signing a Letter of Commitment. Renate Glaser, who is strongly involved as a local politician and expert in the process of energy transition in her region, also encouraged the Mayor and his team to continue the process of becoming a bioenergy village and to support sustainable energy projects in his municipality as much as possible.

Meeting 3, 4, 5, and 6 within public debates on the new Energy Law in Macedonia

Ljupcho Dimov, representative of SDEWES-Skopje, head of the unit for energy efficiency of the Municipality of Karposh, and president of the Energy Efficiency Network within the Association of the Units of Local Self-Governments of Macedonia (ZELS), attended four public debates on the new Energy Law drafted by the Government of the Republic of Macedonia in the period from December 2017 to February 2018. These debates have been organized in the Energy Regulatory Commission, the Economic Chamber of the Republic of Macedonia, the Association of the Units of Local Self-Governments, and the Association of Licensed Energy Auditors. By highlighting the main barriers for the realization of projects related to the use of renewable energy sources and the implementation of energy efficiency measures, such as the BioVill project, that stem from the current Energy Law, Ljupcho Dimov very much contributed to the successful elimination of these identified barriers in the draft version of the new Energy Law. Main outcomes of the four debates, which are essential for the realization of the BioVill project in Kichevo, are the following:

- According to the current Energy Law, all energy producers with an installed power or heat capacity over 1 MW have to obtain a license, which is issued by the Energy Regulatory Commission and needs time-consuming procedures. With the new Energy Law, the threshold is increased to 10 MW at municipal level, thus creating an enabling environment for smaller installations and speeding up the realization of the planned three-phase biomass district heating plant in Kichevo with total installed heat capacity of 5 MW.

- The new Energy Law and the expected by-laws will widen the possibilities of establishing Public-Private Partnerships or Public Enterprises for municipalities willing to implement such projects, and hence will support the creation of suitable and stable financial and business models at local level. Consequently, this will be beneficial also to the development process of the individual financial and business model for the bioenergy concept in Kichevo, since a Public-Private Partnership or Public Enterprise or a combination is currently considered to be the most appropriate solution.
- Furthermore, the new Energy Law will stimulate the construction of renewable energy based district heating systems, and in particular, will provide the possibility of connecting them to existing heating systems with regulated energy prices, under the sole condition that the price of the energy produced from renewable energy sources is at least 10% lower than the regulated price. The aforementioned improvement would increase the efficiency of the planned district heating system in Kichevo and would attract more citizens to connect to it.
- Lastly, the new Energy Law will also define a new category of energy producers for own consumption, which will facilitate the installation of in-house power and heating systems based on renewable energy sources for individual, collective and public buildings in the municipalities. Besides small and medium district heating systems, the BioVill project in Kichevo also fosters the installation of in-house heating systems in buildings that cannot be connected to the planned district heating system.

Currently, the new Energy Law is in the parliamentary procedure and is foreseen to be enacted in April 2018. After the adoption of the correlated by-laws and rulebooks, the Law shall come into force in 2019. The introduction of a separate Energy Efficiency Law as a new legal solution in Macedonia is also stipulated in the draft version of the new Energy Law. The Energy Efficiency Law should remove even more barriers and provide support measures for the application of efficient technologies based on renewable energy sources. Representatives of SDEWES-Skopje will continue participating in the process of devising and adopting legal solutions for Macedonian in accordance with the EU Directives.

4. Dialogue process with local, regional and national authorities and politicians in Romania

From the beginning of the project dedicated presentations on the BioVill project have been given at various meetings, conferences, seminars, study visits etc. to national and local authorities, e.g. representatives of municipalities and village councils from the region, members of the Romanian Parliament, researchers and other policy and decision makers. The attitude of the decision makers and politicians, contacted by GEA, was always very supportive and they have shown interest and willingness to support the establishment of bioenergy villages in Romania.

The **first meetings**, BioVill project presentations and discussions **with local authorities, and discussions were implemented by GEA in the period between March and May 2016**. Main objective was to inform the stakeholders about the opportunity to participate at the BioVill project and to become one of the selected BioVill target villages. Personal meetings were held with the Mayors and other local decision makers of the communes of Lemnia, Estelnic, Lupeni, Ciumani, Bretcu, Ghelinta, Joseni and Bodoc. The consulted representatives and local decision makers from all these communes have shown interest and decided to submit an application form in order to participate in the BioVill project. Estelnic and Ghelinta have been selected as the BioVill target villages, but the other Mayors and local council members are also willing to further collaborate with the project and GEA and to implement the bioenergy village concept in their communities. They are aware that the use of the existing wood fuel for heating schools, hospitals, other public buildings and apartments, greenhouses and business properties is currently the most sustainable solution.

