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CONVENTION ON THE CONSERVATION OF EUROPEAN WILDLIFE  
AND NATURAL HABITATS

**Standing Committee**

42<sup>nd</sup> meeting

Strasbourg, 28 November – 2 December 2022

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**Possible File: 2020/9**

**Possible negative impact of hydro-power plant  
development on the Neretva river (Bosnia &  
Herzegovina)**

**- REPORT OF THE COMPLAINANTS -**

*Document prepared by  
Center for Environment (FoE Bosnia & Herzegovina), Aarhus Centre in Bosnia and Herzegovina,  
RiverWatch, EuroNature, CEE Bankwatch Network, ClientEarth*

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- October 2022 -

No: 561/22  
Banja Luka, 27 October 2022

**Directorate General of Democracy  
Council of Europe  
Bern Convention  
Avenue de l'Europe  
F-67075 Strasbourg Cedex, France**

**Attn.:**

**Ms. Ursula Sticker - Secretary of the Bern Convention  
Mr. Eoghan Kelly - Project Assistant of the Bern Convention  
Mr. Marc Hory - Project Manager - European Diploma for Protected Areas and Emerald  
Network  
Ms. Helena Orsulic, Project Assistant of the Bern Convention**

**S U B J E C T : Update report for Possible File: 2020/9, Possible negative impact of hydro-power plant development on the Neretva river (Bosnia and Herzegovina) / O S A**

Dear Ms. STICKER,  
Dear Mr. KELLY,  
Dear Mr. HORY,  
Dear Ms. ORSULIC,

Based on your letter from 12th October, we are sending you another Update report in regards to Possible File: 2020/9 (Possible negative impact of hydro-power plant development on the Neretva river, Bosnia and Herzegovina), in particular in regards to the on-the-spot-appraisal (OSA) which has been conducted from 17th - 21st October 2022.

We also use the opportunity to thank the Standing Committee for requesting the OSA, by which it also acknowledged and confirmed the urgency in this particular case, due to severe negative impact of hydro projects developments on the upper stream of Neretva river. Although the OSA was regrettably rescheduled a few times, ultimately, with additional efforts, it has been conducted successfully.

Below are our short updates on the latest developments relevant to the case:

1. Despite the recent recommendation that the construction of HPP "Ulog" (35 MW) on Neretva river should have been halted while the complaint is being reviewed, still, we can once again report that **the construction of HPP "Ulog" has been uninterrupted since the complaint submission.** Actually, since then, it was heavily under construction. This could be also witnessed by the OSA mission on 19th October, when visiting HPP Ulog construction site. Moreover, the investor in HPP "Ulog" stated that he already invested 40 million euros in the project, and that the facility could be put into operation by the end of 2023. Near the village of Ulog, during OSA, we also witnessed that the forest and riparian vegetation close to the river, have been already bulldozed in preparation for the large reservoir, which will stretch from the dam until Ulog village. Also, close to the project location, it was evident that the forest is being cleared for the power lines for HPP "Ulog" as well. Additionally, a large diversion tunnel and the dam itself are also being constructed simultaneously.

