

Renewable vs Nuclear: The Fate of Green Energy in Belarus

A large solar power plant will open this summer in the Brahin district, changing the landscape of the Chernobyl-contaminated lands: 85,000 solar panels will occupy an area the size of about 80 football fields.

Proponents of green energy praise it as a win-win solution: sustainable, ecological, economically profitable, and a diversifier of energy supplies in the country. The authorities publicly acknowledge the need to support the renewable energy sector, promising tax incentives and preferential treatment for investors.

However, most green energy projects in Belarus are in the shadow of the Astraviec nuclear power plant (NPP). In a few years, Astraviec will provide an effective and fast solution to Belarus' energy needs, further marginalising the renewable energy sector.

Farming the wind

✘ Belarusian society has swallowed the nuclear power pill, despite the trauma of Chernobyl, since the state began marketing it as the single best way [to secure the country's energy independence](#). However, the new nuclear power plant as an energy independence project [does not eliminate Russian dominance](#) in the Belarusian energy sector. Development of renewable energy in this respect looks more promising in terms of diversifying energy production.

Wind energy came to Belarus in 2000 with the construction of

two wind turbines in Miadzel district. Currently, the largest Belarusian wind farm has only 11 wind turbines. It started operating in Navahrudak district in spring 2016. Each of the wind turbines has an average capacity of 1 MW – enough to supply energy to about 500 households.

The hilly landscape of the Navahrudak region makes it one of the most suitable areas in Belarus for the development of wind energy. According to estimates of energy sector specialists, renewable energy sources here have the potential to produce up to 24m kWh per year – enough to cover about 25 per cent of needs of the entire Navahrudak district.

Solar energy revitalising Chernobyl-affected areas

In recent years, cell phone operator Velcom invested €23m in the solar power plant project in Brahin district. The official power capacity of the station is 22.3 MW – enough to provide evening street illumination for the entire Belarusian capital.

✘ Velcom spokesperson Helmut Duhs presented the solar plant project in Brahin as a green business product, noting that such projects create new jobs and benefit local economies. In this manner, they help to revitalise regions that suffered from the Chernobyl catastrophe.

The company plans to cover all expenses in four to five years, as Homiel region boasts about 1,900 sunny hours per year, more than any other part of Belarus. The land is also cheaper, as the Brahin district is not suitable for agriculture because of contamination from the Chernobyl fallout.

Yet in reality, Belarus has a long way to go, especially compared to Germany, which recently made the headlines around the world when it managed to obtain 100 per cent of its energy

supply from renewable sources. By contrast, the share of renewable energy production in Belarus remains marginal, at around 1 per cent.

One step forward, two steps back

✘ The law On Renewable Energy Sources, adopted in 2010, removed the state monopoly on energy production in Belarus. This opened the door for foreign investors, who are interested in renewable energy projects.

At first, the Belarusian state encouraged them. It guaranteed purchases of green energy, offering tax incentives and special tariffs for a 10 year period to allow investors to cover their expenses. The state also ensured that the price that ordinary Belarusians pay for energy from alternative sources remained on the same level as the price of energy from traditional sources.

Yet despite financial support from the EU and opportunities to attract investment from countries other than Russia, the Belarusian bureaucracy seems to acknowledge the potential of green energy only on paper, instead of genuinely committing to long-term sustainability goals.

The Belarusian authorities often [fail to win the trust](#) of foreign investors, refusing to remove bureaucratic hurdles or endangering projects already in their implementation stage, as happened in 2012 with the planned wind park near Minsk. German company Enertrag AG terminated the project after interference from the Belarusian Ministry of Defence, which complained that it was disrupting the radar work.

By 2015, the fortunes of green energy had changed dramatically. The state had the new NPP up its sleeve and

tried to reassert its monopoly in the energy sector. The government promptly interfered with the introduction of quotas for green energy, limiting opportunities for investors.

In the period of 2016-2018, Belarus set construction limits for renewable energy sources to the overall capacity of 215 MW. One argument for this is reduction of costs, as currently the state pays 41 cents for 1 kWh for energy from renewable sources, when the cost price is only 9 cents. The state is also reluctant to pay this money to foreign companies, holding on to its monopoly of the Belarusian energy market.