In the frame of the “European Sustainable Energy Week 2016” **a conference about Energy Independence was organized on 15th June 2016, in Sfantu Gheorghe, Covasna County, involving various local authorities**, e.g. the mayors of Valea Crisului, Ciumani, Bretcu, Ghelinta, Belin and Lemnia. All mayors have confirmed their willingness to participate in and support the BioVill project activities. As a result of the discussions undertaken by the Green Energy Association with the decision makers, a new biomass based heating system was installed in Belin commune in October 2017 in order to ensure the heat demand for the local kindergarten.

On 3th October 2016 a local bioenergy working group was set-up in Ghelinta. Five members of the working group are representatives of local authorities, the mayor, the vice-mayor, and 3 members of the Local Council. And few days later, **on 11th October 2016 the local bioenergy working group in Estelnic commune has been established**. Here the mayor, the village manager, the village clerk and two other members of the Local Council are involved in the working group activities, as working group members. The broad participation of the local authorities in the local working groups shows their dedication and willingness to implement the bioenergy concepts in their villages.

On 2th November 2016 another meeting was organized with mayors and local decision makers at the County Council in Brasov County. Presentations on the current state of the BioVill project implementation well held by GEA and the local partners for the following decision makers:

- Vice-mayor of Lisa commune, Brasov county,
- Mayor of Cata commune, Brasov county,
- Mayor of Rupea municipality, Brasov county,
- Mayor of Ticusi commune, Brasov county.

Also these local decision makers have shown a great interest and willingness to cooperate in the near future with the BioVill project. All these settlements are rich in biomass resources and the use of local biomass resources for energy production represents a viable option for all the communities, e.g. to ensure the heat demand for the public buildings. Thus, these municipalities can become follower villages of the two selected target villages from Romania. GEA is permanently in touch with the decision makers and offers guidance regarding the possibilities of using the biomass resources in the region.

On 11th November 2016, a Member of Romanian Parliament and Member of the Committee for Economic Policy, Reform and Privatization, has not only participated at the information day for citizens, but he is also an important promoter of the concept of the efficient usage of biomass in the region. As an important politician he promotes and support the bioenergy village concept in Romania. Green Energy Association is permanent in touch with this deputy from Covasna County.

On 2th August 2016, Mr. Vajda Lajos, the president of GEA had a discussion with the State Secretary in the Ministry of Regional Development in Bucharest with the aim to present the bioenergy village concept and thus, to scale it up and spread the idea among the national policy makers. The State Secretary's attitude was supportive and she showed her willingness to promote the bioenergy village concept among other policy makers.

The first meeting with a deputy from Brasov County, , Member of the Romanian Parliament and its Committee on European Affairs and Secretary of the Committee for Industries and Services, was held on 9th January 2017. Also the deputy confirmed her willingness to promote the bioenergy village concept in the Parliament and among the municipalities in the region. According to the possibilities, her office will lobby in the Parliament for the development of specific support programs for investments in small-scale heating systems using biomass. Since the Green Energy Innovative Biomass Cluster has a close relation to the deputy, she was invited, and participated in several seminars and conferences organized in the frame of the BioVill project in Sfântu Gheorghe and in the metropolitan area of Brasov. She helped GEA very much to interact with several representatives, e.g. Mayors, public authorities, local and national institutions, like the Chambers of Commerce, non-profit associations in the energy sector, employment agencies and others. And all relevant information on the project and the events are also presented on her social media pages as a public person as well as on the national webpage of the Chamber of Deputies of the Romanian Parliament.

On 24th February 2017, a study visit was organized by GEA to the Covasna County. Participants were decision makers from several municipalities from the region, e.g. a member of the Romanian Parliament, a representative of the Parliamentary office, the mayor of Fundata commune, the mayor of Bran commune, the vice-mayor of Bran commune, the mayor of Moieciu commune and a representative of the Local Action Group Transcarpatca. First the current state of the BioVill project implementation was presented and discussed. After the meeting, site visits took place to several location where biomass boilers already are operating. The study visit attended. The participating representatives of the municipalities (potential follower villages) were very open-minded about the use of biomass as fuel for heat energy production. They have visited several companies from Sfântu Gheorghe with solid biomass-based heating systems. Mr. Sándor Bartha, a local boiler manufacturer, provided guidance on how to collect the public wood waste in the municipalities, on the wood chipping process and on the automated heating systems. Several best practice cases were presented, e.g. the heating systems operating at the business incubator, the local sanitation company, a private greenhouse plant and a local meat processing plant. These facilities were selected because they have different energy production capacities the used biomass comes from different sources (waste wood collected from the community, bought from suppliers, energy willow woodchips) and biomass storage systems differ from case to case. The mayors found the sanitation company's model to be the most relevant one, because each community has biomass waste, which can be collected and used it as feedstock for biomass boilers.

