



MINISTERUL MEDIULUI
APELOR ȘI PĂDURILOR

MINISTER'S CABINET

No. DGEICPSC/22285/ *04.11* .2025

To: MINISTRY OF ENVIRONMENTAL PROTECTION OF THE REPUBLIC OF SERBIA

In att.: Ms. Sara PAVKOV, Minister

Dear Minister PAVKOV,

We hereby acknowledge the receipt of your information that the National Assembly of Republic of Serbia adopted the Energy Development Strategy of the Republic of Serbia up to 2040 with projections up to 2050 in November 2024 (the Strategy), received through e-mail from the Focal Point for the SEA Protocol of the Republic of Serbia on the 26th of May 2025, as well as the receipt of the final version of the Strategy and the report on strategic environmental assessment (SEA report). An official letter related to this subject is yet to be received.

The Strategy is a programmatic document that defines the development directions of the Serbian energy sector, with an emphasis on security, accessibility and sustainability. The Strategy proposes a development model oriented towards economic competitiveness, energy security and consumer protection, while respecting environmental objectives and taking into account the fossil and renewable resources available to Serbia.

In his communication, the Serbian Focal Point has mentioned that all comments received were considered and that comments that came from Romania, Hungary and Croatia were incorporated into the final documents.

We would like to mention that in accordance to the provisions of art. 11 para. 2 of the Protocol *on strategic environmental assessment to the Convention on environmental impact assessment in a transboundary context* (the SEA Protocol), this information should be made available to the consulted Parties together with a statement summarizing how environmental, including health, considerations have been integrated into it, how the comments received from the Parties have been taken into account and the reasons for its selection in the light of the reasonable alternatives considered. The statement is also yet to be received, although requested through e-mail by the Romanian Focal Point for the SEA Protocol on the 29th of May 2025.

After careful examination of the documents provided by the Serbian Party, both by the ministry and competent national authorities, it has been concluded that the aspects mentioned in our

letter no. DGEICPSC/28739/27.08.2024 have not been integrated in the Strategy and SEA report before its adoption.

Related to the information that should have been included in the Strategy and SEA report taking into consideration our comments and observations, the following have been received from our colleagues and competent authorities:

The Strategy plans measures and projects with a cross-border impact on Romania, particularly in the Danube River area, where there are major risks related to changes on the hydrological regime and damages on the aquatic biodiversity, as well as water pollution with heavy metals, toxic substances and thermal warming effects.

In the Strategy document (page 22/112) it is mentioned that there is a possibility of building a pumped-storage hydropower plant on the Danube. The construction of PSHPP Djerdap 3 with total estimated installed capacity of 1,800 MW is planned until 2040. In the same time at page 45/112, it is mentioned that the implementation of the construction project of PSHPP Djerdap 3 implies regional cooperation with Romania in accordance with bilateral agreements and international regulations. There are also plans to gradually revitalize all 10 hydro-units within the Djerdap 2 HPP, increasing the capacity of each unit from 27 MW to 32 MW. This will require an investment of 213 million euros, with completion and commissioning expected in 2037.

At the moment, the information presented in the Strategy provides a general framework, without referring to or detailing specific aspects regarding the impact of PSHPP Djerdap 3 on the operation and production of SHEN Iron Gates I and Iron Gates II. Currently, the daily operation plans of the Power Plants of the Iron Gates I System and the Iron Gates II System are established by the JDSE, the regularization being done daily, based on the level restrictions at the control sections and the limits of permitted variations that must be respected in full by all parties. Considering the concept and mode of operation of the Djerdap 3 Pumped Storage System for balancing services, this could significantly influence the daily operation plans of the power plants of the Iron Gates I and Iron Gates II System, which could lead, in the absence of clear regulations, to non-compliance with the tolerances allowed by the current Operating Convention and JDSE Regulation.

