

Director of Bosnian power utility EPBiH Bajazit Jasarevic said that all activities related to the construction of unit 7 at thermal power plant Tuzla are coming to an end and the agreement with the Chinese investor should be signed in the next month or two.

Jasarevic said in an interview that all other issues related to this investment are resolved and EPBiH is waiting for the response of the Chinese Government related to the maturity of loan that would be obtained to finance the construction. He explained that during extensive negotiations in the past few months, EPBiH managed to reduce the price by 63 million euros and the proposal that the loan should be in euros rather than in dollars is accepted. The only unresolved issue remaining is the loan repayment period, which EPBiH requested to be 15 years with 5 years grace period.

According to Senad Salkic, Executive Director in charge of capital investments at EPBiH, preparatory works for the construction of 450 MW unit 7 at TPP Tuzla should be completed in 18 months and by that time the loan of Chinese Exim Bank should be approved. Total investment in unit 7 is 722 million euros, of which 85 % will be obtained through a loan and 15 % will be financed by EPBiH's own resources. The most important thing is that EPBiH will be the sole owner if the new unit 7, unlike the previous agreement which stipulated that it will be co-owned with the Chinese partner, Salkic concluded.