

Croatian company Kermas Energy will have to pay over 10.5 million euros to Serbian company Omega Plus over the failed project for the construction of Trusina wind farm near Nevesinje.

The two companies established a joint venture Eol Prvi, which has obtained the concession for the 51 MW wind farm, a project worth over 75 million euros. However, the start of the construction was postponed several times and, at the end, the Government of the Republic of Srpska (RS) has terminated the concession agreement with the company. Soon after, the two companies have filed lawsuits, blaming each other for the project's demise.

Last week, the District Commercial Court in Trebinje ruled that Kermas Energy has to pay 6.3 million euros to Serbian company in the name of compensation for lost profits because it did not fulfill the obligations undertaken by the agreement on the construction and operation of the wind farm signed in 2014.

Furthermore, it has to settle the debt to Omega Plus in the amount of 4.4 million euros on the basis of the shares in the company Eol Prvi, which it transferred to itself, but did not pay.

In October 2012, local company Eol Prvi has obtained 30-year concession contract for the construction of 51 MW wind farm near Nevesinje.

The wind farm is expected to produce some 160 GWh of electricity per year, which would be enough to supply some 40,000 households, while the turbines will be delivered by the Danish Vestas. The wind farm was expected to be completed by the end of 2019, however, the concession agreement was terminated because the concessionaire failed to provide a bank guarantee.