







# INVESTORS` GUIDE FOR PROJECTS RELATING TO RENEWABLE ENERGY SOURCES

## INVESTORS' GUIDE FOR PROJECTS RELATING TO RENEWABLE ENERGY SOURCES

Realization of projects using renewable energy sources (RES) is a complex process which requires obtaining variety of documents, permits, licenses, approvals, opinions, all issued by a competent state authorities, as well as a preparation of project documentation and other actions which are to be undertaken by the investor for the purpose of realization of power plant construction. Ministry of Mining and Energy in cooperation with the United Nations Development Program (UNDP), in order to enable investors a facilitated grasp of all the necessary steps during the process from developing an idea until the realization of the construction of power plant producing electrical energy with preferential treatment, have prepared the *Investors* \*\*Guide for Projects Relating to Renewable Energy Sources (the Guide). The Guide is designed as a presentation representing the sequence of necessary steps which are to be undertaken by the investor, i.e. phases of the process which the investor is due to go through during the realization of the project of the RES power plant construction.

Taking into account different procedural requirements applicable to projects relating to various renewable energy sources, and depending upon the applied technology and installed power, the Guide primarily pertains to the projects for which there is the greatest interest amongst investors, which primarily encompass the power plants with small installed power, and particularly hydropower plants, solar power plants and biogas plants.

Each particular page of the Guide, except the first and the last page, has been conceptualized as a description of a single step which is due to be taken by the investor in the process of the power plant construction. In other words, each page of the Guide represents one particular document, i.e. act which investor obtains as a result of the successfully completed step within the realization of the project. The steps have been arranged in chronological order within the process of obtaining the documents, i.e. in progressive order which enables the realization of the project without referring to the documents which have not been obtained previously, indicating to investors a one-way pathin the process of obtaining the documents.

Electronic version of the Guide is available and can be downloaded from the following link, at the official website of the Ministry of Mining and Energy of RS:

http://www.mre.gov.rs/doc/efikasnost-izvori/Vodic%20za%20OIE%202016.pdf









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## Site Selection and Overview of the Planning Documents

The meaning of the term: the selection of the location is performed according to the investor's discretion, and the initial information on the availability of the location is obtained through an insight into the planning documentation. Through the insight into the planning documentation, investor verifies whether the construction of an energy facility is envisaged in the valid planning documentation.

#### The procedure of submitting the application:

- In the <u>LGU</u> where the selected location is situated, it is possible to have an insight into the planning document currently in effect, wherein it can be verified whether the construction of energy facilities is envisaged on that particular location.
- In most cases, it is not necessary to submit a separate application, nor is a separate document issued as a result of this activity.

#### Note:

- Plants may also be constructed on an agricultural land, having previously obtained the approval of the ministry in charge of agriculture.
- If the location which is selected for construction of the facility situated on a forest land, a change of purpose of the respective land is to be carried out under the conditions prescribed by the law.
- The same <u>LGU</u> authority may be asked to supply an excerpt from urban plan or a confirmed urban design project, that is, the act on urban conditions, if it proves necessary for obtaining <u>Decision</u> on Scope and Content of the <u>Environmental Impact Estimation</u> <u>Study</u>

For more information: see the Internet site of the LGU in charge.











## Copy of the Ground Plot Plan – the Land Division Plan

The meaning of the term: a document which can be used to verify whether the construction of energy facility is envisaged at that particular location, and is necessary for preparing the technical documentation and obtaining the necessary permits.

#### The procedure of submitting the application:

- The application is to be submitted at the <u>LGU</u> where the selected location is situated.
- The application is to be submitted in accordance with the internal regulations of the respective <u>LGU</u>.

#### The deadline for passing a decision upon the request:

 The general deadline for passing a decision according to the requests submitted in general administrative proceeding is 30 days from the day of submitting the request, but it also depends on the practice of the respective LGU.

#### The validity period:

In practice, for obtaining the <u>Information on the</u>
 <u>Location</u> and other documents, it is required that the submitted documents are not older than 6 months.

For more information: see the Internet site of the competent LGU.











## Copy of the Real Estate Sheet – Excerpt from the Land Registry

The meaning of the term: The act proving the ownership of a plot of land, necessary for preparing the technical documentation and obtaining a <u>Construction Permit</u>.

#### The procedure of submitting the application:

- at the competent land registry authority on the territory of the respective <u>LGU</u>, in accordance with the practice of the respective <u>LGU</u>,
- on the site of the Republican Geodetic Institute, one can access an on-line land registry database and download a copy (excerpt) from the land registry.

#### The deadline for passing a decision upon the request:

30 days from the day of submitting a request.

#### The validity period:

 in practice, for obtaining <u>Information on the Location</u> and other documents, it is required that the submitted documents are not older than 6 months.

For more information: http://katastar.rgz.gov.rs/KnWebPublic/











## Preliminary Feasibility Study with the General Project

The meaning of the term: the first level of the technical documentation, with to purpose to review the feasibility of the realisation of a project, and is compulsory only for <a href="large-scale facilities">large-scale facilities</a> under specific circumstances. Preliminary feasibility study contains the general project, whereas the general project may be elaborated without a preliminary feasibility study.

Before commencing the preparation of the technical documentation for the construction of <u>large-scale facilities</u>, which are financed from budget funds, prior works are conducted, and on the basis of their results a preliminary feasibility study is elaborated, as well as a <u>feasibility study</u>. In the case of the construction of <u>large-scale facilities</u>, for which the <u>Location Conditions</u> may be issued on the basis of the planning document, no preliminary feasibility study with the general project is elaborated.

#### The procedure of submitting the application:

- it is necessary to engage the services of an authorised project designer i.e. a licensed project design company, which is authorised, in accordance with the <u>LPC</u>, to prepare the related technical documentation (Project Designer).
- Independently or in cooperation with the Project Designer, the investor prepares the project task on the basis of which the requisite technical documentation is to be prepared.

The validity period: in accordance with the validity of the documents on the basis of which the technical documentation is prepared.

#### Note:

- The preparation of the technical documentation may be a process that unfolds parallel with the process of obtaining the related technical data on the location, through the cooperation between the investor and the Project Designer.
- The general project and a preliminary feasibility study for <u>large-scale</u> <u>facilities</u> are subject to revision, that is, to the expert control of a commission established by the Minister or the competent authority of the AP.

For more information: <a href="http://www.ingkomora.org.rs/">http://www.ingkomora.org.rs/</a>.











### Information on the Location

The meaning of the term: the document with the purpose of obtaining data on the possibilities and limitations of the construction at the considered land plot i.e. cadastre parcel, in accordance with the valid planning document, for the purpose of preparing the technical documentation and obtaining the <u>Location Conditions</u>.

#### The procedure of submitting the application:

- it is submitted to the authority competent for issuing <u>Location</u> Conditions<sup>(1)</sup>.
- The following are to be submitted along with the application:
  - copy of the Ground Plot Plan,
  - copy of the Real Estate Sheet,
  - other documents (certificate on payment of the requisite fees, charges, identification).

The deadline for passing a decision upon the request: 8 days from the day of submitting a request.

**The validity period:** in accordance with the practice of the authority issuing the act; in practice, it is usually required that the information on the location should not be more than 6 months old.

#### Note:

- (1) The authority competent for issuing this document is the <u>MC</u>, or the competent body of the <u>AP</u>, or the competent body of the <u>LGU</u>, in accordance with the <u>LPC</u>.
- When obtaining the information on the location, it is recommendable to verify whether, in the case of the given location, the location information has already been issued for a similar or other facility.

- http://gradjevinskedozvole.rs/
- http://www.vojvodina.gov.rs/
- See the Internet site of the competent <u>LGU</u>.











## Opinion of System Operator on the Conditions for Connecting

The meaning of the term: it is issued for the purpose of preparing the technical documentation and the final connection of the facility to the transmission or distributive system of electric power.

#### The procedure of submitting the application:

- the application is submitted to the operator of the transmission or distributive system of electric power (depending on the power of the facility).
- Along with the application, the following are to be submitted:
  - copy of the Ground Plot Plan,
  - copy of the Real Estate Sheet,
  - other documents (certificate on payment of the requisite fees, identification and other). The deadline for payment of respective fees on the basis of the preliminary invoice is 30 days, for the purpose of continuation of the procedure.
- The study of the system operator is to be prepared ex officio, subject to the requisite fees being paid.

