

[Serbian Government](#) and the [European Bank for Reconstruction and Development \(EBRD\)](#) have signed an agreement on the loan in the amount of 300 million dollars to be used for the restructuring of state-owned power utility EPS.

According to the statement from the Ministry of Finance, the financing will be secured through two tranches, with a guarantee from the Ministry. **The loan will be used by EPS, which faced a considerable drop in liquidity this winter season due to the import of large quantities of electricity.**

Minister of Finance Sinisa Mali said that there would be efforts to [reform EPS](#), which needed to have stronger corporate management and better management capacities. At the meeting of the representatives of the Government of Serbia and the EBRD, it was said that large hydro power plants in Serbia secured around 30 % of electricity, while renewable energy sources, such as wind and solar, represented less than 3 % of the production and had the potential to considerably help Serbia develop a clean new local energy supply.

In early 2023, Serbian President Aleksandar Vucic said that state-owned energy companies will be run by foreign professional management.

He said that employees of Norwegian Rystad Energy, with whom Serbia cooperates in implementing reforms in the energy sector, will become members of supervisory boards and executive bodies in state-owned energy companies, in order to change the way the state manages its companies and leave the party-parasitic system.

This particularly related to power utility EPS, which, in 2022, was forced to import significant amounts of electricity due to years of neglect and mismanagement.

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