

Remus Borza, Hidroelectrica's insolvency administrator, rejects the accusations made by Portile de Fier union leader Cristinel Popescu, and argues that compensation to Serbia has not been paid after it failed to fulfill its obligations and now Serbs admit being at fault to use the hydroelectric potential of the Danube, according to Mediafax.

Cristinel Popescu said, on Thursday, that the Danube is currently at the lowest level, due to the fact that Serbia exploits Danube water breaching an existing agreement. After the payments were interrupted, Serbia uses more water from the Danube, disregarding the joint schedule, leading to the drying up of the Romanian bank. He argued that violating the agreement by Serbia is a consequence of the decision taken by Hidroelectrica in the past two years, not to pay the equivalent of 138 GWh to Serbia, funds that would have been used for protection and maintenance works on the Serbian side, according to the agreement concluded between the two countries.

In fact Romania has not paid the last two years the equivalent of 138 GWh to Serbia as a consequence of the fact that previously the Serbian side has not complied with the contract concluded in 1995, according to Remus Borza. "Three days ago, the Serbs admitted to being at fault and signed a memorandum suspending Romania's obligations to clarify the situation and to determine whether those works have been made," said Remus Borza. He pointed out that, given that Serbia admitted being at fault in the use of the hydropower potential of the Danube, in the coming days Romanian Danube bank will return to normal.

The issue was addressed last week in Bucharest at the Romanian-Serbian Joint Commission for the use of the Danube hydropower potential.

Source; Business Review