

At the end of 2014th, total direct energy investment in Bosnia and Herzegovina should be from 270 to 300MEUR.

These are projections of Directorate for Economic Planning (DEP), the BiH Council of Ministers, stated in the national program of economic reforms in 2015th (NERP, 2015th). According to these estimates, the investment will significantly increase for two years.

The growth of investment

In DEP explain that the investment in 2015th in the energy sector relates the amount of about 330 MEUR, and investments in other sectors ranging from 95 to 125 MEUR. The most, 170 MEUR will be invested in EFT Stanari, then Comsar Energy Ltd. to 100 MEUR and 75 MEUR in TE-TO Zenica. Furthermore, DEP emphasizes that investments will grow in the coming years.

- Direct foreign investment in 2016th would be from 490 to 540 MEUR. Then investments in the power sector would amount to about 340MEUR. Investment in the construction of two highway sections on the Corridor Vc would have brought 50 MEUR, while the average investment in other sectors would range from 100 to 150 MEUR, it is expected in NERP. However, as regards 2017th, then the investment should be from 470 to 520 MEUR. The same will be during this year, most investment will be in the power sector, highways and more.

Risks

According to estimates, the risk would most affected the reduced investment in the oil sector and partly in the power sector and the interest lack of foreign investors in the implementation process of the privatization of the remaining state capital. The strategic partners have been sought yet for some projects scheduled for completion.

- In addition to declining interest of foreign partners due to lack of funds, usually the credit ones, and the possible reduced demand for electricity in the region also might arise as obstacle caused by reduced economic activity, namely the low electricity price. As a realistic option appears increasingly frequent cooperation with Chinese companies operating under a system of `key on turnkey' and which, apart from the works also offered the possibility of loans from China Development Bank, added in DEP.