

Bosnia: Gov and China Dongfang negotiate over new 350MW coal TPP Banovici

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After a meeting with the representatives of Chinese company Dongfang Electric Corporation, The Government of the Federation of Bosnia and Herzegovina (FBiH) announced that state-owned coalmine RMU Banovici plans to sign a contract for the construction of 350 MW thermal power plant Banovici with Dongfanf at the Riga summit in November.

The statement from the Federal Government further said that construction works on the plant should have started in mid-2016, but are delayed due to 14 disputed issues which surfaced during the negotiations. Two sides have agreed to schedule another meeting in China, which will be also attended by representatives of China Export & Credit Insurance Corporation (Sinasure) and Industrial and Commercial Bank of China (ICBC).

TPP Banovici project envisages construction of new 350 MW thermal power plant near Banovici coalmine, which also supplies coal to TPP Tuzla. The cost of the project is estimated at some 500 million euros, where the unit was initially supposed to be completed during 2018, but the start of the construction was delyed. The future unit and its output will be owned by the RMU Banovici. It is the larges and most profitable coalmine in Bosnia and Herzegovina. The offer of Chinese company Dongfang Electric Corporation Limited was selected as the best at the tender which concluded in mid- 2015. Dongfang was involved in the construction of coal-fired TPP Stanari in the Republic of Srpska as a contractor.