



Better water systems prepare Montenegro for EU accession

EU funding improves water and sanitation to over 200 000 people in Montenegro, preparing the country for EU accession, boosting tourism and coping with climate change

By
[Gordana Kovačević](#),
[Silvia Fraguas Tejero](#)

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What you need to know

Only half of Montenegro's population is connected to wastewater collection systems. Significant investment is needed to expand sewerage networks and wastewater treatment capacity.

Why this matters

The water sector is a major challenge in preparing Montenegro for EU membership. Climate change has significantly increased the pressure on Montenegro's water infrastructure. Droughts, extreme rainfall and

flash floods are overwhelming the country's ageing water infrastructure, particularly around water availability during the tourist season. Future investments need to address current needs and future climate conditions.

Numbers that tell the story

Montenegro's public water supply network extends over 5 400 km, while the public sewerage network totals 1 430 km. "Non-revenue water" is pumped into the system, but never reaches customers. It amounts to 70 million cubic metres and is one of the sector's greatest operational challenges.

Integrated, sustainable water systems for Montenegro



For Dragutin Sekulović, a biologist with 14 years of experience in environmental projects, Montenegro's progress over the past two decades is undeniable. Yet, the water sector remains one of the country's most pressing infrastructure challenges on its journey towards EU membership.

"Achieving this transition requires not only sustained investment, but also high-quality project preparation, efficient implementation and strong long-term operational capacity at the municipal level," says the chief executive manager of [Project-Consulting Podgorica](#), which is known as Procon and is Montenegro's national implementation unit for municipal infrastructure and environmental protection projects, coordinating complex investments alongside national institutions, local authorities and international partners, including the [European Investment Bank](#) and the [European Union](#).

"These projects will strengthen environmental protection, improve public services and support Montenegro's progress towards full compliance with EU environmental standards," says Sekulović.

Investment from the Montenegro Water and Sanitation Programme

Through the Montenegro Water and Sanitation Programme, one of the most significant water infrastructure programmes in the country, the European Investment Bank supports work in ten municipalities: Andrijevica, Bijelo Polje, Cetinje, Kolašin, Mojkovac, Nikšić, Pljevlja, Podgorica, Rožaje and Ulcinj.

These projects improve water supply and sanitation services for around 200 000 people through investment in wastewater treatment plants, sewerage networks and water supply systems.



The €13 million Nikšić sewer project consists of a wastewater treatment plant and a 40 km sewer network to connect 10 000 residents to the municipal system.
PROCON

The European Investment Bank has been one of Montenegro's key long-term partners in developing water and wastewater infrastructure. Since 2006, the EU's financing arm has provided €116 million to the sector, comprising a loan of €57 million, €59 million in EU grants under the [Western Balkans Investment Framework](#) and technical assistance for project implementation and preparation.

“The full potential of these projects can only be realized through continued investments in network expansion, system modernisation, operation and maintenance, ensuring that these infrastructure assets deliver reliable, efficient and sustainable services for communities in the long term,” says Sekulović.

This is vital investment for a key sector of Montenegro's economy: tourism.

Tourism accounts for as much as 30% of Montenegro's GDP. Demand for water services is high in tourist areas along the coast. “Every euro invested in water infrastructure is an investment in tourism, public health and Montenegro's long-term economic resilience,” says Sekulović.



EIB Senior Water Engineer Łukasz Wyra works in the EIB Advisory programme [JASPERS \(Joint Assistance to Support Projects in European Regions\)](#). He has spent a decade supporting Montenegro's water sector, where he has strengthened project preparation and implementation.

Q: What challenges do you see for project preparation and implementation?

A: One of the main challenges is the limited institutional capacity. Water infrastructure projects require a broad range of expertise, encompassing technical, legal, environmental, procurement and financial aspects. Building and retaining these skills can be difficult, particularly in a small country with limited human resources. From a national perspective, lengthy procedures for obtaining construction permits and resolving land acquisition issues can also affect project timelines. Another important aspect is asset management after construction is completed. Ensuring that new facilities have the resources and expertise required for efficient operation is just as important as building them in the first place.

Q: How can technical assistance programmes such as [EIB Advisory](#) help address these challenges?

A: Awareness and increased capacity among the people who are responsible for projects is the key. Through EIB Advisory, we have invested considerable effort in workshops and training for the local professionals. Of course, the needs remain substantial. However, technical assistance can serve as a catalyst by helping institutions strengthen their capabilities and adopt international best practices. As Montenegro progresses towards EU membership, infrastructure projects are likely to become larger and more complex. Developing strong national expertise further will therefore be crucial.

Q: What are the most common issues you address during the project preparation phase?

