

The construction of Hrgud wind farm, first such facility in the Republic of Srpska (RS), has been part of political announcements for many years, but, according to the business plan of power utility ERS, its construction should start this year.

Namely, ERS' public procurement plan for 2020 envisages an investment of over 63 million euros in the construction of in eastern Herzegovina. Although many wind projects have been announced in Bosnia and Herzegovina over the years, only EP HZHB operated Mesihovina wind farm in the Federation of Bosnia and Herzegovina has been commissioned so far. Installed capacity of wind farm Hrgud will be 48 MW, with the annual generation of some 126 GWh of electricity. The total investment in this project is estimated at about 63.9 million euros, of which some 60 million euros will be provided through loans by KfW Bank. In September 2015, the investor, power utility ERS, signed the concession contract for the construction and operation of wind farm with RS Government. In November 2017, an agreement with German KfW bank on the 60 million euros loan for the construction of Hrgud wind farm was signed. The loan has a repayment period of 15 years, with a grace period of four years. The loan agreement has been approved by the Parliament of RS in late 2016. In 2018, ERS launched a tender for the procurement of consultancy services on the project for the construction of Hrgud wind farm.