

 Early Warning System

EBRD-54524

Novi Sad Solar - Thermal Plant



Quick Facts

Countries	Serbia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Proposed
Bank Risk Rating	B
Voting Date	2024-12-04
Borrower	Government of Serbia - Ministry of Finance
Sectors	Infrastructure, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	\$ 100.16 million
Project Cost (USD)	\$ 116.52 million



Project Description

According to the Bank's website, the project consists of the provision of a sovereign loan of up to EUR90 million to the Republic of Serbia ("RoS"), represented by the Ministry of Finance ("MoF") for the benefit of Novosadska Toplana Novi Sad (the "Company" or "Novi Sad DHC"), the district heating company of Novi Sad, 100 per cent owned by the City of Novi Sad. The Project will be implemented by the Company in coordination with the Ministry of Mining and Energy ("MoME") and the City.

The proceeds of the loan will be used to finance the construction of a large-scale solar-thermal plant in Novi Sad with 38,600 m² of solar collector fields, a seasonal heat storage, heat pump and an eBoiler (the "Project"). The Project is part of the Green Cities Window 1 Framework ("GrCF2 W1 Framework") and is included the Green City Action Plan ("GCAP") being developed by the City. Through the GCAP, the City identified, and is currently prioritising, its most pressing environmental challenges with targeted investments and policy actions to address them.

The Project is envisaged to be co-financed with an investment grant to be provided by the European Union ("EU") through the Western Balkans Investment Framework ("WBIF").

Project Objectives:

- Contribute to an efficient, reliable and environmentally-friendly heat supply for households, public institutions and businesses in the city of Novi Sad through the provision of base heat energy capacity to the district heating ("DH") network of Novi Sad from solar thermal technology.
- Support Serbia's efforts to decarbonise its district heating sector.



Early Warning System Project Analysis

Categorised B (Environmental and Social Policy (ESP) 2019). Key E&S risks and impacts associated with construction and operation of a thermal solar plant including a seasonal pit storage and connection to the city for district heating include land issues (this will be confirmed during ESDD), OHS procedures for contractors, labour management, community safety, disruptions to supply of heat and hot water to the community and public access, design safety, landscape/visual issues, cultural heritage and stakeholder engagement.



Investment Description

- European Bank for Reconstruction and Development (EBRD)

A sovereign loan of up to EUR 90 million to the RoS, for the benefit of the Novi Sad DHC.

Total estimated project cost is €104.7 million.



Private Actors Description

The Borrower is the Republic of Serbia , represented by the Ministry of Finance while the client and beneficiary is Novi Sad DHC, 100% owned by the City of Novi Sad.



Contact Information

COMPANY CONTACT INFORMATION

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>