A: Our role is to work closely with beneficiaries and national authorities to identify challenges early and

develop solutions, ensuring that projects comply with EU requirements and future needs. Montenegro's ongoing establishment of the [Natura 2000](#) network (the European Union's network of protected natural areas) will, for example, bring new considerations for project development and environmental assessments. That is why we spend considerable time reviewing the economic and financial viability of projects, including cost-benefit analyses.

Q: How are climate considerations integrated into water projects? And what are the main climate-related challenges Montenegro faces?

A: Water scarcity and more frequent droughts are among the largest climate-related concerns for Montenegro. Changes in precipitation patterns, including reduced snowfall during winter and lower rainfall in some periods, are placing increasing pressure on water resources. One of the most immediate opportunities lies in reducing water losses. In some systems, losses remain very high, meaning that a substantial portion of treated water never reaches consumers. Addressing network leakages is often one of the most effective measures from both a climate adaptation and resource-efficiency perspective. It helps conserve water, improves the sustainability of utilities and increases resilience to future climate pressures.

Challenges this programme addresses

- Water scarcity and water losses
- Impacts of climate change on water resources
- Lack of secure water supply throughout the year
- Insufficient wastewater capacity across the country
- Discharge of untreated wastewater, coupled with inadequate sludge management, which pollutes Montenegro's rivers, lakes and the Adriatic coastline.

What's next

The Montenegro water and sanitation programme also includes a new generation of projects that are nearing construction. With financing from the European Investment Bank and EU investment grants, works are underway or expected to start soon on:

- wastewater treatment plants in Mojkovac, Kolašin, Bijelo Polje and Rožaje
- the expansion of sewerage networks in Mojkovac, Kolašin, Rožaje, Nikšić and Pljevlja
- the reconstruction of Cetinje's water supply system.

Common myths: What people get wrong about water investment

1. Financing is the key bottleneck

Delivering large water infrastructure projects is a complex process that goes well beyond securing financing. The main challenges include lengthy administrative procedures, land acquisition, procurement processes and ensuring sufficient technical capacity at the local level.

"This is where the European Union and its financial institutions, particularly the European Investment Bank, provide significant added value," says Sekulović. "Alongside financing, they bring technical expertise, promote high implementation standards and help ensure that projects are delivered in accordance with EU requirements."

2. Aligning with EU legislation is only part of the accession process

Adopting and implementing EU legislation is essential for Montenegro to ensure reliable, long-term water supply and wastewater treatment services, particularly as it seeks to strengthen its position as a tourist destination and adapt to climate change. While Montenegro has made significant progress in aligning its environmental legislation, water infrastructure and effective implementation remain among the main challenges.

The priority is to complete ongoing wastewater treatment projects, expand sewerage coverage to 93% by 2035, and improve the efficiency of existing water supply systems. By 2045, Montenegro aims to achieve full compliance with the [EU Urban Wastewater Treatment, Drinking Water and Water Framework Directives](#).

Montenegro must also comply with the EU Floods Directive, which requires countries to identify flood-prone areas, assess flood risks and put in place measures to better prevent and manage flooding, making communities more resilient to extreme weather events.

Key facts

The Montenegro Water and Sanitation Programme's results so far:

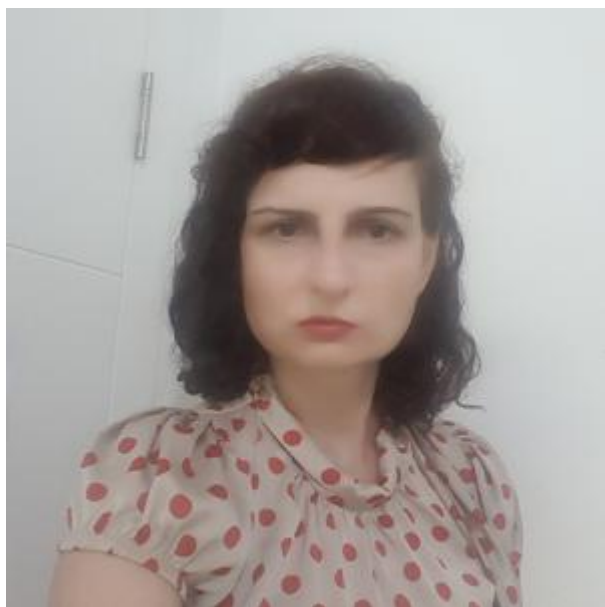
- 97 km of water supply networks.
- 68 km of sewerage networks.
- Wastewater treatment capacity for 131 000 people.

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[MONTENEGRO WATER AND SANITATION](#)

Rehabilitation and construction of water and waste water infrastructure of municipalities

About the author



[Gordana Kovačević](#)

I'm a media consultant at the European Investment Bank, covering the Western Balkans. As a communication strategist, I report on each project from the first signature to the final milestone, spotlighting how strategic investments change lives and businesses.



[Silvia Fraguas Tejero](#)

I write stories about how EIB Advisory helps bring projects to life.

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