

Luxembourg, 25/03/2026

## Environmental and Social Data Sheet

### Overview

Project Name: BISTRICA HPP REHABILITATION  
 Project Number: 2025-0134  
 Country: Serbia  
 Project Description: The Project consists of the rehabilitation of two existing power units at Bistrica HPP.

EIA required: no

Project included in Carbon Footprint Exercise<sup>1</sup>: yes

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

### Environmental and Social Assessment

#### Background

The Promoter is JSC Elektroprivreda Srbije ("EPS"), the state-owned electricity utility. The Project is a part of the framework loan to finance the promoter's key green investments for the period 2025-2031 with a view to increase ultimately the national share of renewables to the target set by 2030. It consists of the rehabilitation of two existing power units (2x51 MW) at Bistrica HPP, located in Southwestern Zlatibor region, Nova Varoš Municipality. The rehabilitation activities include the replacement of turbines, power generators, control systems, power transformers, and auxiliary systems. Civil structures are reportedly intact and do not require refurbishment or re-investment.

#### Environmental Assessment

In Serbia the EIA procedure is regulated by the Environmental Impact Assessment Act. The national competent authority for the issuance of Decisions regarding environmental impact assessment is Ministry of Environmental Protection (the Ministry).

The EIA screening process for the reconstruction of two existing units with the initial plan to increase power output of the units was successfully completed in 2019, with the issuance of the screen-out decision by the Ministry. The decision had a 2-year validity period. The Promoter resubmitted the EIA screening application with the technical changes to keep the installed power output of the units and therefore conduct investment-maintenance and adaptation (rehabilitation). On 27 March 2024, the Ministry reissued the screen-out decision stating that an Environmental impact assessment study was not necessary.

Based on the information provided by the Promoter and the screen-out decision, the rehabilitation works do not entail substantial adverse environmental or social impacts, and no resettlement is foreseen. The negative impacts of the project identified during the EIA screening are only during the project implementation phase. They may include increased dust level, noise, vibrations and pollutants from machinery and vehicles on site and disturbance from workers on

<sup>1</sup> Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.



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site. These impacts will be mitigated through good construction management and communication with the local community.

As a derivative type of HPP, the reservoir of the Bistrica HPP is located on Uvac River, while the powerhouse where the rehabilitation works will take place is located at Potpec Lake on the Lim River. The reservoir (about 8 km from the powerhouse) is located within the boundaries of the Uvac Special Nature Reserve and within an ecologically important area of the Republic of Serbia "Uvac – Mileševka", which covers the following: Important Bird Area (IBA), Prime Butterfly Area (PBA) and Emerald area. As the machine building, where the rehabilitation works of the Project will take place, is located 8 km from the reservoir, the Serbian Institute for Nature Conservation concluded that the planned activities during the project implementation will not significantly affect the natural life in the area.

***Dam safety:*** EPS has a legal obligation to conduct comprehensive safety measurements on the dam. These measurements are done on a daily, weekly, monthly, yearly, or three-year period. Detailed reports are issued yearly and on three-year period as an obligation under the Law of the Republic of Serbia. The Water Directorate within the Ministry of Agriculture, Forestry and Water Management checks the safety reports and conducts periodical inspection on all activities regarding dams' safety.

***River basin management:*** The works of the Project will not increase the installed capacity of the Bistrica HPP and will not negatively alter the water use at the basin level. The Bistrica HPP with associated Radoinja intake reservoir is recognized in the Report "*Phase II Nexus Assessment for the Drina River Basin*", which is prepared within the framework of the project "*Promoting the Sustainable Management of Natural Resources in South-Eastern Europe*". The latter is financed by the Austrian Development Agency (ADA) and implemented by the Global Water Partnership- Mediterranean (GWP-Med) in cooperation with the United Nations Economic Commission for Europe (UNECE). The project is in line with the Water Law ("*Official Gazette of RoS*", No. 30/10, 93/12) as it reflects the requirements of the Water Framework Directive 2000/60/EC.

## **EIB Carbon Footprint Exercise**

The absolute emissions from the Bistrica HPP reservoir are negligible because of the relatively small size.

The estimated relative emissions savings are around 237,300 tonnes of CO<sub>2</sub> equivalent per year and are calculated based on zero absolute emissions. Baseline emissions are calculated using combined margin for firm electricity generation for Serbia (678 tCO<sub>2</sub>/GWh) and estimated annual electricity generation of 350 GWh after the rehabilitation.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

## **Social Assessment**

Since the aim of the project financed by the Bank is the rehabilitation of two power units in the existing hydro power plant, no resettlement is envisaged. The project is expected to have minor negative social impact during the construction phase, which will be mitigated through good construction management and communication with the local community.

## **Public Consultation and Stakeholder Engagement**

In accordance with the Law, the public has been informed regarding Bistrica HPP rehabilitation and according to the screened-out Decision, no complaints/observations have been received from the local communities and NGO, nor from any other stakeholder. During the screening



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processes, the public has been informed through the national and local newspapers and via the Ministry's website.

### **Other Environmental and Social Aspects**

The hydropower plant envisaged for the rehabilitation under the Project has been running safely for decades. The Promoter has good track record with the similar projects and has a capacity to implement stakeholder engagement during the construction phase. He has in house environmental, health and safety experts. In addition, external FIDIC/Supervision Consultant is going to monitor the technical, environmental and social aspect of the project during the project implementation.

EPS has implemented management systems in accordance with the requirements of ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, and ISO 27001:2013 which are certified by independent certification institutions in accordance with international certification rules.

Being a derivative type of HPP, the powerhouse civil structure is not affected by the climate change. However, limited impact on the annual generation figures and exposure to flood risk may be present for the associated structure (dam and reservoir).

In line with its Environmental, Climate and Social Guidelines on Hydropower Development, the Bank will require the promoter to conduct a climate change risk assessment and vulnerability analysis.

## **Conclusions and Recommendations**

With the below conditions in place, the Project is considered acceptable for EIB financing in Environmental & Social terms.

#### Disbursement Conditions:

- None.

#### Undertakings:

- The Promoter will ensure that the Stakeholder Engagement Plan (SEP) is developed prior the commencement of Works.
- The Promoter will make data on downstream monitoring, hydrological inflows and outflows publicly available.
- The Promoter will form Environmental and Social (E&S) Steering Committee or Working group which will be closely monitoring the E&S aspects of the project, and which will closely cooperate with the representatives of the local community.
- The Promoter will make publicly available Conclusions of annual surveys (reports) on the dam and hydraulic structures.
- Whenever applicable, the Promoter undertakes to fulfil the requirements of the competent authorities regarding the environmental aspects of the project.
- The Promoter will carry out climate risk and vulnerability assessment (CRVA) for hydro power plant and associated infrastructure (dam, reservoir) by the end of 2026. Based on the CRVA results, the Promoter will implement the proposed measures within a reasonable time frame, preferably by the end of 2029.