

In 2020, Bosnian Modrica oil refinery, part of Optima Group, has recorded a net loss in the amount of 2.1 million euros, compared to a loss of 5.75 million euros recorded in the previous year.

The company's operated revenues dropped by 17 year-on-year % to 5.5 million euros last year, while operating expenditures dropped as well by 39 % to 7.3 million euros. The Modrica refinery produces motor and industrial oils, as well as lubricants. Oil refinery in Bosanski Brod, as well as the refinery in Modrica and Nestro Petrol in Banja Luka are all part of Optima Group, majority owned by NefteGazInkor, a subsidiary of the Russian company Zarubezhneft.

Bosnia and Herzegovina: Joint HPP project with Serbia should not be blocked by the Constitutional Court

In February 2019, 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.

Minister of Energy and Mining of the Republic of Srpska (RS) Petar Djokic said that he expects that the Constitutional Court of Bosnia and Herzegovina will not block the project for the construction of hydropower plants on the Drina river in cooperation with Serbia, thus indirectly blocking the economic development of the country.

After the meeting with his Serbian counterpart Zorana Mihajlovic, Minister Djokic reminded that there were no issues over the project when German company was interested in cooperation, however, when Serbia emerged as a partner, the Federation of Bosnia and Herzegovina made a complaint to the BiH Constitutional Court. The complaint states that the RS Government has no right to award concession for the cross-border river, which should be issued by the BiH Concession Commission. Minister Djokic reminded that the Commission did not issue a single concession since its establishment. He also reminded that RS did not dispute EPBiH's concession for HPP Vranduk on the Bosna river, although the river represents a border between the two entities. That why he believes that the Constitutional Court will make the right decision and allow the realization of the project, which is important not only for the Republic of Srpska, but for the whole BiH.

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. RS agreed to build these three HPPs in cooperation with neighboring Serbia, while ERS merged two of its subsidiaries "Hidroelektrana Buk Bijela" and "Hidroelektrana Foca i Hidroelektrana Paunci" to establish a new company "Hidroenergetski Sistemi Gornja Drina", which would be co-owned by ERS and Serbian EPS.