

In coordination with the European Union, the European Bank for Reconstruction and Development (EBRD) will help Serbia prepare a National Energy and Climate Plan (NECP). The plan will define goals for reducing carbon dioxide emissions, increasing energy efficiency and increasing the share of renewable energy sources by 2030.

The Serbian city of Kragujevac will receive 18 million euro loan from the EBRD for the decarbonization of its district heating system.

The statement from the bank said that the loan will finance the dismantling of coal boilers in the city's district heating system, the installation of new natural gas boilers and the rehabilitation of the open ash dump. The EBRD will also finance technical support to be provided to the district heating company in order to continue further decarbonisation of the system and the introduction of renewable energy sources.

The city's district heating system is one of the main sources of air pollution in Kragujevac, and inefficient and outdated coal-fired boilers are located near the city center and cause serious damage to the environment, according to the EBRD.

The EBRD states that the loan will help to completely eliminate coal from the Kragujevac district heating system by replacing coal boilers with new natural gas boilers that are in line with EU standards and the rehabilitation of the ash dump. This is expected to have huge environmental benefits, including a 66 % reduction in carbon dioxide emissions from the heating system, 100 % sulfur dioxide, 89 % nitrogen oxide and 100 % particulate matter reduction, with savings in water usage of 55 %.