

# ADB focuses on alternative energy development

27 FEBRUARY 2015, 15:32 (GMT+04:00)



By Nigar Orujova

Although Azerbaijan remains an energy rich country, it has greatly invested in the alternative energy sector in order to not only diversify its portfolio but also protect the environment.

Azerbaijan has said to be determined to promote research in alternative and renewable energies - solar energy, wind energy, thermal energy.

The total capacity of alternative and renewable energy sources in Azerbaijan exceeds 12,000 megawatts. Most of the country's capacity in this area comes from solar energy with an estimated 5,000 megawatts.

Wind energy produces about 4,500 MW, biomass 1,500 MW, geothermal energy 800 MW, and the remaining 350 MW is a potential for small hydro power plants.

The Asian Development Bank is currently working to assess the possibility of alternative energy development in Azerbaijan, the Baku office of the bank reported on February 26.

At the moment, ADB continues technical assistance for the alternative energy development project, according to the source.

"The first report has already been sent to the bank for consideration," the bank's office said. "If it is approved now, in late 2015 - early 2016 the planned amount of \$40 million will be allocated. It is difficult to give any more details at present since we have yet to conclude the agreement. But at least, the work in this direction is underway."

Under the cooperation strategy with Azerbaijan, the ADB plans to allocate \$752 million in between 2014 and 2018 toward the implementation of infrastructure projects in the spheres of transport, energy and water supply.

18.6 percent of the funds will be allocated toward the financing of the energy sector.

Over the whole period of cooperation, the ADB allocated a total of nearly \$1.94 billion to Azerbaijan for the implementation of 22 projects.

The active portfolio of the ADB in Azerbaijan is \$1.224 billion.

--