What's in it for consumers?

Belarusian energy consumers have a chance to become energy-independent by investing in solar panel for their houses, but this decision is a risky one as the expenses remain high. The cheapest solar panels for private use cost up to \$2,600. This amount exceeds average salaries in the country almost eightfold.

One of the principal risks is the issue of selling the excess energy to the state. In theory, the state has encouraged this by offering preferential tariffs since 2015. Yet in practice, this offer applies only to private companies and entrepreneurs, and not to ordinary citizens.

The larger problem is the grim perspectives of green energy since the emergence of the Astraviec NPP, scheduled for launch in 2018. It is quite possible that the state might change the rules of the game once again, revoking preferences to private sellers of green energy. Thus, the unpredictability of the regime creates similar risks for Belarusian consumers as it does for foreign investors.

In the long term and under favourable conditions green energy in Belarus could contribute to the energy independence of the

country, as it has the potential to generate up to 25 per cent of the overall energy supply. Ideally, it also could help ordinary Belarusians to become self-sufficient in their energy production. Yet with the first Belarusian NPP in sight and without true commitment from the state, the future of green energy projects in Belarus remains uncertain.

Astraviec Nuclear Plant: a Poison for Belarus-Lithuania Relations?

In the recent months, the issue of the nuclear power plant (NPP) that Belarus is building near its border with Lithuania has been dominating bilateral relations. Lithuanian politicians are seeking to block potential exports of electric energy from Belarus.

Vilnius is worried about environmental and safety issues. Minsk sees economic and political motives behind Lithuania's claims. Domestic policy considerations in Lithuania also play a role.

Can Lithuania's rhetoric and actions seriously harm the two country's economic and political ties?

A pan-European campaign

against the Astraviec NPP

On 12 May, the Lithuanian parliament adopted a resolution calling the government to take all necessary diplomatic, legal and technical measures to halt the [construction of the NPP in Astraviec](#). MPs want the government to prohibit Belarus from selling electric energy produced at the NPP to Lithuania as well as from using the country's energy system and its spare capacity.

✘ The Lithuanian legislator can hardly complain about the lack of interest to this issue in the executive branch. On 26 April, Lithuania's Prime Minister Algirdas Butkevičius used the [anniversary of Chernobyl](#) to demand Belarus "to ensure that safety of the NPP, being built just 50 kilometres from Vilnius, be provided in strict compliance with all international requirements and recommendations".

Lithuania's President Dalia Grybauskaitė claimed on 22 February that safety of the Astraviec NPP should be of concern to the entire European Union.

Indeed, Lithuania launched a pan-European campaign against the Belarusian NPP. In December 2015, Rokas Masiulis, the country's energy minister, wrote to his colleagues in neighbouring countries urging them not to buy electric energy, which will be produced by the NPPs now under construction in Belarus and Russia's Kaliningrad region.

Estonia and Latvia halfheartedly supported Lithuania's initiative. However, Finland refused to join in the boycott. Poland hid behind a soft diplomatic formula affirming that "energy from unsafe NPPs should not get on the market".

Lithuanian leaders have been seeking support well beyond the immediate neighbourhood. On 20 April, President Dalia Grybauskaitė discussed safety of the future Belarusian NPP with German chancellor Angela Merkel.

On 11 May, Algirdas Butkevičius announced his intention to discuss the Astraviec NPP with Jean-Claude Juncker, the President of the European Commission. Earlier, he claimed to have the full support of Norway in this issue.

Belarus insists on its openness to dialogue

Lithuania claims that Belarus has violated its obligations under the Convention on Environmental Impact Assessment in a Transboundary Context (the Espoo Convention). Indeed, in March 2014, the Implementation Committee found Belarus to be in non-compliance with its obligations under four articles of the Convention.

✘ The Belarusian government maintains that it has since remedied the situation. In June 2013, Belarus submitted the final environmental impact assessment (EIA) report to Lithuania. (The Lithuanian side claims that the report was Google-translated into Lithuanian).

According to the Belarusian authorities, Lithuania failed to respond to their numerous offers to organise consultations with the public on the EIA report. Belarus then organised such [public hearings in Astraviec](#), provided free visas and translation into Lithuanian, and invited Lithuanian journalists, representatives of civil society and officials to attend.