The deadline for passing a decision upon the request: on the basis of the study of the system operator, an opinion is to be issued within 60 days.

The validity period: one year.

#### Note:

- for energy production facilities, an opinion is not obtained within the framework of a unified procedure.
- the procedures described herein are primarily in accordance with the practice of the operator of the distributive system, whereas they can be more complex in the case of connecting the facility to the transmission system.

- http://www.epsdistribucija.rs/
- http://www.ems.rs/











### **Conceptual Solution**

The meaning of the term: the technical documentation that is prepared for the purpose of obtaining the <u>Location Conditions</u>, and may be a part of an urban planning project for the purpose of urban planning-architectural development of the location.

#### The procedure of submitting the application:

- the technical documentation for the construction of the facility may be prepared by a legal person (Project Designer) inscribed into the register of companies, and it should be verified by the signature and personal licence seal of the project designer responsible for the part of the project for which he possesses the requisite licence. For <u>large-scale facilities</u>, the technical documentation must be prepared by a company, that is, another legal person inscribed into the register of companies as competent for preparing the technical documentation for that particular kind of facility, which has employees fulfilling the requisite conditions.
- The application is to be submitted in Agreement with the Project Designer, to whom previously obtained documentation is to be submitted.

**The validity period:** in accordance with the validity period of acts on the basis of which the technical documentation is prepared.

#### Note:

- The preparation of the technical documentation may be a process that unfolds parallel with the proces of obtaining the requisite technical data on the location, and it is carried out in cooperation between the investor and the Project Designer.
- No elaborates and studies are submitted along with the conceptual solution, except in the case of facilities for which it is necessary to prepare a hydrological study. On the basis of a hydrological study, the opinion of the <a href="RHMI">RHMI</a> is to be subsequently obtained as an integral part of the water conditions; the competent body is to obtain all of the above on behalf of and for the account of the investor, within the framework of a unified procedure for obtaining the <a href="Location">Location</a>
   Conditions.

For more information: <a href="http://www.ingkomora.org.rs/">http://www.ingkomora.org.rs/</a>.









## **Conditions for Designing and Connecting to Electric Power Grid**

The meaning of the term: the act on the conditions for preparing projects and connecting defines the possibility of connecting the facility to the transmission or distribution system of electric power, that is, the electroenergetic and technical conditions required for preparing the technical documentation, as well as the technical, project and power standards that the operators of the transmission/distribution system are to fulfil, as well as the facilities of the users connecting to the transmission/distribution system.

#### The procedure of submitting the application:

- the application is submitted to the operator of the transmission or distribution system of electric power (depending on the power of the installation).
- The following are to be submitted along with the application:
  - Opinion of System Operator on the Conditions for Connecting,
  - Conceptual Solution,
  - copy of the Ground Plot Plan,
  - copy of the Real Estate Sheet.
  - The application form states the other requisite documents to be submitted along with the application (a cable duct register sheet, a geographic map of the broader area and the like).
  - Other general-type documents (certificate on payment of the requisite charges, identification and others). The deadline for the payment of charges on the basis of the preliminary invoice is 30 days, for the purpose of continuation of the procedure.
- The operator of the transmission or distribution system prepares the **technical report** ex officio, for a requisite fee, and on the basis of the report it is established whether there exist the electroenergetic and technical conditions for connecting the facility to the grid based on the request submitted.

The deadline for passing a decision upon the request: the deadline for issuing the conditions for connecting is 60 days.

**The validity period:** the conditions for preparing projects and connection to electro system define their validity period (for a distribution system, it is 12 months).

#### Note:

- For power plants, the conditions for preparing projects and connecting are not obtained within the framework of a unified procedure. If there is a need for a power plant to be connected as a buyer to the electric power grid for the purpose of general consumption, then the conditions for preparing projects and connecting for the purpose of general consumption may be obtained through the unified procedure for the Location Conditions.
- No appeal may be lodged against the act on the conditions for connecting.
- The procedures described herein are primarily in accordance with the practice of the distribution system operator, whereas in the case of connecting the installation to a transmission system the procedures may be more complex.

- http://www.epsdistribucija.rs/
- http://www.ems.rs/









## Electronic Signature – Qualified electronic certificate for electronic signing of documents

The meaning of the term: a prerequisite for the implementation of the electronic unified procedure in accordance with the <u>LPC</u> and obtaining acts in the process of the construction of facilities, as of 1st January 2016.

#### The procedure of submitting the application:

- In the Republic of Serbia, qualified electronic certificates are issued by certification authorities (the Post Office, MIA, CCS and others).
- The procedure of issuing an electronic signature varies depending on which certification authority is involved, so that when choosing a certification authority it is necessary to read carefully the instructions for issuing a qualified electronic certificate and reader, as well as an operation manual.

- http://gradjevinskedozvole.rs/tehnicka-uputstvaobavestenje-1741
- http://www.ca.posta.rs/postupak\_izdavanja.htm
- http://ca.mup.gov.rs/ca-telo-lat.html
- http://www.pks.rs/Usluge.aspx?tipUslugeID=2











### **Location Conditions**

The meaning of the term: a public document that contains data on the possibilities and limitations of the construction on a cadastre parcel that fulfils the conditions for a construction parcel; it contains all the prerequisites for preparing the technical documentation necessary for issuing a Construction Permit.

#### The procedure of submitting the application:

- The location conditions are obtained within the framework of a unified procedure,<sup>(1)</sup>
   wherein documentation exchange is conducted electronically.
- The application is submitted to the MC, or to the authorised LGU, through an electronic application form, through the system of the Agency for Business Registers, for which it is necessary to possess an <u>electronic signature</u> and to create a user account on the Internet site of the Agency for Business Registers.<sup>(2)</sup>
- Along with the application, the following are submitted:
  - Conceptual Solution,
  - Conditions for Designing and Connecting to Electric Power Grid,
  - other documents (a certificate on payment of the requisite fees, charges ,identification).
- If necessary, the competent authority will obtain the following within the framework of a unified procedure:
  - the opinion of the republic organisation in charge of hydrometeorological affairs (issued by the RHMI),
  - the opinion of the public water management company (issued by the the authorised PWMC),
  - the water conditions (issued by the competent water management authority),
  - other documents that are not relevant for the further procedures described herein or documents specific to some types of facilities.

The deadline for passing a decision based upon the request: within 5 working days from the day of obtaining all the requisite conditions and other data from the competent authorities. The validity period: 12 months from the day of issuance, or until the expiration of the validity of the construction permit.

#### Note:

- the location conditions are issued for the purpose of construction, or additional building
  of facilities for which a construction permit is issued, and also for facilities which are
  connected to the communal and other infrastructure.
- According to the Law on Waters, water conditions may be obtained by the investor<sup>(3)</sup> before the location conditions are issued, by applying directly to the competent water management authority.

- (1) http://gradjevinskedozvole.rs/objedinjena-procedura.php
- (2) <a href="https://ceop.apr.gov.rs/eregistrationportal/">https://ceop.apr.gov.rs/eregistrationportal/</a>
- (3) http://www.rdvode.gov.rs/vodna-akta-obrasci.php











### **Preliminary Design Feasibility Study**

The meaning of the term: a feasibility study is elaborated according to the needs, in order to demonstrate the profitability of the facility construction, ans its integral part is a preliminary design, which can be prepared separately, without a prior elaboration of feasibility study. The preliminary design is elaborated for the purpose of construction of a facility and performance of works for which no <a href="Construction Permit">Construction Permit</a> is required, but instead, a decision approving the performance of works is being issued (according to Article 145 of the <a href="LPC">LPC</a>(1)), and also for <a href="Large-scale facilities">LPC</a>(1) in accordance with the <a href="LPC">LPC</a>(1)).

Preliminary design determines: the purpose, position, shape, capacity, technical-technological and functional characteristics of a facility, its organisatonal elements and the outlook.

