

SELECTION OF PROJECT SITE FOR SOLAR ENERGY

In the "project development" stage, initial step for the investors, who wish to install a solar energy based generation facility, is the "site selection". Special attention should be expended on site location and grid connection point. Taking into account the fact that approximately 35 % of the land in Turkey is used for agriculture, while 27 % is forest and 18 % is pasture, it is obvious that agricultural and forest lands as well as zones under government control has considerable importance in "site selection" within the scope of solar energy investments.

In addition, the EMRA Committee Decision dated 24 May 2012 and numbered 3842 stipulates that no license application for solar energy generation facilities shall be accepted for areas which would disrupt the integrity of agricultural usage in agricultural lands (absolute, private, cultivated, irrigated) and surrounding lands. Therefore, it is not possible to make solar energy investments in these areas. Theoretically, Law on Utilization of Renewable Energy Sources for the Purpose of Generating Electrical Energy numbered 5346 (YEK Law) stipulates that lands with forest classification, or immovable properties privately owned by the Treasury or under authority and control of the Government, or grasslands, pastures and public meadows and ranges may be leased or be subject to easement *in consideration of a compensation*. However, the Prime Ministry Notice numbered 2012/15 published on Official Gazette issue 28325 dated 16 June 2012 all transactions related to any kind of disposition on immovable properties under ownership or control of public institutions and offices (excluding municipalities and special provincial administrations), as well as companies whose shares are owned by public institutions and offices to the order of over fifty per cent, shall be subject to approval of the Prime Ministry.

Again, establishment of energy generation facilities based on renewable energy sources in national parks, nature parks, natural monuments, natural preserves, forest preserves, wildlife development areas and special environmental protection areas shall be subject to approval of the relevant Ministry, while in natural protected sites it shall be subject to positive opinion of the regional protection board. The question of whether or not such approvals and positive opinions will be granted and if so how long will the process take creates an uncertainty for the investor. The investor will face some challenging questions at the beginning of the process: Setting agricultural lands, forests, pastures, natural parks, etc. aside, how much of the 20 % share of land outside such classifications will be suitable for solar energy investments? Will these areas be eligible for licensing in result of the measurements? Are there any other potential problems (leasing, expropriation, etc.)? Moreover, in such projects with high initial risk and a scarce choice of eligible sites, another source of apprehension for the investor is the fact that the relevant public institutions and offices involved in selection and measurement of the project site are not under any obligation to keep the coordinates of such sites confidential. Therefore, the investor has to thoroughly consider the decision to (not to) use "solar energy investment" right at the outset, properly analysing the risks and following up on legal rights. However, it should be remembered that the lack of any action to clear the bureaucratic hurdles in front of the investor with regard to project site procurement constitutes an obstruction to the Government's goal of increasing the share of energy generation from renewable sources to 30 % by 2023. We hope that in the course of the process challenges will be cleared and the way of solar energy investors will be opened.