

Joint project of BiH and Serbia on Drina river is approved. Serbian Commission for Protection of Competition approved the takeover by state-owned power utility EPS, together with its counterpart from the Republic of Srpska - ERS, of the company

“Hidroelektroenergetski sistem (HES) Gornja Drina” based in Foca in Bosnia and Herzegovina. Currently, ERS has full control over the company through its subsidiary HET, and the Commission greenlit EPS to acquire a share in control and ownership of the company. Last September, By merging two of its subsidiaries “Hidroelektrana Buk Bijela” and “Hidroelektrana Foca i Hidroelektrana Paunci”, ERS established a new company HES Gornja Drina. The company is established for the purpose of the construction of several hydropower plants in the upper course of the Drina river - HPP Buk Bijela, HPP Foca and HPP Paunci, with combined installed capacity of 180.9 MW.

Last January, Minister of Industry, Energy and Mining of the Republic of Srpska (RS) Petar Djokic and Acting Director of ERS Luka Petrovic have signed a concession agreement for the construction of two hydropower plants on the Drina river - HPP Foca and HPP Paunci. A month earlier, the RS Government announced that it has granted concessions to power utility ERS for the construction of two hydropower plants on the Drina river - HPP Foca and HPP Paunci. The concessionaire will have to pay a one-off fee in the amount of some 600,000 euros for HPP Foca concession and around 620,000 euros for HPP Paunci concession. Total value of investments in the realization of both projects is around 240 million euros. HPP Foca will have installed capacity of 44.15 MW and estimated annual electricity generation of 175.8 GWh, while HPP Paunci will have installed capacity of 43.21 MW and estimated annual electricity generation of 166.9 GWh. HPP Foca is located 10 kilometers downstream from HPP Buk Bijela, while HPP Paunci will be built 10 kilometers downstream of HPP Foca. In June 2016, the contract on the concession grant for the construction and operation of 93.52 MW HPP Buk Bijela between the RS Government and the consortium which consists of power utility ERS and its subsidiary “Hidroelektrane na Drini” has been signed. The concession is granted for a period of 50 years and the estimated value of the investment is around 195 million euros.

In March 2019, the Government of Serbia and RS agreed to jointly participate in the construction of the three hydropower plants on the Drina river.

The beginning of the construction of the HPP Buk Bjela has been announced for January 2021, while, for the other two HPPs, the beginning of the construction is scheduled for 2023.