

Since 2009, the PE Electric Power Industry BIH, with the head office in Sarajevo, has had the status of the leading company in the Concern EPBIH, in which it is connected by capital with several companies from the field of mining and equipment production. The legal bases for contract conclusion are the Share Transfer Agreements between the Government of the Federation of BIH and the PE Electric Power Industry BIH, concluded in July 2009.

The Public Enterprise Electric Power Industry BIH, with the head office in Sarajevo, is the biggest electric power company in BIH. The PE Electric Power Industry of Bosnia and Herzegovina is a joint-stock company in which 90% of the capital is owned by the Federation of BIH, and 10% is owned by small shareholders.

The electric power industry activities performed by the PE Electric Power Industry BIH are electricity generation, distribution and supply, as well as trading, representation and mediation on the domestic electricity market. Installed production capacities amount to over 1.600 MW.

In May 2004, the Public Enterprise Electric Power Industry of Bosnia and Herzegovina was re-registered into a joint-stock company, since when it has been operating under the name of the Public Enterprise Electric Power Industry of Bosnia and Herzegovina. By signing the Share Transfer Agreement, the PE Electric Power Industry BIH has also acquired the legal title to the shares in coal mines. These are the mines "Kreka" Tuzla, BCM "Kakanj", BCM "Zenica", BCM "Breza", BCM "Đurđevik", BCM "Abid Lolić" Travnik - Bila, CM "Gračanica" Gornji Vakuf - Uskoplje.

The mines have retained the previous form (llc) within the Concern EPBIH and they have remained independent legal entities, and the PE Electric Power Industry BIH, on ownership basis, exercises ownership and other management rights in the mines. The PE Electric Power Industry BIH has gained the status of the leading company in the Concern EPBIH. Since the founding of the Concern, the PE EPBIH has been conducting a continuous process of recapitalization of mines.

When it comes to investments, one of the major investments for Bosnia and Herzegovina will be the erection of the block 8 in the thermal power plant "Kakanj", with the installed capacity of 300 megawatt-hours. The beginning of erection of this block is planned for the year 2015. The total worth of the investment amounts to around 600 million euros, and the Chinese have applied as possible strategic partners for this project. In addition, the construction of a new replacement block 7, with the installed capacity of 450 MW, has been planned in TPP "Tuzla". The list of candidates for potential strategic partners for financing and building the TPP "Banovići" has recently been concluded, after more than two months, during which the public invitation was open. As it has been announced, the signing of contract with the chosen partner is expected in the middle of next year. The envisaged installed capacity of the TPP amounts to around 300 MW, and the total annual production to around 2000 gigawatt-hours of electricity. The power plant shall be supplied with coal from

the mine “Banovići”. According to the Decision of the Government of BiH, the construction of the TPP “Banovići” has been included in the plan for construction of energy facilities for the period 2010 - 2018. The chosen strategic partner is expected to ensure the funding and erection of the thermal power plant which will be 100% owned by the BCM “Banovići”. The loan shall be repaid under the conditions defined by the contract with the strategic partner. The Government of BiH has declared this project a project of public importance and a priority power facility in BiH.

Bosnia and Herzegovina is also expecting market liberalization, when households will have the possibility to choose from which registered electricity distributor in BiH they will buy electricity.