

## **Bosnia: EBRD finances 3MEUR for small hydro power plants**

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If works are taking place as planned, Konjic municipality could obtain two small hydropower plants in the summer of 2015, "Kraljuscica 1" (power 3.4 MW) and "Kraljuscica 2" (4.9 MW) on the same called river. The investor is Mostar firm "Amitea" and for these two projects finances would be provided through contracts with the European Bank for Reconstruction and Development (EBRD) and Vakufska Bank, out of which EBRD allocated 6 million, and the bank 6 million KM.

Director of "Amitea" Senad Husnić confirmed that in design documentation, permits, and field testing it has invested so far 2 million KM.

- We expect by the end of the signing of the contract with the EBRD. Negotiations are ongoing and we have sent a Letter. We are already in the works on access roads to MPP "Kraljuscica 1". We get a building permit in December last year.

Access roads will be constructed in a length of 4.5 km. According to our source, the machines are in the field, and it was done little more than 3 km in order to do pipeline route too. These works are funded by "Amitea".

These days they expect the construction permit for MHE "Kraljuscica 2", followed by problems on the law on forestry HNK. Conversion of forest land in building land had to be done in order to be able to start the works. The same problems, Husnić said, happened to a company "Autoceste FBiH" in the construction of the highway on Corridor 5C. However, the Federal Government was helpful for "Amitea" and made conversion.

"Amitea" hires its operative units in works on the two hydroelectric power plants.

- Of course, we will need the engagement of carpenters, reinforcers, which we will engage in a certain time. Once we commission the power facilities, the maintenance will employ six people, from the municipality of Konjic.

Husnić said that it is expected that all works, starting from 1 December 2013 will be completed in 18 months. He also refers to the issue of the legal framework with regard to the fact that there is no purchase price of the energy produced from renewable energy sources.

Electricity that will be produced by MPP Kraljuscica 1 and 2 will be integrated into the system of "Electric Power Industry of Bosnia and Herzegovina", which will be followed by signing of the contract, valued at more than 1 million KM.

Total investment in small HPP's in Konjic amount 20 million KM.



Source; Serbia Energy See desk