

 Early Warning System

WB-P516640

Serbia - Strategic Gas Infrastructure and Institutional Strengthening  
Project



Quick Facts

|                         |                                                      |
|-------------------------|------------------------------------------------------|
| Countries               | Serbia                                               |
| Financial Institutions  | World Bank (WB)                                      |
| Status                  | Proposed                                             |
| Bank Risk Rating        | A                                                    |
| Voting Date             | 2026-09-24                                           |
| Borrower                | Government of Serbia - Ministry of Mining and Energy |
| Sectors                 | Energy                                               |
| Investment Type(s)      | Loan                                                 |
| Investment Amount (USD) | \$ 197.00 million                                    |
| Project Cost (USD)      | \$ 197.00 million                                    |



### Project Description

According to the Bank's website, the Program Development Objective (PrDO) is to improve the security, reliability, and resilience of gas supply in Serbia. The Serbia Gas Sector Development Program under the Multi-Phase Programmatic Approach (SGSD MPA) is structured as a three-phase program to support the modernization, diversification, and resilience of Serbia's natural gas sector over time.

It is organized around three pillars:

- (i) expanding and upgrading gas transmission and underground gas storage (UGS) infrastructure to remove physical bottlenecks, strengthen strategic transmission network corridors, and increase UGS capacity;
- (ii) strengthening sector governance, regulatory and planning frameworks to support transparent, efficient, financially sustainable, and EU-aligned operation of gas infrastructure and markets; and
- (iii) enhancing institutional capacity to plan, implement, operate, and manage major gas infrastructure investments while supporting sector governance and market liberalization.

Phase 1 (Foundation Phase) finances the Trupale-Pojate pipeline and supports the institutional, regulatory, financial, and technical foundations of the SGSD MPA and its Project Development Objective (PDO) is to improve the security and reliability of gas supply in Serbia.

Phase 2 (Integration Phase) strengthens gas transmission capacity through the financing of additional pipeline and compressor station infrastructure and continues institutional strengthening and sector reforms. Phase 3 (Consolidation Phase) develops the key north-south corridor and underground gas storage (UGS) infrastructure and consolidates sector reforms and long-term market development.

Phase 1 is designed to address the most immediate operational and supply constraints in Serbia's gas transmission system while establishing the institutional, regulatory, financial, and technical foundations for the broader SGSD MPA, including Phases 2 and 3. It will finance:

- (i) the construction of the 62 km Trupale-Pojate high-pressure inland gas pipeline, including associated metering, regulation, safety, and SCADA integration systems, to increase inland transmission capacity and enable greater utilization of gas flows from the existing Bulgaria-Serbia Interconnector (IBS) and the future North Macedonia interconnector;
- (ii) the establishment and operationalization of a dedicated Project Implementation Unit (PIU) within the Ministry of Mining and Energy (MoME), together with institutional strengthening support for Gas Infrastruktura, Transportgas Srbija, Srbijagas, and the Energy Agency of the Republic of Serbia (AERS), including support for sector reforms, governance, operational efficiency, and financial sustainability; and
- (iii) technical assistance and preparation of key technical, design, environmental and social (E&S), regulatory, and sector studies required for the implementation of Phase 1 and preparation of subsequent MPA phases. A Contingent Emergency Response Component (CERC) is also planned under Component 3 of Phase 1.



### Early Warning System Project Analysis

The overall E&S risk for Phase 1 is classified as substantial. For Phase 1, both the environmental and social risks have been classified as substantial. Potential social risks and impacts for Phase 1, include: labour and working conditions risks during construction; risks to workers' health and safety; community health and safety risks during construction and operation; noise and disturbance effects; sexual exploitation and abuse/sexual harassment (SEA/SH) risks during construction, depending on the size and sourcing of the workforce and labour influx; further restrictions on land use, adverse impacts on livelihoods from construction impacts to cultivated crops; damage or restricted access to tangible cultural heritage; and risks relating to inadequate stakeholder engagement and grievance management. Physical displacement is not anticipated for construction of the Trupale-Pojate section planned under Phase 1 however 3000 land parcels are anticipated as being impacted by construction (temporary) or permanent restrictions being put in place. There is potential for legacy issues from the previous project development. The Project also has potential to have disproportionate and/or adverse impacts on disadvantaged/vulnerable communities and households. Potential environmental risks and impacts include soil disturbance and erosion; temporary vegetation clearance and habitat disturbance; impacts on agricultural land; risks to surface water and groundwater associated with river and stream crossings, hydrotesting activities, and accidental spills; dust, noise and vibration from construction activities; generation of construction and hazardous waste; and risks associated with the handling and storage of fuels, lubricants, drilling fluids and other hazardous materials. The corridor traverses a predominantly modified agricultural landscape but also passes through riverine, riparian, wetland and forested habitats and is located in proximity to biodiversity-sensitive features. Potential impacts on biodiversity include habitat loss or degradation, disturbance to fauna, effects on habitat connectivity, and potential impacts on ecologically important habitats and species. The presence or absence of critical habitat along the alignment has not yet been determined and represents a residual biodiversity risk to be assessed through the ESIA. Operational environmental risks are comparatively limited but include the potential environmental consequences of accidental gas leakage or pipeline failure on soil, water resources, biodiversity, and nearby environmental receptors. \_For Official Use Only\_ Climate-related hazards, including flooding and extreme weather events, may also affect the long-term environmental performance and resilience of the infrastructure.



### Investment Description

- World Bank (WB)

Total Project Cost: US\$ 197.00 million

IBRD Commitment: US\$ 197.00 million



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### Contact Information

#### World Bank

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Senior Energy Specialist

#### Borrower/Client/Recipient

The Republic of Serbia

#### Implementing Agencies

Ministry of Mining and Energy

### ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: <https://www.worldbank.org/en/access-to-information/request-submission>

### ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing [ipanel@worldbank.org](mailto:ipanel@worldbank.org). Information on how to file a complaint and a complaint request form are available at: <https://www.inspectionpanel.org/how-to-file-complaint>



### Bank Documents

- [Appraisal Environmental and Social Review Summary \(ESRS\) - Serbia - Strategic Gas Infrastructure and](#)
- [Appraisal Project Information Document \(PID\) \(English\)](#)
- [Concept Environmental and Social Review Summary \(ESRS\) - Serbia - Strategic Gas Infrastructure and I](#)
- [Concept Project Information Document \(PID\)](#)
- [Environmental and Social Commitment Plan \(ESCP\) - Serbia - Strategic Gas Infrastructure and Institut](#)
- [Environmental and Social Scoping Report and TOR for ESIA Serbia - Strategic Gas Infrastructure and I](#)
- [Resettlement Framework Serbia - Strategic Gas Infrastructure and Institutional Strengthening Project](#)
- [Stakeholder Engagement Plan \(SEP\) - Serbia - Strategic Gas Infrastructure and Institutional Strength](#)