

Bosnia and Herzegovina: Srbijagas' acquisition of 80 % stake in Bijeljina-gas approved

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The Serbian Commission for Protection of Competition has approved the acquisition of 79.29 % stake in Bosnian company Bijeljina-Gas, which was founded in 2009 for the purpose of the gasification of this city in the Republic of Srpska (RS), by Serbian public company Srbijagas.

The Commission concluded that Bijeljina-gas is not present in the gas market in Serbia, so the acquisition will have no repercussions on domestic gas market.

In April, gas company Srbijagas has agreed to acquire 79.29 % stake in Bijeljina-Gas. Previously, that stake was owned by Serbian company Novi Sad Gas, which had difficulties in providing funding for the gasification project. The company also has outstanding debts to Srbijagas and the company bought the stake for the part of those debts.

Srbijagas intends to complete the gasification project very quickly as it plans further expansion of its operation in the region. The remaining 20.71 % stake in the company is owned by the city of Bijeljina.

In March, Srbijagas became the majority owner of its Bosnian counterpart Gas Promet. Srbijagas became the majority owner with 39.14 % stake, the RS Equity Fund holds 26 %, the Pension

Reserve Fund holds 10 %, the Restitution Fund 5 %, while other funds hold combined share of 18.29 %. At the last joint session of Governments of Serbia and the Republic of Srpska, the two Governments initiated the issue of the development of the gas supply system and the construction of gas infrastructure in the RS, following the construction of the extension of TurkStream gas pipeline through Serbian territory, while Srbijagas expressed willingness to implement gas infrastructure projects in the RS.