

Due to the failure to comply with Energy Community Treaty and the Third Energy Package, the project for the construction of 400 kV transmission line that will connect Serbia, Montenegro and Bosnia and Herzegovina (BiH) has been halted.

The representatives of the Ministry of Foreign Trade and Economic Relations explained that this has delayed the realization of 10 million euros from EU funds, the amount which relates to the part of this project in BiH. This joint project of the three countries has been approved at the Western Balkan Summit in Vienna in 2015 and the EU expressed willingness to financially support the project since all their countries are determined to implement it, which is proven by already developed feasibility study and established Belgrade-based joint venture.

The value of the BiH part of the project is about 18 million euros and it is planned that two legs of the transmission line will be build in BiH territory - one connecting with Serbia in Bajina Basta and another connecting with Montenegro in Pljevlja. The most important thing regarding this project is that BiH will be indirectly connected to Italy after the completion of the undersea cable between Italy and Montenegro.

Unlike BiH, where the project is currently on hold, Serbia and Montenegro are currently working on the preparation of project documentation, while construction works on the project should start in 2018. In order to unblock the implementation of this project in BiH, Minister of Foreign Trade and Economic Relations Mirko Sarovic and Energy Ministers from both entities agreed to adopt the necessary legislation on electricity and natural gas in accordance with the Third Energy Package by 31 March 2017.

Besides the construction of 400 kV transmission line Visegrad-Bajina Basta-Pljevlja, the EU is prepared to financially support other electricity transmission projects in BiH, especially the construction of transmission lines connecting BiH with Croatia.