#### The procedure of submitting the application:

- Technical documentation for the construction of facilities may be prepared by a legal person (Project Designer) inscribed into the register of companies, and it should be verified by the signature and the personal licence seal of the project designer responsible for the part of the project for which he possesses the requisite licence. In the case of <a href="large-scale facilities">large-scale facilities</a>, the technical documentation must be prepared by a company, that is, another legal entity inscribed into the register of companies as competent for preparing technical documentation for that particular type of facility, which has employees who fulfil the requisite conditions.
- The application is submitted with the mutual consent of Project Designer, to whom the previously obtained documentation is delivered.

The validity period: in accordance with the validity period of acts on the basis of which the technical documentation is prepared.

#### Note:

- (1) Less demanding facilities, specifically listed, such as power stations using renewable energy sources with installed power not exceeding 50kW, parts of the electric power distribution network, some typical substations, typical hotwater heating connections and the like.
- Feasibility study and preliminary design for <u>large-scale facilities</u> are subject to revision, that is, the expert control of a commission established by the Minister or the competent authority of the <u>AP</u>.

For more information: <a href="http://www.ingkomora.org.rs/">http://www.ingkomora.org.rs/</a>











### **Energy Permit**

The meaning of the term: a prerequisite for obtaining a construction permit. The procedure of submitting the application:

- the application is submitted to the <u>ME</u> on a prescribed form, along with the following documentation:
  - Information on the Location or Location Conditions;
  - <u>Preliminary Feasibility Study with the General Project or Preliminary Design</u>
     Feasibility Study;
  - a report of the revision commission if the general project or the conceptual
    design is subject to revision, or a certified statement of the responsible
    project designer on the implementation of technical regulations concerning
    the implementation of technical regulations in the course of construction of
    the facility, concerning energy efficiency, connecting the facility to the
    existing energy system, safety at work and the safety of people and
    property, as well as protection against fire and protection of the
    environment, if the technical documentation is not subject to revision
    according to the Law on Planning and Construction;
  - a certificate of payment of a deposit into a subaccount of the budget of the Republic of Serbia opened for that purpose, in the amount of 0.5% of the value of the investment in Serbian dinars, without VAT, or a certified document proving that funds have been invested for the construction of an energy facility, in the amount of the said deposit as a minimum;
  - Opinion of System Operator on the Conditions for Connecting the facility to the energy system;
  - Water Conditions, for the facilities that use water as a natural resource;
  - other documents (certificate of payment of the requisite fees, identification);

The deadline for passing a decision upon the request: 30 days from the day of submitting the request.

#### The validity period:

- 3 years from the day of entering into force;
- it can be extended only once, for 1 year as a maximum (a request for extending the validity period is submitted 30 days before the expiration of the energy permit at latest).

#### Note:

- an energy permit is not transferrable;
- it is issued only for hydroelectric power plants and facilities of the installed power of 1 MW and more, and is no longer necessary for the construction of energy production facilities that are built in the form of a public-private partnersthip and concessions.

For more information: <a href="http://mre.gov.rs/energetska-efikasnost-obnovljivi-izvori.php">http://mre.gov.rs/energetska-efikasnost-obnovljivi-izvori.php</a>











### Decision on Necessity of Environmental Impact Estimation

The meaning of the term: it enables the investor to find out whether it is necessary, a part from the technical documentation, to do a study of influence on the environment.

#### The procedure of submitting the application:

- the application is submitted on a regulation form to the <u>MPE</u>, or the competent authority of the AP or the competent authority of a LGU.
- Along with the application, the following are to be submitted:
  - <u>Information on the Location</u> or a certified urban planning project not more than one year old,
  - <u>Conceptual Solution</u> or <u>Preliminary Design</u>, that is, a concept design sheet,
  - graphic depiction of the micro and macro location,
  - the conditions and approval of other competent authorities and organisations, obtained in accordance with special (other) laws,
  - other documents (certificate of having paid the requisite charges, identification and other forms of proof based on the request of the competent authority).

The deadline for passing a decision upon the request: within a total of 30 days, including internal deadlines for obtaining the necessary opinions of the competent authorities and the interested public, ex officio. The deadline for delivery is 3 days after passing the decision.

Note: In accordance with the <u>LEIE</u> and the Decree on the List of Projects for Which an Estimate of Influence on the Environment Is Compulsory, it has been determined for which projects it is compulsory to prepare such a study (such as installations of 50 MW or more power), for which projects an estimate of influence on the environment may be requested (such as installations with power between 1 and 50 MW, or wind power plants with power of more than 10 MW), and such an estimate is not necessary for installations with power below 1 MW, except in the case of facilities that are to be built in protected natural areas and in the protected vicinity of an immovable cultural monument, as well as in other special purpose areas.

For more information: http://www.mpzzs.gov.rs/dokumenti/











## Decision on Scope and Content of the Environmental Impact Estimation Study

The meaning of the term: if <u>Decision on Necessity of Environmental Impact Estimation</u> has been passed, determining that such an estimate is necessary, and if, within the said decision, the competent authority has not determined the scope and the content of the study of estimating the influence, the project holder should also obtain a decision on the scope and content of a study of estimating influence on the environment.

#### The procedure of submitting the application:

- the application is submitted on a regulation form to the MPE, or the competent authority of the AP or the competent authority of a LGU.
- Along with the application, the following are to be submitted:
  - an excerpt from <u>the urban planning scheme</u> or a certified urban planning project, or an act on the urban planning conditions not more than one year old,
  - <u>Conceptual Design</u>, that is, an excerpt thereof,
  - graphic depiction of the micro and macro location,
  - the conditions and approval of other competent authorities and organisations, obtained in accordance with special (other) laws,
  - other documents (certificate of having paid the requisite charges, identification and other forms of proof based on the request of the competent authority).

The deadline for passing a decision upon the request: within a total of 35 days, including internal deadlines for obtaining the necessary opinions of the competent authorities and interested public ex officio. The deadline for delivery is 3 days after passing the decision.

The validity period: within a year after the day of receiving the final decision determining the scope and content of a study of estimating influence, a request must be submitted for <a href="Approval of the Environmental">Approval of the Environmental</a> Impact Estimation Study.

For more information: <a href="http://www.mpzzs.gov.rs/dokumenti/">http://www.mpzzs.gov.rs/dokumenti/</a>











### **Environmental Impact Estimation Study**

The meaning of the term: a document analysing and evaluating the influence of a project on the environment, necessary for obtaining a <u>Construction Permit</u> and for <u>Notification on the Commencement of the Construction Works</u>.

The procedure of submitting the application:

- Environmental impact estimation study may be carried out by a legal person and entrepreneur, if such a person is entered in the requisite register for performing activity related to project designing, engineering and conducting studies and analyses (Project Designer). The legal person and entrepreneur referred to in paragraph 1 of this Article shall be obligated, for the purpose of preparing a study of estimating such influence, to form a multidisciplinary team made up of persons who possess proof of being qualified to prepare a study of estimating such influence, that is, qualified to deal with the areas that are the object of the study in whose preparation they are participating. A person shall be considered qualified for preparing a study of estimating such influence if he/she possesses a higher education certificate in the requisite field of study and has a minimum of five years of professional work in that domain or the title of responsible project designer.
- Collected data and obtained documents are to be submitted with mutual consent of the project designer.

The validity period: within a year after the day of receiving the final decision determining the scope and content of a study of estimating influence, a request must be submitted for <u>Approval of the Environmental Impact Estimation Study.</u>
Note:

- The Study is prepared only if requested based on the <u>LEIE</u>, that is, on a <u>Decision on Necessity of Environmental Impact Estimation</u>.
- The preparation of the technical documentation may be a process that unfolds parallel with obtaining the requisite technical data on the location, and it is carried out in cooperation between the investor and the Project Designer.

For more information: <a href="http://www.ingkomora.org.rs/">http://www.ingkomora.org.rs/</a>











## Approval of the Environmental Impact Estimation Study

The meaning of the term: a document analysing and evaluating the influence of a project on the environment, necessary for obtaining a <u>Construction Permit</u> and for <u>Notification on the Commencement</u> of the Construction Works.