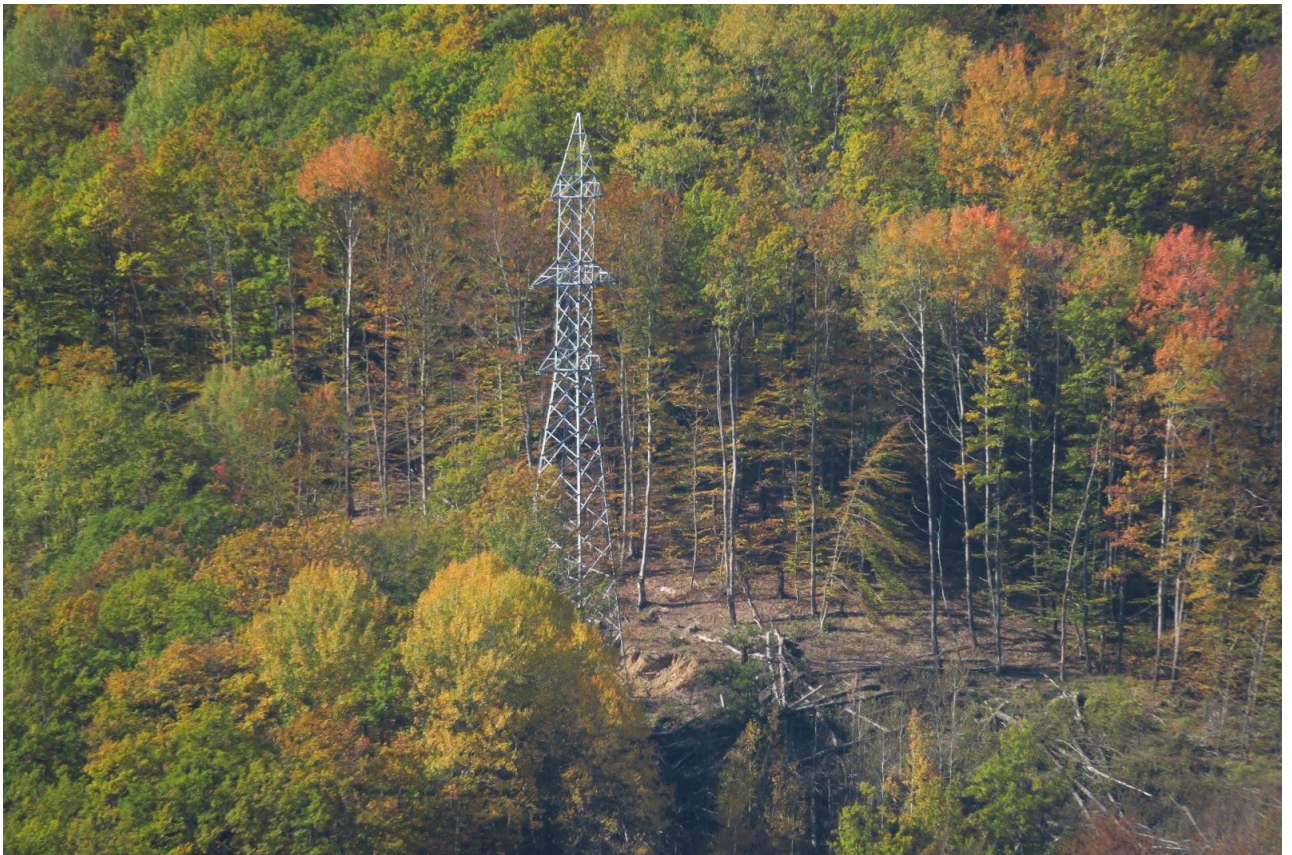
2. The **operational mode of the HPP “Ulog” still remains unclear**. Prior to the OSA, and during the site visit, the representative of the investor stated that they will not operate it in flush mode (*hydro-peaking*). This, however, doesn't make sense at all having in mind both the reservoir volume as well as the height of the dam itself. Additionally, one of the major issues with hydropower is certainly dealing with the fine material (sediment) that accumulates in the reservoir near the dam - but, during the OSA, the answer how this would be resolved and/or mitigated was practically left unanswered by the representative of the investor or the authorities.



