

Bosnia: ERS will not be privatized

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Date : March 21, 2017

Minister of Industry, Energy and Mining of the Republic of Srpska (RS), Petar Djokic said that power utility ERS will not be sold to Serbian power utility EPS. This was his response to recent speculations that EPS is interested in acquiring stakes in ERS and Montenegrin EPCG.

He stressed that the National Assembly of RS has made a precise conclusion that ERS will not be privatized, but the Government is open for partnerships in the construction of new energy facilities, adding that it would also be impossible just to sell the distribution segment of the company.

However, ERS is very interested in cooperation regarding joint energy projects with Serbia, especially the construction of cross-border projects such as hydropower plants in the area of lower and middle Drina river, but also HPPs on other watercourses in the RS - Vrbas or Bosna.

The so-called middle Drina project will most probably be consisted of HPP Rogacica (135 MW), HPP Tegare (110 MW) and HPP Dubravica (122 MW). Overall output of the future HPPs should be over 300 MW, with overall annual output of 1.2-1.5 TWh. This project is developed by joint venture between EPS, ERS and Italian Seci Energia. According to the latest agreement, Italian investors will own 51 % of the project, Serbia should own 24.5 %, while Republic of Srpska and Federation of BiH should jointly own 24.5 % stake in the project.