#### The procedure of submitting the application:

- the application is submitted on the prescribed form to the <u>MPE</u>, or the competent authority of the AP or the competent authority of a LGU.
- Along with the application, the following are to be submitted:
  - Environmental Impact Estimation Study,
  - <u>Decision on Necessity of Environmental Impact Estimation and Decision on Scope and Content of the Environmental Impact Estimation Study,</u>
  - other documents (certificate of having paid the requisite taxes, identification and other forms of proof based on the request of the competent authority).

The deadline for passing a decision upon the request: the deadline for passing a decision on approving or rejecting a Environmental Impact Estimation Study, including the period of the duration of a public debate and other internal procedures, is 53 days.

**The validity period:** the realisation of the project, that is, the construction and the implementation of the project, must commence within 2 years of the day of receiving the Decision on Approval of the Environmental Impact Estimation Study.

#### Note:

- The Approval is requested only if based on <u>Decision on Necessity of</u> Environmental Impact Estimation.
- A request must be submitted within a year from the day of receiving the final <u>Decision on Scope and Content of the Environmental Impact</u> <u>Estimation Study.</u>

For more information: http://www.mpzzs.gov.rs/dokumenti/











### **Project for Construction Permit**

The meaning of the term: it is prepared for facilities for which it is necessary to obtain a <u>Construction Permit</u>. It must contain a statement by the chief project designer, the responsible project designer and the person in charge of technical control certifying that the project has been prepared in accordance with the location conditions, regulations and the rules of the profession.

#### The procedure of submitting the application:

- the technical documentation for building the facility may be prepared by a legal person (Project Designer) inscribed in the register of companies, and it should be verified by the signature and personal licence seal of the project designer responsible for the part of a project for which he possesses the requisite licence. For <a href="large-scale facilities">large-scale facilities</a>, the technical documentation must be prepared by a company, that is, another legal entity inscribed in the register of companies as competent for preparing the technical documentation for that particular type of facility, which has employees fulfilling the requisite conditions.
- The application is to be submitted in Agreement with the Project Designer, to whom previously obtained documentation is to be submitted.

The validity period: as long as the documents on the basis of which the technical documentation is prepared are valid.

#### Note:

- Project for construction permit is subject to compulsory <u>technical</u> inspection.
- There is a group of projects (such as small solar power plants within the facility) for which, in accordance with the <u>LPC</u>, Article 145, a <u>Construction Permit</u> is not always necessary, in which case a project for construction permit is not being prepared, but only the <u>Conceptual Design</u> is elaborated.
- The preparation of the technical documentation may be a process that unfolds parallel with obtaining the requisite technical data on the location, and it is carried out in cooperation between the investor and the Project Designer.

For more information: <a href="http://www.ingkomora.org.rs/">http://www.ingkomora.org.rs/</a>











## **Technical Inspection of the Project for Construction Permit**

The meaning of the term: <u>Project for Construction Permit</u> is subject to technical control. After technical control has been performed, a report is compiled, signed by project designers with the requisite licences who have performed the technical control of individual parts of the project, and the final report is signed by the legal representative of the legal person, i.e. an entrepreneur.

#### The procedure of submitting the application:

- Technical control may be performed by a legal person (Project Designer) inscribed into the register of companies, and it should be verified by the signature and personal licence seal of the project designer responsible for the part of the project for which he possesses the requisite licence. In the case of facilities for which a construction permit is issued by the MC or the competent authority of the AP, it may be performed by a company, that is, other legal entity inscribed into the register of companies as competent for preparing the technical documentation for that particular type of facility, which has employees fulfilling the requisite conditions.
- The application is submitted in Agreement with the project designer, along with the Project for Construction Permit.

The validity period: as long as the documents on the basis of which technical documentation is prepared are valid.

#### Note:

 the technical documentation cannot be prepared by a person employed with a company or other legal entity that is authorised to establish some of the conditions on the basis of which the technical documentation is prepared, nor by a person who performs the function of official supervision during the <u>Construction of the Facility</u>.

For more information: <a href="http://www.ingkomora.org.rs/">http://www.ingkomora.org.rs/</a>











## **Water Approval**

#### The meaning of the term:

- an act establishing that the technical documentation for facilities and works has been prepared in accordance with the water conditions.
- It is issued before the commencement of the construction of new facilities and on the occasion of a reconstruction of the existing facilities and installations, and also in the course of performance of other works that may influence the water regime.

#### The procedure of submitting the application:

- Water approval is issued by the competent <u>water management authority.</u>
- The following are submitted along with the application:
  - Decision on Issuing the Water Conditions,
  - Location Conditions,
  - <u>Project for Construction Permit</u>, along with the requisite project excerpts relating to the hydrotechnical part,
  - Report on the Technical Inspection of the Project for Construction Permit,
  - other documents (certificate of having paid the requisite charges, identification and other forms of evidence upon the request of the competent authority).

The deadline for passing a decision upon the request: 2 months from the day of submitting the request.

**The validity period:** it is issued for a definite period of time, for 2 years at the longest. **Note:** 

- Under exceptional circumstances, water approval may be issued without the water conditions if, on the basis of the technical documentation, the competent water management authority determines that the construction of a facility does not jeopardize the water regime.
- When obtaining a <u>construction permit</u> within the framework of a unified procedure, it is
  not necessary to obtain water approval, for water approval relating to the technical
  documentation is not a prerequisite for issuing a construction permit nor an <u>usage permit</u>.
- Although the Law on Waters envisages that in order to obtain a <u>construction permit</u> it is
  necessary to obtain water approval relating to the project documentation, through which it
  is established that the technical documentation <u>project for construction permit</u>, has been
  prepared in accordance with <u>the water conditions</u>, bylaws (the Instruction on the Manner
  of Conduct of Competent Authorities and Holders of Public Authorisations that perform the
  Unified Procedure Relating to Water Acts in the Procedures of Excercising the Construction
  Rights) specify that the function of water approval is performed through a certificate of the
  authority carrying out technical control stating that the technical documentation is in
  accordance with the water conditions, which significantly simplifies and facilitates the
  procedure of obtaining a construction permit.

For more information: <a href="http://www.rdvode.gov.rs/vodna-akta-obrasci.php">http://www.rdvode.gov.rs/vodna-akta-obrasci.php</a>











### **Construction Permit**

The meaning of the term: an administrative act through which the right of the investor to construct a facility is finally resolved and granted.

#### The procedure of submitting the application:

- for <u>large-scale facilities</u>, the application is submitted to the <u>MC</u>, or to the <u>AP</u> if the said facilities are built entirely on its territory, whereas in the case of other facilities it is submitted to the authorised <u>LGU</u> within the framework of a *unified procedure*, by means of an electronic application, through the System of the Agency for Business Registers, for which it is necessary to possess an <u>electronic</u> signature and to create a user account on the Internet site of the Agency for Business Registers.
- The following are submitted along with a request for issuing a construction permit:
  - project for construction permit;
  - energy permit;
  - evidence of the requisite right over the land (the right of ownership or the right to lease
    a construction land that is publicly owned, or the right to use a construction land which
    is inscribed into the appropriate real estate register), along with the consent of co-owner
    if there is a co-ownership over the respective land or the facility;
  - contract between the investor and the financier, if there is one;
  - contract between the investor and a holder of public authorisation, or another evidence
    of providing the missing infrastructure, if that is a prerequisite for issuing a construction
    permit envisaged by the location conditions;
  - report of the revision commission, for large-scale facilities;
  - the conditions for preparing projects and connecting facilities to the distribution or transmission electric power system which are not contained in the location conditions;
  - statement of the party submitting the request concerning the manner of paying the
    contribution for developing the construction land, in the case of facilities for which it is
    prescribed to pay a contribution for developing a construction land, with overall gross
    developed construction area exceeds 200 m<sup>2</sup>;
  - other documents (certificate of having paid the requisite charges, identification and other forms of evidence upon the request of the competent authority).

#### The deadline for passing a decision upon the request:

- Construction permit is issued within 5 working days of the day of submitting a request, in the form of a decision.
- Administrative dispute may be initiated against a decision on a construction permit by filing a claim to the administrative court within 30 days of the day of its delivery.