Ongoing construction of Ulog HPP, October 2022

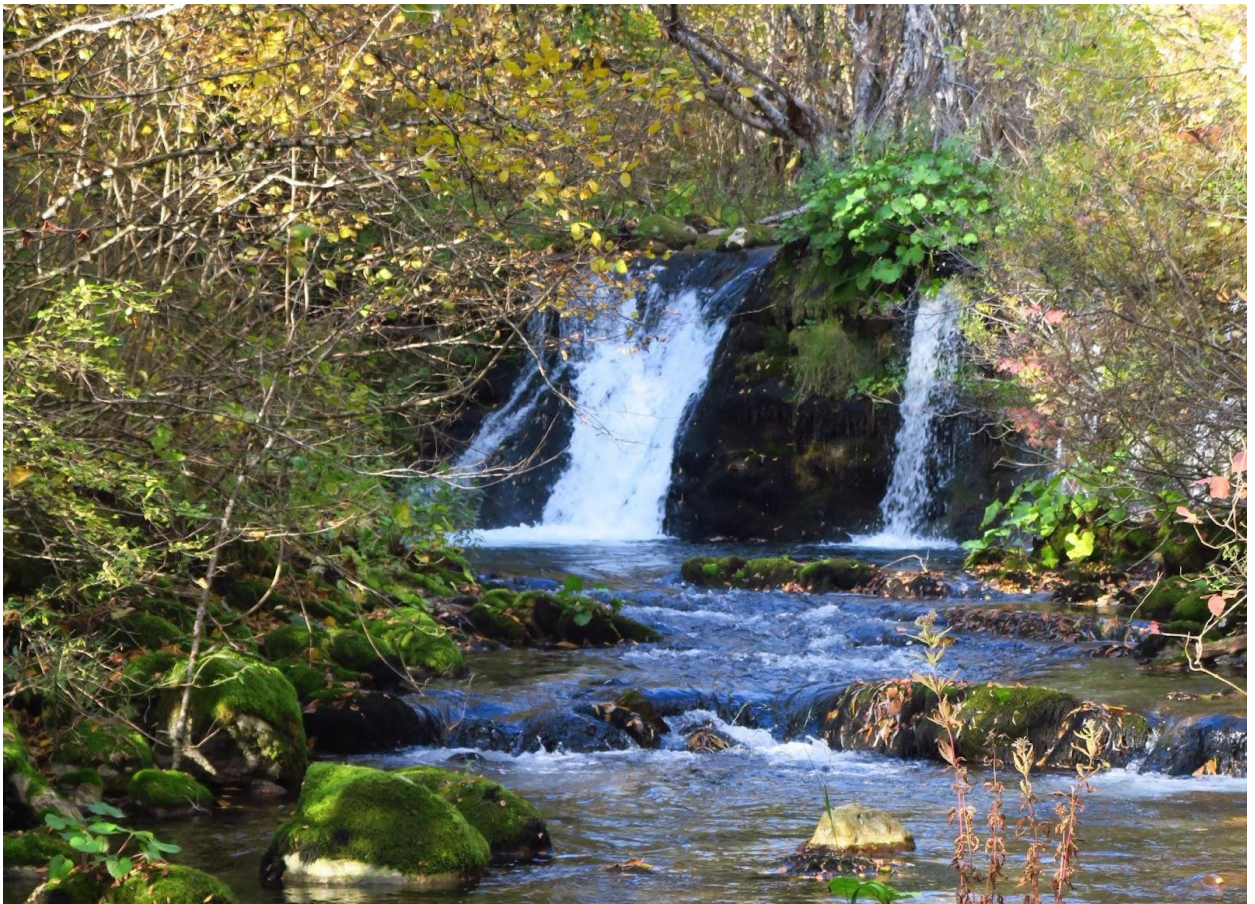


Clear-cut of oak-beech forest with 100-year-old tree, October 2022



Construction of the transmission lines for Ulog HPP, October 2022

3. While visiting the sites of HES “Upper Neretva” (7 SHPPs planned in two phases with a total power of 15 MW upstream from Ulog) on 19th October, we haven’t noticed any construction works on these projects. This was to be expected since the investor in HES “Upper Neretva”, after his announcement of construction works on Phase I (3 SHPPs), was actually halted by the Inspectorate Office of Republika Srpska in April 2021, since there was no valid Environmental permit in place. Following a Court case initiated by Center of Environment (CfE), after the old Environmental permit has expired, there is now an obligation to obtain a new permit after conducting a new EIA for Phase I. After banning the construction of Phase I, in the meantime, there was no new information about the concerned project. However, the investor in HES “Upper Neretva”, who was also present during the OSA, confirmed to the mission that the EIA for Phase I is now being drafted and that it is expected to be presented to the relevant Ministry in early November 2022. This is very concerning, since the same investor already has valid Construction permits for both Phases - so, if the EIA for Phase I gets also approved and a new Environmental permit issued by the ministry, **the construction of both Phases (I+II) could be executed in accordance with the entity law**. This is more so worrying since, if occurred, the construction would be absolutely contradictory to the process of proclamation of the new protected area (see next p. 3., 4. and 5.)



The 700-meter long Krupac tributary of Neretva where one of the HES “Upper Neretva” plants is planned, October 2022

4. In accordance with the Law on Nature Protection of Republika Srpska, in May 2021, Center for Environment (CfE) submitted two Initiatives for protection of Upper Neretva river, which area stretches from the source of the river until the village of Ulog (total of 30+ km of river flow).

