

Montenegrin Ministry for Capital Investments said that it has terminated seven SHPP concession contracts because the investors did not honor the agreed obligations. Contracts for the construction of SHPPs on the following watercourses have been terminated: Djuricka Rijeka in Plav municipality, Bistrica in Bijelo Polje municipality, Bukovica in Savnik municipality, Rezevica Rijeka in Budva municipality, Ljeviska Rijeka and Rastak in Kolasin municipality. The Ministry said that it does not know how much termination of these concessions would cost because the compensation claims have not been specified yet, and it is up to relevant courts to determine the amount. The Ministry also said that it is currently revising other SHPP concession contract, which could result in more terminations if any irregularities are found.

Now the state has been sued by five investors over unilaterally terminating concession contracts for the construction of small hydropower plants (SHPP).

In late 2020, Montenegrin Prime Minister-Designate Zdravko Krivokapic said in his expose that the new Government will permanently ban the construction of SHPPs in Montenegro and that all existing concession agreements will be reviewed and revised. He said that privileged individuals have benefited from the construction of SHPPs so far, but watercourses are one of the greatest natural resources of Montenegro and as such must be preserved. He noted that SHPPs do great damage to river ecosystems, nature and public finances, and their participation in the energy system is negligible.