The administration of the two hydropower objectives as well as the management of these waters can only be achieved by the joint agreement of the representatives of the two signatory states of the Convention *between the Government of Romania and the Federal Government of the Federal Republic of Yugoslavia regarding the exploitation and maintenance of the Iron Gates I and Iron Gates II hydropower systems*, within the limits, conditions and terms agreed upon. We consider that the issue of any new project falls within the competence of the state bodies of the two countries. Thus, the establishment of additional obligations for the Romanian party can only be done by referring to the provisions of the Convention and only under the conditions of art. 28, respectively by the same method by which the Convention was adopted. At the same time, in the sense of the above, the provisions of art. 29 of the Convention according to which "the Convention applies throughout the existence of the Iron Gates I and Iron Gates II System" should be taken into account.

Also, in the SEA Report, section 4.3 *Summary of important impacts of the Strategy* (pag. 77/93), it is mentioned that "certain negative impacts are expected from the construction of the PSHPP Bistrica and the construction of the PSHPP Djerdap 3, the construction of which would have a

to the Convention on Biological Diversity and other international conventions and treaties,

- Although in Chapter 1.1.3. *Overview of the development of energy sector in the Strategy*, on page 11 reference is made to Djerdap 2 and 3, projects connected to the Danube River, no additional information or location maps are provided,
- In chapter 2.1 *Current state and quality of environment*, there is no chapter dedicated to biodiversity and protected areas,
- In section 3.1. *General objectives and specific goals of the SEA*, only general indicators are listed without a link between the objectives of the strategy and the biodiversity components, namely protected areas, protected species and habitats, protected areas in the cross-border area,
- In section 4.1. *Impact assessment of variant solutions*, it is specified, in the table in the section "Electric energy system" that scenario S involves "construction of two pumped-storage hydro power plants", without specifying whether or not they are correlated with the construction/development of the Djerdap 2 and 3 hydropower plants provided for in section 1.1.3,
- The table on page 64 foresees the construction of Djerdap 3 by 2040, without indicating the location and protected areas in a cross-border context. In this regard, the table on page 66 does not indicate impact indicators on protected areas,
- Section 4.3 only mentions that Djerdap 3 has a negative impact on biodiversity components, without going into detail about the potentially affected protected areas, as well as the species and habitats for which they have been designated,
- The Strategy refers to the revitalization of Djerdap 2 in the period 2025-2037, without Djerdap 2 being analyzed in the SEA Report (Djerdap 2 is mentioned in the report only in section 1.1.3.).

Taking into account the above-mentioned aspects, it should have been clearly specified that the environmental impact assessment, for each objective included in the strategy located in the proximity of the border with Romania, as well as for the objectives that are not in the proximity of the border, but that may affect protected areas in Romania, as well as the species and habitats for which they have been designated, must take into account the detailed assessment of the impact on each protected area, species and habitat.

As regards to micro-hydropower plants, although they are considered renewable energy sources with a low environmental impact, local effects may occur downstream of dams. These include a decrease in water levels during dry periods or an increase in flow during rainy periods, with potential impacts on aquatic ecosystems and the local hydrological regime.

Concerning measures to prevent, reduce and mitigate significant environment impacts in Chapter 4.5: *The description of measures for the prevention and reduction of negative and increase of positive environmental impacts* provides for general measures which, in the absence of an action plan, cannot be properly analyzed.

Energy activities in Serbia generate a significant transboundary impact, with potential effects on air quality and on quantity and quality of water in neighboring countries. It is therefore essential to effectively implement protective measures and to reinforce international cooperation in order to limit these effects and protect ecosystems and the human health in the region.

The effectiveness of the measures proposed in the Republic of Serbia's Energy Development Strategy until 2040 with projections until 2050 will depend essentially on implementation through infrastructure projects, constant monitoring, as well as on active and transparent transboundary collaboration with Romania.

Please accept, Ms. Minister, the assurance of my highest consideration.

Diana-Anda BUZOIANU
Minister of environment, waters and forests