5. Both Initiatives were accepted by the Ministry of Spatial Planning, Construction and Ecology of RS in June 2021, and, at the same time, were forwarded to the Republic Institute for Nature Protection in order to develop a *Study of protection of Upper Neretva*.

6. Since the baseline data in regard to biodiversity in Upper Neretva was not sufficient and was outdated, CfE together with Riverwatch, Euronatur and other organizations has organized a **Science Week on Upper Neretva in Summer 2022**. The camp was based in the village of Ulog, where CfE together with more than 50 international experts and scientists explored the area and collected new data that proved the unique biodiversity of Upper Neretva. During their seven-day stay on the Upper Neretva, the scientists investigated the biodiversity of this area and collected samples that they will process in the coming period, but for now it has been verified that they have found numerous protected and valuable species (e.g. upper stretch of Neretva has been confirmed as habitat of Adriatic brown trout *Salmo farioides* and soft-mouth trout *Salmo obtusirostris* - two fish species protected in Resolution 6 of the Bern Convention as *Salmo macrostigma*). The collected data is used for **development of the Study for protection of Upper Neretva**, and the document is currently being finalized by an independent expert in environmental protection from RS. The Study itself was commissioned by CfE. After obtaining a copy of the Study, CfE will forward it to the relevant Ministry for adoption, with a request to declare the preliminary protection of Upper Neretva, which is in line with the Law on Nature Protection - but ultimately, the goal of collecting new data and developing a Study for protection is, of course, the adoption of official *Protection act of Upper Neretva River* by the RS Government. Preliminary report is available at [this link](#).

7. By the time of sending this report, we haven't received any official information on steps taken from the Federation of BiH side, in regards to the protection of interest of FBiH, and the concerns which were raised after the submission of the complaint in 2020. The FBiH officials who were present on the OSA mission on 20th October, when visiting the stretch of Neretva in FBiH, were also not informed about the official position of Federation of BiH in regards to projects on Republika Srpska territory. However, the FBiH officials confirmed that there was no new developments in regards to HPPs on the territory of FBiH (HPP "Bjelimici" (2x50MW), Pump-storage hydropower plant "Bjelimici" (2x300MW) and HPP "Glavaticevo" (3x9,5MW) - but that **these projects are still in place in the Spatial Plan that is in force in FBiH**. Moreover, the "public interest" - that has been officially declared in 2010 as prerequisite for the realization of HPP "Bjelimici", PSH "Bjelimici" and HPP "Glavaticevo" on Neretva river, which was published in the Official Gazette of FBiH (No.: 67/21 from 25th August 2021) - is still in place. So, still this should be a relevant factor when considering recommendations on the issues that have arised around environmental protection on Upper Neretva Emerald site in both entities, or better to say on state level, and their cumulative impacts on the river.



OSA mission at the Glavaticevo HPP dam site, October 2022

8. The construction of the Upper Horizons cascade in the Neretva river basin is ongoing. This project would have significant cumulative impacts with the hydropower plant of Upper Neretva. It would impact the lower stretches of Neretva and its tributaries, as well as the Neretva delta in Croatia. The diversion tunnel for the Dabar HPP will probably be ready in 2023 and then the sinkhole that brings water to Buna and Bunica rivers (left tributaries of Neretva) will be closed. The Upper Horizons project in Republika Srpska will also impact the Hutovo blato Ramsar site. Many species impacted by the Upper Neretva plants will also be impacted here. For some species, like the soft-mouth trout, this could lead to regional extinction. The poljes (karst fields) whose water will be used for Upper Horizons are also home to endemic fish species (*Phoxinellus sp.*) protected by the Bern Convention in the Emerald sites **Nevesinjsko polje (SiteCode: BA0000025)**, **Dabarsko polje (SiteCode: BA0000024)**, **Fatnicko polje (SiteCode: BA0000023)**. Recent taxonomic splits have confirmed that each of these poljes has a different species of these small semi-subterranean fish.



