

The procedure for the establishment of a joint company between RS and Serbia for the construction of hydropower plants on the Drina had been already ongoing for a year, said Prime Minister of the Republic of Srpska (RS) Radovan Viskovic.

PM Viskovic said that two weeks ago, an agreement was signed on the establishment of a joint company between power utilities ERS and EPS. The agreement was forwarded to the Competition Council of BiH, which should now authorize it. He emphasized that, in forming the joint company, all the procedures had been adhered to and that politics should not be mixed in with issues important to the development of the country. He expressed his expectation that the Competition Council would give a positive opinion, after which the joint company would be registered, with Serbia having 51 % and RS 49 % of the capital. This would create the conditions for the beginning of preparatory works within the project, for which the property-legal relations have been resolved and which has the building permit and the environmental permit. In that case, the preliminary works on HPP Buk Bijela could start in two months.

Last March, Serbia and the Republic of Srpska (RS) decided to cooperate on the project for the construction of HPP Buk Bijela, besides already agreed joint development of the projects for the construction of hydropower plants Foca and Paunci on the Drina river. At the meeting of the Energy Committee of Serbia and the Republic of Srpska, it was concluded that the construction of these facilities, whose combined installed capacity exceeds 180 MW, would equally contribute to the stability of energy systems of both countries.

So-called Upper Drina project consists of HPP Buk Bijela, HPP Foca, HPP Paunci and HPP Sutjeska. According to original plans, overall power output of all four HPPs should be 238 MW, while annual electricity generation should reach 800 GWh (HPP Buk Bijela - 115 MW, HPP Foca - 52 MW, HPP Paunci - 36 MW and HPP Sutjeska - 35 MW). According to the studies, two HPPs on Drina river should be built in 5 and 6 years, while overall investment in the construction of all four HPPs would reach 460 million euros.