The validity period: Construction permit cease to be valid: 1) if the construction of the facility or the performance of works do not commence within 2 years of the day when the decision on construction permit <u>came into effect</u>, 2) within five years of the day of the coming into effect of the decision on construction permit, if no usage permit has been issued, except in the case of <u>large-scale facilities</u>.

Note: for <u>large-scale facilities</u>, the procedures may be more complex than the one described here.

• There is a group of facilities (such as small solar power plants within the facility) for which, in accordance with the <u>LPC</u>, Article 145, a <u>construction permit</u> is not necessary; instead, a decision on approval of the performance of works is being issued.

- http://gradjevinskedozvole.rs/objedinjena-procedura.php
- https://ceop.apr.gov.rs/eregistrationportal/











## Validity of the Construction Permit

#### The meaning of the term:

- Valid decision on construction permit is a prerequisite for commencing <u>the</u>
   <u>construction of the facility</u> and obtaining <u>temporary status of a privileged energy</u>
   <u>producer.</u>
- <u>Decision on construction permit</u> may become valid: 1. upon the expiration of the deadline for submitting a claim to the Administrative Court against a decision on a construction permit, if a complaint has not been lodged, or 2. based on a valid decision of the Administrative Court relating to a claim submitted against a decision on a construction permit.
- The deadline for submitting a claim to the Administrative Court against the decision on construction permit and initiating administrative dispute is 30 days from the day of delivering the decision on a construction permit.

#### The procedure of submitting the application:

- The request for the validity clause relating to a decision on construction permit is forwarded to the authority that issued the decision on construction permit.
- The following are submitted along with the application:
  - certificate of the Administrative Court that within the legal deadline no administrative dispute has been initiated against the decision, that is, that no claim has been lodged with the Administrative Court (1)
  - the original of the <u>decision on construction permit.</u>

The deadline for passing a decision upon the request: the competent authority which issued <u>decision on construction permit</u> shall provide a validity clause as soon as possible, that is, immediately after a request is submitted.

#### Note:

- (1) The request for obtaining a certificate of the Administrative Court that no administrative dispute has been initiated is submitted to the Administrative Court in the form of a free choice, along with a copy of <a href="the decision on construction permit">the decision on construction permit</a> and a certificate on payment of the republican administrative fee. In practice, the Administrative Court issues a certificate that an administrative dispute against the decision has not been initiated so far, within 7 days.
- The investor may also commence the construction based on a decision on a construction permit which is not valid, having reported that work has begun, at his own risk and taking responsibility for it. If a party has initiated administrative dispute, and the investor, for that reason, does not commence the construction of the facility in question until the day when the decision becomes valid, the investor has the right to damage compensation and compensation for lost profits, in accordance with the law, if it is established that the claim has no legal grounds.

For more information: <a href="http://www.up.sud.rs/cirilica">http://www.up.sud.rs/cirilica</a>











## **Temporary Status of Privileged Energy Producer**

The meaning of the term: in order to ensure stimulative measures that are in effect before the commencement of the building of a facility, the investor may obtain a temporary status of a privileged producer of electric power, if:

- he can commence building the installation in accordance with the LPC,
- he has obtained the financial instrument of insurance in case he does not get the status of a privileged producer, only for facilities whose installed power exceeds 100 kW,
- it follows from the technical documentation, the <u>LE</u> and the regulations passed on the basis of that law that for the planned installation it will be possible to get the <u>status of privileged producer of electric power</u>.

The procedure of submitting the application: the application is submitted to the  $\underline{ME}$  on a regulation form (it is published on the Internet site of the ME), along with the following:

- <u>valid construction permit</u> or another act in accordance with the <u>LPC</u>, as proof that the building of the facility may commence,
- copy (excerpt) of <u>project for construction permit or preliminary design</u>, or other technical documentation on the basis of which the <u>construction permit</u> was issued, that is, the building of the facility was approved in accordance with the LPC,
- proof of having ensured a financial deposit or a bank guarantee in the amount of 60 euros per installed kW (the financial insurance instrument),
- for solar power plants within the facility, <u>real estate sheet</u> with <u>copy of the ground plot</u>
   <u>plan</u> of the facility where the building is being planned (if this cannot be established from
   the other documents submitted),
- conditions for designing and connecting to electric power grid or opinion of system operator on the conditions for connecting.
- other documents (certificate of having paid the requisite charges, identification).

The deadline for passing a decision upon the request: 30 days from the day of submitting a request.

#### The validity period:

- three years from the day when the decision on obtaining a temporary status of a privileged producer of electric power comes into effect, one year for solar power plants.
- The status of a temporary privileged producer may be extended for a year at the most, and a request may be submitted 30 days before the expiration of the temporary status of a privileged producer at the latest.

#### Note:

- Temporary status may be obtained by a physical person for a power plant that uses renewable energy sources with an installed power up to 30kW.
- For solar power plants and wind power plants, the overall installed power of the sum total of all the power plants for which a temporary status may be obtained, that is, the <u>status of privileged producer</u> is limited; the so-called "quota" for solar power plants is 10MW, and for wind power plants 500MW.

For more information: http://www.mre.gov.rs/energetska-efikasnost-obnovljivi-izvori.php











## Power Purchase Agreement with Suspensive Effect (PPA)

The meaning of the term: Through this Agreement the investor is granted the opportunity to exercise the rights guaranteed to him through the temporary status of privileged producer, which includes the period of trial work until the moment of obtaining the status of a privileged producer (the period until the commencement of the incentive period). The prerequisite for a full implementation of the contract provisions is that the investor constructs the facility and acquires the status of privileged producer.

#### The procedure of submitting the application:

- The Agreement is signed by the investor and the guaranteed supplier (currently *EPS* snabdevanje).
- Along with the application, the following are to be submitted to the guaranteed supplier:
  - temporary status of privileged producer,
  - other documents (certificate of having paid the requisite charges, identification).

The deadline for passing a decision upon the request: 30 days from the day of submitting the request.

The validity period: until the expiration of the period of <u>temporary status of privileged</u> <u>producer</u>, that is, until the commencement of the incentive period, provided that the investor duly submits the request for obtaining the <u>status of privileged producer</u> within the prescribed deadline, following which <u>the Agreement comes into effect and becomes fully valid.</u>

#### Note:

- Concluding PPA with suspensive effect is not obligatory, but rather it provides the investor with the opportunity to exercise his legal rights.
- The model PPA is determined by the Decree on the Power Purchase Agreement (PPA), and therefore its provisions and substance cannot be altered without the consent of the contractual parties and the <u>ME</u>.

- http://www.eps-snabdevanje.rs/Pages/default.aspx
- http://www.mre.gov.rs/energetska-efikasnost-obnovljivi-izvori.php











## **Project for Carrying Out Construction Works**

The meaning of the term: it is prepared for the purpose of carrying out the works on a power plant construction. Project for carrying out construction works is a set of mutually adjusted projects which establish the construction-technical, technological and exploitation-related characteristics of the facility with the attendant equipment and installations, the technical-technological and organisational solutions for the construction of the facility, its investment value of the facility and the conditions for its maintenance.

#### The procedure of submitting the application:

- Technical documentation for the construction of the facility may be prepared by a legal person (Project Designer) inscribed into the register of companies, confirmed by the signature and personal licence seal of the project designer responsible for the part of a project for which he possesses the requisite licence. For <a href="Iarge-scale facilities">Iarge-scale facilities</a>, the technical documentation must be prepared by a company, that is, another legal person inscribed into the register of companies for preparing the technical documentation for that kind of facility, which has employees fulfilling the requisite conditions.
- The application is to be submitted in Agreement with the Project Designer, to whom previously obtained documentation is to be submitted.

#### Note:

- Project for carrying out construction works contains a statement of the chief project designer and statements of the responsible project designers confirming that the project has been prepared in accordance with <u>the</u> <u>Location Conditions</u>, <u>the Construction Permit</u>, <u>the Project for Construction</u> Permit, the regulations and the rules of the profession.
- This project may be realised in phases, in which case work is performed only for the phase for which it has been confirmed by the abovementioned statements.
- In the case of a group of facilities (such as small solar power plants within the facility) for which, according to the <u>LPC</u>, Article 145, a <u>Construction</u> <u>Permit</u> is not always necessary, but only a <u>Preliminary Design</u>, it is not necessary to prepare a project for carrying out construction works either.

