

Bosnia and Herzegovina: STEAG, IGH and SGS selected as supervisors for the construction of TPP Banovici

Categories : [SEE Energy News](#)

Date : September 7, 2019

Croatian company IGH, as a part of a consortium including German STEAG and Serbian SGS, has signed a contract with RMU Banovici to supervise the construction of thermal power plant Banovici, worth 7.15 million euros. The tender was launched in early 2019.

The contract is related to the procurement of the supervisory services for the contract for the design, procurement and construction (EPC) of 350 MW coal-fired TPP Banovici. The contract is based on turnkey principle and refers to services from three groups of works - audit of project documentation of the EPC contract, supervision of the execution of works on site and supervision of production of equipment, as well as delivery of equipment for the future thermal power plant.

The contract term is 40 months and its purpose is to ensure quality monitoring of the project implementation and implementation of all controls and testing of installed materials and equipment in the new plant.

In late 2018, Director of RMU Banovici Muamer Cergic reiterated that the construction of TPP Banovici is a strategic project and a priority for the company. He said that the construction of this coal -fired TPP should start in 2019. He reminded that, due to compliance with EU standards, two units at TPP Tuzla will be shut down, as well as another two units at TPP Kakanj, adding that without the timely construction of unit 7 at TPP Tuzla, unit 8 at TPP Kakanj and TPP Banovici there will be no stable electricity supply in the Federation of Bosnia and Herzegovina (FBiH).

EPBiH plans to build a new 350 MW thermal power plant near Banovici coalmine, which also supplies coal to TPP Tuzla. The cost of the project is estimated at some 500 million euros, where the unit was initially supposed to be completed during 2018, but the start of the construction was delayed. The future unit and its output will be owned by the RMU Banovici. It is the largest and most profitable coalmine in Bosnia and Herzegovina. The offer of Chinese company Dongfang Electric Corporation Limited was selected as the best at the tender which concluded in mid-2015. Dongfang was involved in the construction of coal-fired TPP Stanari in the Republic of Srpska as a contractor. In late 2017, The Government of the Federation of Bosnia and Herzegovina (FBiH) approved the energy permit for the future plant.