Another presentation about the bioenergy village concept took place on 21th April 2017 at the City Hall of the Bran commune, Brasov County. The presentation was made based on the Mayors request, who wanted to know further details about the sustainable energy communities concept, including technical details. Attendees were:

- Vice-mayor of Fundata commune, Brasov County,
- Mayor of Bran commune, Brasov County,
- Vice-mayor Bran commune, Brasov County,
- Advisor, Senate of Romania, Brasov County,
- Mayor of Codlea municipality, Brasov County.

Furthermore, GEA together with the mayor of the city of Codlea tries to identify the possibilities to implement the bioenergy village concept in Codlea as well. All these municipalities have large biomass potentials and showed great interest in the implementation of the bioenergy village approach. Thus, these municipalities potential follower villages of the two selected target villages of the BioVill project. The stakeholders are ready to implement the bioenergy village concept in their municipality.

On 24th May 2017, the Romanian Minister of European Funds, has participated in the Summer School (Coalition for Modernization of Romania - CNMR), where the BioVill project and the „1 village 1 MW” concept were presented by GEA. After this meeting, the Minister asked for a detailed report on the concept for sustainable energy communities, with the aim to present and to promote it in her cabinet. Other representatives of the public institutions from Bucharest, like research centers and universities (such as the Research Center from Bucuresti, the West University of Timisoara), the mayor from Măciuca commune, Valcea County, and people from the economic sphere of Romania have also followed the presentations and showed interest in the concept.

A meeting with the Minister of Water and Forests, was organized on 15th June 2017, where the BioVill project and the “1 village 1 MW” concept were presented by the president of GEA. The president of the Commission for Services of the Chamber of Deputies of Romania was also present at this meeting.

Another deputy from Brasov County, Member of the Romanian Parliament and member of the Committee for Legal Affairs, accepted the invitation for a meeting with GEA representatives, which took place on 15th June 2017 in the Brasov municipality. In her role, she is willing to promote the use of biomass and makes efforts to increase the public acceptance of sustainable use of bioenergy for heating households and public buildings. She promotes frequently in her working group the bioenergy village concept, because she is aware about the various positive effects of the concept, which can be implemented in almost all villages of the central region.

Significant discussions were carried out on 17th July 2017 with director of the Regional Development Agency CENTRU, Alba County. The main topic of the discussions was the smart specialization strategy of the Central Region, which also focusses on the usage of renewable energy resources. Harnessing the potential of the local resources is a priority of the strategy and specialized studies emphasised biomass as the main renewable energy source in the region. On the recommendation of the Green Energy Cluster, the Agency has adopted in the Smart Specialization Strategy of the Region also the reduction of energy consumption from conventional sources. The director highlighted that new studies suggest the application of the principles of resource efficiency also in the production of bioenergy in Europe, which means more production with lower environmental impact. Furthermore, discussions about incentives and supporting opportunities were carried out with the representative of the Regional Development Agency, with the aim to ensure financing and subsidies for investments for the future bioenergy villages. The topics funded in 2014-2020 will focus among others, on the following: Reducing energy consumption and carbon footprint through sustainable and efficient use of resources; Alternative fuels and mobile energy sources. The interested entities can apply for funds and support to the Ministry of European Funds. Green Energy Association (and Green Energy Innovative Biomass Cluster) are permanently in contact with the Regional Development Agency, the Agency is member of the cluster.

A member of the European Parliament and member of the Committee on Industry, Research and Energy was approached in November 2017 at the European Parliament with the aim to discuss about the concept for sustainable energy communities. He asked for a detailed description of the concept and showed his willingness to promote the idea.

