

Last month, General Electric withdrew from the project as the supplier of equipment and in order to continue with the project, the Chinese contractor Gezhouba Group requested an amendment to the signed contract, which is not possible without the consent of the Parliament. Thus, changing any detail of the contract would involve a renegotiation process and re-approval by the said institution.

According to Bosnian media, the deadline for amending the contract signed with the Chinese partners for the construction of unit 7 at coal-fired power plant Tuzla has passed. Power utility EPBiH is prepared to terminate the contract, but the final decision will be made by the FBiH Parliament.

Namely, in January 2021, Chinese partner has informed EPBiH that the boiler for the unit will be supplied by Shanghai Boiler Works Co. instead of General Electric. Three months later, EPBiH Supervisory Board adopted a conclusion, according to which, the company endorsed the original contract, without any changes regarding the supplier of the equipment.

EPBiH informed the Chinese partner that in order to protect its interests it will take all measures provided by law. The company has invested almost 10 million euros in preparatory works for the project and already paid 107 million euros as an advance, while the contractor has delayed the start of the construction on several occasions.

In November 2017, EPBiH signed a loan agreement with Chinese Exim Bank for financing the construction of unit 7 at TPP Tuzla on the sidelines of a meeting of the heads of Governments of China and 16 Central and East European countries held in Budapest. The net agreed price under the EPC contract is 722.35 million euros (without VAT). The maturity of the loan from China's Exim Bank is 20 years, with a 5-years grace period. The loan will cover 85 % of the investment, while the remaining 15 % will be provided from EPBiH's own funds. TPP Tuzla has 6 units with overall output of 715 MW. New unit 7 will be replacement capacity for units 1 and 2 (32 MW each), which have already been shut down and units 3 (100 MW) and 4 (200 MW) which should be put out of operation in 2018, but will most likely continue to operate until 2020. When unit 7 is completed, it will provide almost a quarter of electricity produced by EPBiH.