Minsk proposed Vilnius to create a joint body for the post-project analysis of the Astraviec NPP. It also offered to implement a joint project of the system of radiation monitoring of nuclear facilities located near the border.

According to Belarus Digest's sources, Belarusian officials claim that Lithuania has been manipulating the Espoo

Convention to slow down or block activities in Belarus, which it finds undesirable for economic or political reasons. They worry that Vilnius may seek to take advantage of the Western countries' majority in the convention to pass the needed decisions.

Belarus' Deputy Energy Minister, [Mikhail Mikhadziuk](#) affirmed in a recent interview to Lithuanian media that Lithuania has been "avoiding dialogue" by consistently ignoring Belarus' attempts to establish proper channels of communication and resolve disagreements through debate. In 2010 – 2014, Belarusian government agencies sent ten written replies to their Lithuanian colleagues. Since 2011, the Belarusian government invited the Lithuanian authorities on ten occasions – once at the prime minister level – to hold expert consultations on the Astraviec NPP.

Belarus has been resisting the Lithuanian offer to establish an expert body to resolve the existing disagreements claiming that the two countries have yet not exhausted the possibilities offered by bilateral consultations.

Belarus doubts Lithuania's motives in the NPP issue

The Lithuanian authorities maintain that their only concern over the Astraviec's project remains the lack of safety and a negative environmental impact.

Indeed, the Astraviec NPP is being built by a Russian contractor, using [Russian technology](#), equipment and a Russian loan. Persistent mistrust in Russian technology and safe implementation of the project by corruption-ridden contractors, which prevails in the post-Soviet space, fuels these doubts well. A recent incident at the construction site, which the Belarusian authorities chose initially to silence

and even deny, only reinforced these fears.

Another reason for concern is the authoritarian nature of the Belarusian regime. The authorities failed to have a proper [public debate](#) in Belarus before taking the final decision on the project. Some fear that in absence of an independent regulator, government agencies and constructors may disregard potential shortcomings of the project to comply with [Lukashenka](#)'s instructions.

In their turn, the Belarusian authorities are convinced that the Lithuanian authorities pursue their economic and political interests under the guise of safety concerns.

Indeed, the Astraviec NPP makes the [planned Visaginas NPP in Lithuania](#) redundant. The Baltic countries have been discussing the idea of building a new NPP on the site of the closed Ignalina NPP since 2006 but few practical steps were made. Some experts see this project, which was put on hold for many years, as effectively dead.

Lithuania's President Dalia Grybauskaitė's recent statement seems to confirm the theory of economic motives behind Lithuania's opposition to Belarus' project. On 22 February, she insisted that "the Astraviec NPP should not create any further obstacles neither for production of electric energy in the country nor for improving the efficiency of consumption or the synchronisation of the Baltic countries with power transmission lines of continental Europe."

Domestic policy considerations are also playing an important role in the debate. The forthcoming October 2016 parliamentary elections make the politicians from all parties to play stronger hand in "defending national interests." Even Rokas Masiulis, the Energy Minister, an opponent of the Astraviec project, called the activities of most ardent critics a "pre-election political manoeuvring".

The Belarusian authorities are clearly concerned with the

campaign launched by Lithuania against the NPP project, especially the calls for boycott of potential energy exports. However, even if this initiative enjoys wider support in the EU, it is unlikely to halt the construction of the NPP.

Belarus currently covers a significant part of its needs in electric energy by imports. The Astraviec NPP will serve to satisfy the domestic consumption. It will also allow to reduce imports of natural gas from Russia.

Some Lithuanian politician understand the importance of not overplaying the boycott card. Gediminas Kirkilas, the deputy speaker of the parliament and former prime minister of Lithuania, believes that Lithuania can now only mitigate the effects of Belarus' decision. "Besides Astraviec, there are [relations with Belarus](#), transit via Lithuania, the Klaipeda port", he reminds.

Indeed, the Lithuanian authorities are hardly willing to jeopardise the numerous benefits of a wide web of trade ties between the two countries. For Lithuania, a face-saving compromising could involve much stricter environmental safety procedures and a mutually profitable arrangement for energy trade.