The member of the Committee for Agriculture, Forestry and Rural Development of the Romanian Parliament, was contacted by GEA regarding the legal framework for the energy crops cultivation. The reason for the meeting was, that the committee member has made an interpellation to the Romanian Senate about the current situation of energy crops in the country, with regard to the application of Law no.18/1191 (Land Law) and Law no.186/2017 (modification of the Land Law). According to these laws, all the land, which is used for energy crops, is losing its status as agricultural land and is excluded from the respective statistics. As a result of the interpellation of the local deputy from Covasna County, a legislative proposal was initiated in the Romanian Parliament, which eliminates the above mentioned restrictions.

To sum it up, the local decision makers from the target villages but also many regional and national authorities from Romania are committed to support the implementation of the bioenergy village concept in their communities and regions. Several communities are using biomass already, to produce the necessary heating energy for local public and private buildings. In Ghelinta, it was decided to change for several public buildings the currently low efficient heating systems with modern, automatic controlled and biomass fuelled systems. First steps were already made to prepare the project documentation in order to receive financial support by the Romanian POIM 2014-2020 programme, Priority Axis 6.1 - Increasing the production of energy from the least exploited renewable energy sources (biomass, biogas, geothermal, etc.). Also in Estelnic, a new district heating network is foreseen, which shall connect several public institutions. The local authorities have shown their great interest to implement this investment project and are currently preparing the project proposal for national and international support programmes.

Green Energy Association will continue the dialogue process with local, regional and national politicians and decision makers in order to promote the development of sustainable energy communities in Romania.

5. Dialogue process with local, regional and national authorities and politicians in Serbia

Meeting 1 – Serbian Ministry of Environmental Protection. Meeting took place in the Ministry (at that time called Ministry of Agriculture, Forestry and Environmental Protection) on March 11, 2016 in a very early stage of the BioVill project. The meeting was held with Dr Slobodan Cvetkovic, head of the Unit for Renewable Energy Sources. The purpose of the meeting was to inform the representative of the Ministry about the BioVill project, its goals and planned activities and to get approval for the participation in the Advisory Board of the Project. Mr Cvetkovic was very interested about the project idea and willing to promote concept of bioenergy villages as well as accepted the invitation to participate in the Advisory Board.

Meeting 2 - Group of stakeholders active in bioenergy field and projects. The meeting took place on May 16, 2016 in the premises of the Standing Conference of Towns and Municipalities. Representatives of the following institutions attended the meeting: Regional Development Agency Srem, Regional Development Agency Zlatibor, City of Krusevac, University of Belgrade, GIZ-DKTI project. This meeting had a purpose to inform the national wide stakeholders about the BioVill project and to consult them regarding proposals for possible BioVill target villages in Serbia. The participants presented their activities in this field and recommended several possible approaches for the selection of the target village. Finally, it was agreed to send invitations to interested municipalities/villages through the institutions present at the meeting but also others like UNDP. Following the meeting, the selection process took place.

Meeting 3 - Ministry of Mining and Energy. The meeting took place in the premises of the Ministry on September 15, 2016 with the head of the Unit for Energy Efficiency. It was informative meeting about the BioVill project, its concept and activities. The ministry promised its full support for the project implementation and showed interest to follow the developments in the target village Kostojevici.

Meeting 4 - State Office for Management of Public Funds. An informal meeting between Mr. Slobodan Jerotic, consultant for the BioVill project and Mr. Djordje Vukovic Deputy Head of the State Office took place in January 2018. Mr Jerotic presented the current state of the BioVill project implementation and especially the findings of the techno-economic analysis. At the end, Mr. Jerotic confirmed, that the State Office is ready for an official meeting with the BioVill project team. The meeting shall be used to discuss more in detail the realization of the planned fuel switch and boiler replacement for the district heating system in Kostojevici and to identify possible support of the State Office, since it manages also programmes for energy improvements in district heating systems. The official meeting between State Office and local BioVill team is scheduled for March 2018.

Meeting 5 - Mayor of Municipality of Bajina Basta. The meeting between the local BioVill team members and the Mayor of Bajina Basta municipality (where Kostojevici belongs to) took place in January 2018. The Mayor was informed about the progress of the project implementation and the findings of the techno-economic analysis. He was especially interested in the status quo of the existing fossil-fuelled district heating system and the imminent danger of shutting it down because of its inefficiency. The Manager of the Public Utility Company BB Term, which is managing the DH system in Kostojevici was also present at the meeting. The Mayor gave the manager the task to investigate possibilities of financing the boiler replacement for the following heating season. The next meeting between the Mayor and the BioVill team is scheduled for March 2018.