Canal in Fatacko Polje, Sep 2022



End of canal, start of tunnel at the end of Fatacko Polje, Sep 2022





Sinkhole of Zalomska river (The plan is to close this sinkhole which would have severe impact on rivers Buna and Bunica), Sep 2022

#### **The Conclusion:**

**Therefore, we strongly urge the Standing Committee to open the file regarding Upper Neretva case, and to recommend to the authorities of Bosnia and Herzegovina recommendations and measures adequate for the substance of the complaint.**

For this cause, we kindly ask the Standing Committee to consider recommendations as follows:

1. Halt ongoing construction and other related activities that are being conducted in regards to realization of hydropower projects in the Neretva River Basin, in particular to “Ulog” hydropower plant, HES “Upper Neretva” and to “Upper Horizons” cascade project and other projects that are existing and/or planned in candidate Emerald sites;
2. Cancel granted concessions and environmental and construction permits issued for projects in the Neretva River Basin, in particular for “Ulog” hydropower plant, HES “Upper Neretva” and for “Upper Horizons” cascade project, and other projects that are existing and/or planned in candidate Emerald sites;
3. Suspend administrative procedures and other related activities in regards to realization of hydropower projects in the Neretva River Basin, in particular to “Ulog” hydropower plant, HES “Upper Neretva” and to “Upper Horizons” cascade project and other projects that are existing and/or planned in candidate Emerald sites;
4. Revise the Act on Proclamation of Public Interest for Construction of HPP “Bjelimici”, PSH “Bjelimici” and HPP “Glavaticevo” on Neretva river (“Official Gazette of Federation of BiH” No.: 67/21 from 25th August 2021) and the Spatial Plan that is in place in Federation of BiH, in terms of canceling the proclamation and erasing the projects;
5. Implement a ban on development of hydropower plants (large, medium and small) both a) in candidate Emerald sites (potential future Natura 2000 sites), national parks, protected areas, World Heritage Sites, Ramsar sites as their implementation will cause problems with

- compliance with the Bern Convention and b) that will impact on these locations if constructed outside their boundaries;
6. Ensure due diligence for protected areas, candidate Emerald sites and corridors between protected areas which require the implementation of high standards of performance and transparency;
  7. Strengthen the process for all forms of impact assessments in national legislation to ensure they meet EU standards for robust quantification of potential impacts and proper implementation of the EU Environmental Impact Assessment Directive, the Water Framework Directive and Habitats Directive, as well as Declarations for Protection of Rivers which was adopted on level of both entities - so to prevent adverse impact of projects on candidate Emerald sites, national parks, protected areas, World Heritage Sites, Ramsar sites;
  8. Accelerate the process of adoption of Study for protection of Upper Neretva River, and increase efforts to complete the process of official proclamation of Upper Neretva River as protected area, and ensure an effective and comprehensive management plan for the protected area and compliance with the Declaration of Protection of Rivers in Republika Srpska („Official Gazette of Republika Srpska“ No. 17/21);
  9. Facilitate an independent review of the entire legislation framework related to spatial and urban planning, construction, environment and nature protection in order to eliminate any weaknesses that could jeopardize candidate Emerald sites, national parks, protected areas, World Heritage Sites and Ramsar sites, conducted by a team of specialized experts;
  10. Improve collaboration among government agencies, complainants, NGOs, scientists, and stakeholder groups to expedite the process of effective protection and management of candidate Emerald sites, national parks, protected areas, World Heritage Sites and Ramsar sites. This collaboration has improved greatly in recent years, but more efforts are needed to achieve protection and development goals. There is also a need for more timely involvement of other relevant parties and stakeholders and overall for a better promotion of transboundary cooperation between all neighboring countries.

Sincerely,

President



Tihomir Dakić

On behalf of other complainants:

Aarhus Center in Bosnia and Herzegovina

EuroNatur

RiverWatch

CEE Bankwatch Network

ClientEarth

- February 2022 -

No: 121/22  
Banja Luka, 17th February 2022

**Directorate General of Democracy  
Council of Europe  
Bern Convention  
Avenue de l'Europe  
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**Attn.:**

**Ms. Ursula Sticker - Secretary of the Bern Convention**

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**S U B J E C T : Update report for Possible File: 2020/9, Possible negative impact of hydro-power plant development on the Neretva river (Bosnia and Herzegovina)**

Dear Ms. STICKER,  
Daer Mr. KELLY,  
Daer Mr. HORY,  
Daer Ms. DE CUSSAC,

Based on your email dated on 2nd February 2022, sent by Mr. Kelly, as well as letter from 7th December 2021, sent by Ms. Sticker from the Secretariat of the Bern Convention, we have been invited to deliver an **update report in regards to Possible File: 2020/9 (Possible negative impact of hydro-power plant development on the Neretva river, Bosnia and Herzegovina).**

