

 Early Warning System

EBRD-24443

Serbia: Biomethane Market Development



Quick Facts

Countries	Serbia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Borrower	Government of Serbia
Sectors	Agriculture and Forestry, Climate and Environment, Energy, Industry and Trade, Technical Cooperation
Investment Type(s)	Advisory Services

Project Description

As stated on the project disclosure page, the EBRD is committed to "attach particular importance to operations which promote energy and resource efficiency, waste reduction, resource recovery and recycling, the use of cleaner technologies and the promotion of renewable resources". Particularly through its Green Economy Transition (GET) initiative, the Bank aims at promoting sustainable resource efficiency and innovation in three areas vital for countries where the EBRD invests: energy, water and materials.

Within this broader mandate, the Bank has identified Serbia as a priority market for advancing resource efficiency and low-carbon energy solutions. The rapid growth in demand for resources, volatile prices, and growing environmental concerns including those about the impacts of climate change, has made resource efficiency a priority. The biogas sector is one of the options to address these concerns in Serbia.

Biogas use for electricity and heat generation is well established in many regions but remains underutilised in Serbia. The biogas sector is under pressure due to the phase out of subsidies and feed-in tariffs, the decrease in the cost of renewable power from solar panels and wind turbines, higher pressure on the use of "second generation" feedstock, and the growing traction of decarbonisation of the natural gas sector.

These factors open the opportunity for the upgrade of existing biogas plants into biomethane and the construction of greenfield facilities in Serbia. Although the production of biomethane is based on commercially proven technologies, is cost-competitive and can use the existing natural gas infrastructure without modification, biomethane market development in Serbia has been slow due to feedstock sustainability concerns, lack of long-term feedstock supply agreements, regulatory gaps, lack of established markets for biomethane, right to inject in the existing grid, and financing/bankability issues.

In this context, the Bank wishes to engage a Consultant to study the potential for developing biomethane investment opportunities in Serbia, understand the existing barriers blocking the growth of the biomethane market, and identify the technical, economic and regulatory improvements required to develop the market. The project will build on existing analyses, including the UNDP-supported biomethane sector assessment, and focus on priority actions required to unlock early investments.

The proposed assignment objectives are:

- Understand the existing barriers blocking the growth of the biomethane market in Serbia.
- Identify the technical, economic and regulatory improvements required to develop the biomethane market in Serbia.
- Identify key market players and stakeholders active in the Serbian biomethane and broader biogas sector.
- Summarise lessons learnt from advanced markets where biogas/biomethane has been successfully stimulated and implemented and assess applicability to Serbia.
- Identify potential opportunities for investment in biomethane development in Serbia.



Investment Description

- European Bank for Reconstruction and Development (EBRD)

Information on the investment amount not provided at the time of disclosure.



Contact Information

EBRD project enquiries not related to procurement:

Phone: +44 20 7338 7168

Email: projectenquiries@ebrd.com

ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>