For more information: <a href="http://www.ingkomora.org.rs/">http://www.ingkomora.org.rs/</a>











## Notification about the Construction Works

The meaning of the term: the final activity that must be carried out before the commencement of construction works.

#### The procedure of submitting the application:

- The investor submits the report on construction work to the authority that has issued the Construction Permit 8 days before commencing work at the latest.
- The report contains the date of commencing work and the deadline for construction work completion, that is, its realisation.
- The following are to be submitted along with the report on construction work:
  - proof of having settled the obligations concerning the contribution for construction plot development, or the means of securing the payment of the contribution for construction plot development and proof of having paid the first instalment if the decision on a construction permit allows settling this obligation in instalments;
  - Approval of the Environmental Impact Estimation Study, or a decision stating that it is not necessary to conduct the Environmental Impact Estimation Study;
  - the act of the Ministry of Finance on entry in real estate ownership, or a contract concluded on the right of easement for line infrastructural facilities that are built on the basis of a decision on expropriation;
  - other documents (certificate of having paid the requisite charges, identification and other forms of proof based on the request of the competent authority).

The deadline for passing a decision upon the request: 30 days from the day of submitting the report.

**The validity period:** the deadline for the completion of works starts from the day of submitting notification about the construction works.

#### Note:

- In the case of <u>large-scale facilities</u> the decision is delivered to the <u>LGU</u> on whose territory the facility is built, for the purpose of providing information.
- The authority that issued a <u>Construction Permit</u> informs the construction work inspectorate of this and issues a certificate of the construction work reported.

- http://gradjevinskedozvole.rs/objedinjena-procedura.php
- https://ceop.apr.gov.rs/eregistrationportal/











## **Construction of the Facility**

The meaning of the term: the building of a facility may be commenced on the basis of a <u>valid</u> decision on construction permit and notification about the construction works.

After the completion of the construction works, the contractor signs a record of handover of the facility and the works.

#### The procedure:

- It is necessary to engage the services of a chief contractor, and in the case of the construction of <a href="large-scale facilities">large-scale facilities</a>, a company, that is, another legal person duly inscribed into the requisite register for the construction of that type of facility, that is, for performing that type of work, which has employees holding a licence for the responsible contractor and appropriate professional results in accordance with the <a href="LPC">LPC</a> (Contractor).
- Independently and/or in cooperation with the Contractor, before the commencement of works the investor is obligated to:
  - mark the construction plot,
  - determine the regulation, levelling and construction lines,
  - mark the construction site with an appropriate notice board which contains data
    on the facility being built, the investor, the responsible project designer, the
    registry number of the construction permit, the contractor, the date of the
    beginning of work and the deadline for its completion,
  - ensure the official supervision (a person fulfilling the requirements prescribed by the <u>LPC</u> for the responsible project designer or the responsible contractor),
  - enable the contractor to enter and access the property.
- Before commencing work, the contractor must:
  - sign the project for carrying out construction works,
  - determine, through a decision, the responsible contractor on the construction site (a physical person who has the necessary licences in accordance with the LPC),
  - provide the responsible contractor with Construction Contract (e.g. Turnkey/EPC contract) and the project documentation on the basis of which the facility is being constructed.
  - it is recommended that the Construction Contract should prescribe the obligation
    of the contractor to ensure the final inspection of the equipment, certificates and
    attestations, such as the certificate of the energy characteristics of the facility,
    thereby receiving confirmation that the equipment is in order and functioning
    from certified organisations and authorities, which is necessary for subsequently
    obtaining certain acts (connecting to the grid, the usage permit, a licence etc.),
  - ensure preventive measures for health and safety at workplace in accordance with the LSHW.

For more information: http://www.ingkomora.org.rs/











## Approval for Connecting to the Electric Power Grid

The meaning of the term: the necessary precondition for a power plant to be connected to the power grid. The approval is issued in the form of a decision, and a record of on-site inspection is made ex officio.

#### To whom a request is submitted:

- Request is submitted to the operator of the distribution or transmission system of electric power, to which the power plant is to be connected.
- The following are submitted along with the request:
  - <u>a construction permit</u>, or a decision on approving the commencement of work,
  - power diagram of the generator in the power plant (for synchronous generators),
  - if necessary, other, additional <u>project</u> data may be requested,
  - other general-type documents (certificate of having paid the requisite tax, identification and others).

The deadline for passing a decision upon the request: 45 days from the day of submitting a request, including internal procedures.

The validity period: The approval for connecting to the electric power grid is issued with a validity period that corresponds to the deadline for the construction of the facility, that is, the deadline for completing the construction works, in accordance with the regulations dealing with planning and construction of facilities, and is valid for maximum two years from the day of passing the decision.

**Note:** the procedures described here are primarily in accordance with the practice of the operator of the distributive system, whereas they can be more complex in the case of building a facility that is to be connected to the transmission system.

- http://www.epsdistribucija.rs/
- http://www.ems.rs/











## Contracting the Connection to the Electric Power Grid

The meaning of the term: before connecting a power plant to the power grid, it is necessary to conclude a contract with the system operator about the manner of making the connection.

#### To whom a request is submitted:

- a request is submitted to the operator of the transmission or distributive system of electric power to which the power plant is to be connected.
- The following are submitted along with the request:
  - Approval for Connecting to the Electric Power Grid,
  - if necessary, other, additional <u>project</u> data may be requested,
  - other general-type documents (certificate of having paid the requisite charge, identification and others).

The deadline for passing a decision upon the request: 10 days from the day of submitting the request.

#### Note:

- in the cases when the investor makes the connection and/or obtains the documentation himself, the operator issues him the authorisation to undertake, on his behalf, activities for which the system operator is authorised as the investor;
- if necessary, a contract of preparing the investment-technical documentation for the connection may be concluded before obtaining a <u>Construction Permit</u> for the power plant, provided that the investor has obtained the location conditions and has resolved all the property related legal relations pertaining to the respective construction plot;
- the procedures described here are primarily in accordance with the practice of the operator of the distributive system, whereas they can be more complex in the case of connecting a facility to the transmission system.

- http://www.epsdistribucija.rs/
- http://www.ems.rs/











### **Connecting to the Electric Power Grid**

The meaning of the term: the supply of electricity to the power grid can only commence following the final connection of the facility to the transmission or the distribution system of electric power. The Commission for Internal Technical Inspection conducts a technical inspection of the connection of the power plant, the measurement point, control of the completeness of the requisite documentation and concludes by means of a **record** whether the connection and the facility of the power plant have been realised in accordance with the technical conditions from the <u>decision on approval of connecting to the electric power grid,</u> following which the power plant may be connected to the system, that is, start operating.

#### The procedure of submitting the application:

- The application is submitted to the operator of the transmission or distribution system of electric power to which the power plant is to be connected.
- The following are submitted along with the application:
  - the act on trial work or the usage permit for the power plant;
  - <u>Power Purchase Agreement (PPA)</u>, a contract of supplying electric power (if there is a need for it);
  - proof that the balance responsibility and access to the system have been realised for the point of delivery;
  - the technical description of the power plant;
  - list of persons responsible for operating the devices in the power plant;
  - copy of the <u>project of the constructed facility (as-built design)</u> (or the <u>project for carrying out construction works</u> in the case of connecting the power plant for the purpose of trial work) which contains a connection line and the distribution installation of the power plant;
  - single line diagram of the realised state of the power plant, certified by the contractor performing the electro-assembly work;
  - statement by the contractor to the effect that the facility has been realised in accordance with the regulations and the prepared technical documentation;
  - <u>various means of proof and reports on the inspection conducted</u>: electrical installations, energy equipment, protection devices, the meeting of the criteria of high harmonics and interharmonics, flickers for solar and wind power stations, etc.;
  - other general-type documents (certificate of having paid the requisite charge, identification and others).

The deadline for passing a decision upon the request: 8 days from the day of fulfilling all the conditions for making the connection.

#### Note:

- the procedures described here are adjusted to the need of the investor to connect the power plant to the electric power grid for the purpose of trial operation, before obtaining the <u>usage permit</u>,
- the procedures described here are primarily in accordance with the practice of the operator of the distributive system, whereas they can be more complex in the case of connecting a facility to the transmission system.