We hereby inform you as follows:

1. Despite the recommendation that the construction of HPP “Ulog” (35 MW) on Neretva river should have been halted, to the best of our knowledge, we can report that the construction of HPP “Ulog” has been uninterrupted since the complaint submission and still is ongoing. This was confirmed both by activists who were present at the construction site, most recently in November 2021, as well as local fishermen and fish guard from the village of Ulog (member of Fishermen Association “Ulog” from Kalinovik), who confirmed to us that the construction of HPP “Ulog” is ongoing at the very time of sending this report. Apart from this, we can confirm that the complainants haven’t been notified if the construction was halted deliberately by the investor, nor if it was ever officially ordered by the relevant authorities. (In Annex I to

this report we present some of the photos from the site.)

2. An *“Information on the need to protect the interests of the Federation of BiH from the consequences of the construction of HPP ‘Ulog’ (in Republika Srpska) and seven SHPPs that make up the ‘Gornja Neretva’ hydropower system (in Republika Srpska), with Proposed Conclusion”* was discussed at the 300th session of the Government of Federation of BiH, that was held in early January 2022. This was the first time that the Federation of BiH was officially interested in the hydropower developments on the territory of Republika Srpska, in regards to the Neretva river. We have sent a request for information to obtain a copy of this document, along with the proposed Conclusion that were drafted by federal ministries in charge of environment and water management. By the time of sending this report, we didn’t get any official information on adoption and the text of this Conclusion, but we assume it was adopted by the federal government. Also, it is clear that the concerns of the Federation of BiH were raised after the submission of the complaint. This also should be a relevant factor when considering joint resolution of the projects, and their cumulative impacts on the river that is shared between two entities.
3. We are also aware that the “public interest” has been officially declared in 2010 as prerequisite for the realization of HPP “Bjelimici” (2x50MW), PHPP “Bjelimici” (2x300MW) and HPP “Glavaticevo” (3x9,5MW) on Neretva river (both located on the territory of Federation of BiH), that are planned downstream of HPP “Ulog”. Most recently, a *“Decision on amendments to the decision on declaration of public interest, accession to preparation of construction of electric power facilities, selection of strategic partners and accession of awarding concessions”*, that was published in the Official Gazette of Federation of BiH (No.: 67/21 from 25th August 2021), still includes these three HPPs. This raises additional concerns in regards to protection of the Neretva river and its endangered species and their habitats, especially when, even after the submission of the complaint, the realization of HPP “Ulog” is ongoing with no mitigation measures of its negative impacts that are already observed downstream and most definitely would worsen if the plant gets into operation.
4. In February 2022, the “Hutovo Blato” Nature Park, Emerald and Ramsar site was found to be almost dry probably due to water abstraction for hydropower. This has led to additional impacts to protected fish species from the Neretva Basin. In 2015, the authorities informed that HPP “Svitava” is operating without environmental permits, whose obtaining is conditioned by reaching of the agreement on the payment of reimbursement for the recovery of damages inflicted to Hutovo Blato.
5. While the impacts on Upper Neretva river and other Emerald sites are already significant, Bosnia and Herzegovina has not proposed any new sites for more than 10 years. According to the Emerald Network biogeographical seminar for six West Balkan countries organized in 2011, most of the river species and habitats are insufficiently protected in Bosnia and Herzegovina. For example, 33 out of 41 assessments for fish species show that additional Emerald sites need to be proposed for their protection, and 7 assessments show insufficient scientific knowledge about their distribution. Only one fish species (marble trout *Salmo marmoratus*) in one biogeographical region (Alpine) is sufficiently protected, but it is already impacted in the Neretva river by the construction of HPP “Ulog”.

**Additionally, at the same time we are sending our comments and suggestions on the draft Terms of reference for a Bern Convention On-the-spot Appraisal, that is planned for Summer 2022.**

Sincerely,

Attached:

- [Annex I](#) (Photos from the construction site of HPP “Ulog”, taken on 20th November 2021 and 30th June 2021),
- Annex II (Draft ToR for OSA with comments from the complainants).

President



Tihomir Dakić

On behalf of other complainants:  
Aarhus Center in Bosnia and Herzegovina  
EuroNatur  
RiverWatch  
CEE Bankwatch Network  
ClientEarth