6. Dialogue process with local, regional and national authorities and politicians in Slovenia

Meeting 1 with the deputy mayor of Litija. The meeting took place on 21st of June 2016 in the conference room of municipality Litija. Objective of the meeting was to present the BioVill project to the Litija municipality and to invite the local community Dole pri Litiji to participate in the project., The deputy mayor of Litija, , a local forester from the Slovenia Forest Service and representative of the citizens of Dole pri Litiji, and the local BioVill project team Ms Todora Rogelja and Ms Darja Kocjan from the Slovenian Forestry Institute were present at the meeting. The major ideas of the BioVill project were presented to the participants and how the municipality Litija and the village Dole pri Litiji can be included. It was agreed, that the residents of local community Dole are very active and they have a great desire for a further village development. The discussions also focussed on the potentials and success factors of Dole in initiating a self-sufficient bioenergy village and on its real energy needs. At the end of the meeting, the deputy mayor confirmed that the municipality is interested to participate at the BioVill project and to sign the Memorandum of Understanding.

Meeting 2 with the mayor of Litija, the deputy mayor of Litija and the president of the local community. The meeting took place on 11th of November 2016 in the conference room of the municipality Litija. It was intended to present BioVill project to mayor of the municipality Litija and other stakeholders and to discuss about the future development of the village Dole pri Litiji. The meeting was attended by:, mayor of Litija, , deputy mayor of Litija, , local forester of the Slovenia Forest Service and representative of the citizens of Dole pri Litiji, +president of the local community, president of the voluntary firefighting society, representative of the local community and head of the town development committee as well as Mr Jaka Klun, Ms Polona Hafner and Ms Darja Kocjan, representatives of the BioVill project partner Slovenian Forestry Institute. First, best practice examples of existing bioenergy villages from abroad (Austria, Germany, Croatia) and the results of the BioVill study tour to bioenergy villages in South-western Germany, at which also representatives of the local community Dole pri Litiji took part, were presented to the local authorities. Further, the status of BioVill project and the activities planned for the next months were discussed and agreed upon. The idea to construct the new boiler room in the basement of the newly planned firehouse was presented and also the provided heat demand survey among local citizens was discussed. The Mayor of municipality Litija was very interested in all topics and promised the support for the presented ideas. He confirmed that the municipality is ready to participate in the development of the village and that the municipality will include this in the development plan. Decisions were also made on the upcoming study tour to Austria, organised by the project BioVill, e.g. that a larger group from Dole (approx. 15 persons) will visit the very famous bioenergy village Mureck in Austria. The mayor confirmed his support and concluded that the joint visit to Austria might accelerate the development in Dole.

Meeting 3 with the mayor of Litija, the deputy mayor of Litija and the president of the local community

The meeting took place on 5th of February 2018 in the conference room of the municipality Litija . Participants of the meeting were: the mayor of Litija, the deputy mayor of Litija, the local forester (Slovenia Forest Service) and at the same time representative of the citizens of Dole pri Litiji, Mr Jože Prah, the president of the local community, the president of the voluntary firefighting society, the representative of the local community and at the same time head of the town development committee, and the representatives of the Slovenian Forestry Institute, Ms Nike Krajnc and Ms Darja Kocjan. At the meeting, the current state of the developments in Dole was presented. It was followed by a debate on the future prospects, mainly on the four key issues: 1) the question of land ownership; 2) the budget that the municipality has at its disposal for Dole; 3) possible funding options and other planned projects; 4) the construction of the new firehouse building and the future responsible institution. The discussion among the local authorities was very constructive, decisions were made and conclusions created together. The Municipality Litija has already undertaken necessary activities to arrange the ownership of the land and started the procedure for changing the land use. It was agreed between the municipality and the local community Dole, that the municipality will be the owner of the new building and that the floor properties will be decided later. Further tasks were defined, e.g. that the BioVill partner Slovenian Forestry Institute will individually present a business model to all relevant households in Dole and support the update of the techno-economic calculations, considering new facts about the number of households that are willing to connect to the DH heating system. This might also result in some changes in the conceptual design of the new building. Finally, it was agreed to meet again after the scheduled tasks were completed. Then also the remaining open question shall be discussed: Who will take over the management and organize activities (new building, district heating system)?, since this is the main challenge to be solved.

Further meetings with local and regional authorities and politicians were organised as part of the events which were implemented by the BioVill project, for example info days and local bioenergy working group meetings (see also D3.3 and D3.4).