- http://www.epsdistribucija.rs/
- http://www.ems.rs/











## Project of the Constructed Facility (As-built Design)

The meaning of the term: Project of the constructed facility (as-built design) is prepared for the purpose of obtaining usage permit, the usage and maintenance of the facility. Project of the constructed facility is <a href="Project for Carrying Out Construction">Project for Carrying Out Construction</a>

Works including the changes that occurred in the course of the facility construction. If during the construction process there was no discrepancy from the project for carrying out construction works, the investor, the person in charge of the official supervision and the contractor confirm and certify on the project for carrying out construction works that the constructed state (as-built state) is equal and corresponds to the designed state.

The procedure of submitting the application: it is advisable to include the contractual obligation of preparing the project of the constructed facility in the contract concluded with the contractor and official supervisor, or with the person who prepared the Project for Carrying Out Construction Works.

#### Note:

Project of the constructed facility is not subject to technical inspection, except when it is prepared for the purpose of legalization of the facility.

For more information: <a href="http://www.ingkomora.org.rs/">http://www.ingkomora.org.rs/</a>











## Report of the Commission for Technical Inspection

The meaning of the term: the purpose of technical inspection is to determine whether an installation is suitable for exploitation after the construction work, which is a prerequisite for obtaining the <u>usage</u> permit.

#### The procedure of submitting the application:

- the technical inspection of a facility is conducted by a commission or a company, that is, another legal person entrusted by investor to perform such work, inscribed into the requisite register for performing this type of activity. A technical inspection may be performed by a person who fulfils the conditions prescribed by the <a href="LPC">LPC</a> for the responsible project designer, or the responsible contractor for that type of facility.
- The costs of a technical inspection are borne by the investor.

#### Note:

- Technical inspection may be performed simultaneously with the performance of construction works.
- The technical inspection of a facility or a part of it cannot be performed if the facility, or a part of it, has been built without a <u>construction permit</u>, or without a <u>decision on approving construction works</u> referred to in Article 145 of the LPC.
- A technical inspection may not be performed by persons who are employed with the company or another legal person that prepared the technical documentation, or was the contractor with the investor, persons who participated in the preparation of technical documentation and environmental impact estimation study, or in construction works with the investor, persons who have conducted official supervision, persons who have performed inspection supervision, as well as persons dealing with issuance of construction permits at the authority competent for issuing construction permits.
- A record is made of a technical inspection conducted, signed by the members of the commission.
- The commission prepares a report/the findings of the commission for technical inspection.
- If, for the purpose of establishing the suitability of the facility for exploitation, prior inspection and checking of the installations, devices, works, stability or safety of the facility, devices and installations serving to protect the environment, devices for protection against fire or other investigations must be conducted, or if it is envisaged by the technical documentation, the commission for technical inspection, or the subject entrusted with the task of conducting a technical inspection may approve that the facility be subjected to **trial work**, provided that it is established that the conditions for this have been fulfilled, of which the competent authority is to be informed without delay. In order for a facility to be subjected to trial work, it is necessary for it to be connected to the electric power grid or the heating pipeline.
- The act on approval of commissioning determines the duration of trial work, which cannot exceed one year, as well as the obligation of the investor to monitor the results of trial work and, following its expiration, to forward the data on its results to the competent authority.
- The commission for technical inspection, or the subject entrusted with the task of conducting technical inspection, verifies during trial work the fulfillment of the conditions for issuing <u>usage</u> <u>permit</u>, and submits a report on this to the investor.

For more information: http://www.ingkomora.org.rs/











### **Water Permit**

The meaning of the term: the right to a special use of waters is acquired through a water permit. Through a water permit, which is obtained once the facility has been constructed, the manner and the conditions for exploiting and releasing waters are established, and the water permit is necessary for performing activities that have an impact on the water regime.

#### The procedure of submitting the application:

- Application for issuing water permit is submitted to the competent water management authority.
- The following are submitted along with the application:
  - <u>decision on issuing water approval</u> or a water permit (if the validity period of water permit has expired);
  - report of a public water management enterprise on whether the conditions from the water conditions and water approval have been fulfilled, so that a water permit may be issued;
  - report of the commission on having conducted a technical inspection of the facility;
  - project for carrying out construction works or a project for construction permit or project
    of the constructed facility (as-built design), along with appropriate excerpts from the
    project, prepared by a legal person inscribed into the register for preparing the technical
    documentation, possessing the requisite licence of the responsible project designer;
  - record of the water inspector stating whether the conditions from water approval or the water permit have been fulfilled;
  - in special cases, other documents may be necessary as well, such as a decision of the ministry in charge of health affairs on determining the zones of sanitary protection of the source, a decision of the ministry in charge of geological explorations on the established and classified reserves of ground waters, a statement of the authorised person on the captured quantities of water at the annual level and the like;
  - other documents (certificate of having paid the requisite charges, identification, geodetic data and other forms of proof based on the request of the competent authority).
- If <u>usage permit</u> has been issued for the facility, but <u>water approval</u> has not been passed, the application for issuing water permit shall also contain:
  - usage permit;
  - report of the public water management enterprise on the suitability of the facility for the issuance of water permit.

The deadline for passing a decision upon the request: 2 months from the day of submitting the request.

The validity period: Water permit is issued for a period of 15 years at maximum, and may be extended 2 months before the expiry of its validity deadline at the latest. The right acquired on the basis of a water permit cannot be transferred to a third person without the Agreement of the issuer, and this right expires: upon the expiry of the deadline, if it is waived by the holder, through non-observance of the conditions from the water permit, and also through the non-consummation of it without any justified reason for more than 2 years.

#### Note:

- Water permit is obtained independently i.e. not within the framework of the *unified procedure*.
- Although the Instruction on the manner of conduct of the competent authoritys and holders of
  public authorisation carrying out the unified procedure concerning water acts in the procedures of
  excercising the right to construction envisages that a water permit is not a prerequisite for issuing
  a usage permit, it is recommended to investors to obtain water permit prior to obtaining the <u>usage</u>
  permit for the sake of legal security of using a facility that exerts an influence on the water regime.
- Water permit is to be obtained if such an obligation is envisaged in the water conditions.

For more information: <a href="http://www.rdvode.gov.rs/vodna-akta-obrasci.php">http://www.rdvode.gov.rs/vodna-akta-obrasci.php</a>











### **Usage Permit**

The meaning of the term: an act necessary for actual usage of a facility for which the issuing of a construction permit is envisaged.

#### The procedure of submitting the application:

- the application is submitted within the framework of the *unified procedure*, by electronic means through the System of the Serbian Agency for Business Registers, to the authority that issued a <u>construction</u> <u>permit</u>, which issues a decision on usage permit.
- The following are submitted along with the application:
  - <u>project for carrying out construction works</u>, along with the certificate and seal of the investor, the
    person conducting official supervision and the contractor, stating that the constructec state (asbuilt) corresponds to the designed state if there has been no discrepancy from the project for
    carrying out construction works, or a <u>project of the constructed facility (as-built design)</u> prepared
    in accordance with the rule book regulating the content of the technical documentation;
  - report of the commission for technical inspection establishing that the facility is suitable for usage, proposing that an usage permit should be issued;
  - <u>certificate of the energy characteristics of the facility</u>, if the obligation of obtaining such a certificate has been prescribed for this facility;
  - <u>survey of geodetic work for the constructed facility and special parts of the facility;</u>
  - survey of geodetic work for underground installations;
  - other documents (certificate of having paid the requisite charges, identification and other forms of proof based on the request of the competent authority).

The deadline for passing a decision upon the request: 5 working days from the day of submitting a request for issuing an usage permit.

#### Note:

- Usage permit is issued for the entire facility or for a part of it that represents a technical-technological unity and may be used individually as such.
- The investor may also submit a request for issuing an usage permit for works performed in accordance with the decision referred to in Article 145 of the <u>LPC</u>, and also with a decision on a temporary construction permit.
- A decision on usage permit is to be delivered by the competent authority within three days from the day
  of passing the decision to the party having submitted the request, and for the purpose of providing
  information, the decision is to be delivered within the same deadline to the financier as well if the
  construction permit refers to him as a holder, to the authorised construction inspection and to holders of
  public authorisations.
- Within 5 working days from the day when the issued usage permit came into effect, the competent authority shall ex officio deliver the usage permit, a survey of geodetic work for the constructed facility and special parts of it, as well as a survey of geodetic work for underground installations to the authority competent for matters related to state measurements and land registry. This authority enters the right of ownership of the facility in the register and informs of this the investor and the competent authority of the administration within 7 days of issuing the usage permit.

- http://gradjevinskedozvole.rs/objedinjena-procedura.php
- https://ceop.apr.gov.rs/eregistrationportal/











### **Licence for Conducting Energy Activity**

The meaning of the term: Licence for Conducting Energy Activity is an act confirming that the conditions prescribed in the <u>LE</u> and the Rule Book on the Licence for conducting Performing Energy-related Activities and Certification are fulfilled, and it must be possessed by an energy subject who possesses one power plant or more, with an overall power which is equal to or exceeds 1 MW. If it is a person who also deals with the production, distribution and supply of heat, he must also possess a licence for conducting the activity of heat production.

#### The procedure of submitting the application:

- Licence for the production of electric power is issued by the Energy Agency of the Republic of Serbia, whereas a <u>LGU</u> issues licences for producing, distributing and supplying heat.
- The following are submitted along with the application:
  - usage permit,
  - report of the authorised inspector stating that the energy facilities and other
    devices, installations or works necessary for conducting energy activities fulfil
    the conditions and requirements envisaged by the technical regulations on
    energy efficiency, the regulations on protection against fires and explosions,
    as well as the regulations on the protection of the environment,
  - other documents (proof of fulfilling the financial conditions, a certificate of the competent authority that the company and the members of the administrative bodies have never been convicted and the like, acts confirming the liquidity and the legality of the work of the company, a certificate of having paid the requisite tax, identification and others).

The deadline for passing a decision upon the request: 30 days from the day of submitting a complete request.

**The validity period:** licence for producing electric power, a combined production of electric power and heat is issued for a period of 30 years.

#### Note:

- such a licence is non-transferrable, but the responsibility for work that necessitates
  the possession of a licence for conducting energy activities may be transferred to
  another person who possesses such a licence by signing an appropriate Contract of
  Transfer of Responsibility.
- energy subject may engage through a contract the services of another person possessing a licence to conduct energy activities on behalf of and for the benefit of the energy subject and to take over the liability for conducting energy activities.

For more information: <a href="http://www.aers.rs/">http://www.aers.rs/</a>











### **Status of Privileged Energy Producer**

The meaning of the term: the status of a privileged energy producer is a prerequisite for signing a <u>Power Purchase</u>

<u>Agreement (PPA)</u> with a guaranteed supplier, through which the right to stimulative measures is acquired. An investor may acquire the status of a privileged producer of electric power for a power plant, or a part of a power plant, provided that:

- in the process of producing electric power he uses renewable energy sources (or an installation serving for highly efficient combined production of electric power and heat from natural gas) and fulfils the conditions related to the installed power prescribed by the Decree on the Conditions and Procedure for Acquiring the Status of a Privileged Producer of Electric Power, a Temporary Privileged Producer and a Producer of Electric Power from Renewable Sources (Decree),
- the power plant has been built and is suitable for exploitation in accordance with the LPC,
- he has ensured special measurements, separate from measurements in other technological processes, for measuring the electric power or heat taken and delivered into the system,
- he produces electric power in newly built or reconstructed installations, containing built-in equipment that has not been used.
- he possesses a licence for performing this activity in accordance with the LE,
- he fulfils other conditions in accordance with the subordinate acts of the LE.

The procedure of submitting the application: the application is submitted to the  $\underline{\mathsf{ME}}$  on the prescribed form (it is published on the Internet site of the  $\underline{\mathsf{ME}}$ ), and the following are submitted along with the application:

- for hydroelectric power plants and power plants with installed power equal to or exceeding 1 MW, a copy of the <u>licence for performing that activity</u>, or a copy of the appropriate contract of transfer of liability;
- usage permit, or an act of the competent authority stating that the issuing of usage permit is not prescribed;
- copy of the <u>act on connecting</u> to the transmission or distribution system, along with a certificate of the competent operator that the measurement point of the power plant that is subject to the application has been realised in accordance with the conditions prescribed in the LE and the Decree;
- the data on the person responsible for the work of the installation (the name, position, phone, fax and e-mail address);
- other acts in accordance with the Decree, if the application refers to a power plant with combined production.

The deadline for passing a decision upon the request: 30 days from the day of submitting the request.

The validity period: it is not definite, except by the date of expiry of the Power Purchase Agreement (PPA) (12 years).

#### Note:

- the status of a privileged producer may also be acquired for a part of a power plant, under the conditions prescribed by the LE and the Decree,
- the status of a privileged producer may be acquired by a physical person for one power plant that uses renewable energy sources, with the installed power of up to 30kW,
- for solar power plants and wind power plants, the overall installed power of all power plants put together for which one may obtain a <u>temporary status</u>, that is, the status of a privileged producer, is limited (the so-called "quota", amounting to 10MW for solar power plants, and 500MW for wind power plants).

For more information: http://www.mre.gov.rs/energetska-efikasnost-obnovljivi-izvori.php











## Validity of Power Purchase Agreement (PPA)

The meaning of the term: through this Agreement the investor is granted an opportunity to exercise the rights guaranteed to him by the <u>status of privileged producer</u>. In case that the <u>Power Purchase Agreement with Suspensive Effect</u> has already been concluded, there is no need to conclude a new agreement, because the provisions of the respective PPA become fully effective and PPA with suspensive effect enters into force.

#### The procedure of submitting the application:

- The PPA is signed by the investor and the guaranteed supplier (currently EPS snabdevanje).
- Along with the application, the following documents are submitted to the guaranteed supplier:
  - the status of privileged producer,
  - other documents (a certificate of having paid the requisite taxes, identification).

The deadline for passing a decision upon the request: 30 days from the day of submitting the request.

**The validity period:** until the expiration of the incentive period of 12 years, that is, until the termination or expiration of the <u>status of privileged</u> producer.

#### Note:

- Concluding the Power Purchase Agreement (PPA) is not obligatory, but rather it provides the investor with the opportunity to exercise his legal rights.
- The model PPA is determined by the Decree on the Power Purchase Agreement (PPA), and therefore its provisions and substance cannot be altered without the consent of the contractual parties and the <u>ME</u>.

- <a href="http://www.eps-snabdevanje.rs/Pages/default.aspx">http://www.eps-snabdevanje.rs/Pages/default.aspx</a>
- <a href="http://www.mre.gov.rs/energetska-efikasnost-obnovljivi-izvori.php">http://www.mre.gov.rs/energetska-efikasnost-obnovljivi-izvori.php</a>











### A list of abbreviations

AP – Autonomous Province

**CCS** – the Chamber of Commerce of Serbia

Large-scale facilities – facilities for which permits are issued by the MC or the competent authority of the AP, referred to in Article 133 of the LPC

**LE** – the Law on Energy

LEIE – the Law on the Estimate of Influence on the Environment

**LGU** – Local Government Unit

**LPC** – The Law on Planning and Construction

LSHW – the Law on Safety and Health at Work

**MC** – the Ministry in charge of construction

ME – the Ministry in charge of energy

MIA – the Ministry of Internal Affairs

MPE – the Ministry in charge of protection of the environment

PWMC - Public Water Management Company (the PWMC

"Srbijavode" for the territory of the Republic of Serbia except for the Autonomous Province of Vojvodina; the PWMC "Vode Vojvodine" for the Autonomous Province of Vojvodina; the PWMC "Beogradvode" for the City of Belgrade)

**RHMI** – the Republican Hydrometeorological Institute

**RSE** – Renewable sources of energy

The competent water management authority - the Ministry in charge of water management, the Provicial Secretariat in charge of water management affairs, or the competent authority of the City of Belgrade (the Water Administration).

WD - the Water Directorate at the ministry in charge of waters









