

The tender for the selection of a corporate governance consultant for Croatian state-owned power utility HEP was launched by the European Bank for Reconstruction and Development (EBRD). The statement from the Bank said that consultant will support HEP in improving its corporate governance practices by implementing specific actions of the action plan financed by the EBRD. The deadline for the submission of offers is 2 September. The contract, with estimated cost of 175,000 euros, is expected to start in September 2020 and last for 36 months.

The EBRD said that, as part of an 87 million euros loan agreement signed with HEP in 2018, the company has committed to implement the corporate governance action plan, targeting the most relevant areas necessitating improvements in corporate governance practices and related legal acts. The plan also includes actions aimed at strengthening HEP's compliance function and related internal policies and procedures.

In July 2018, the EBRD, in cooperation with the European Investment Bank (EIB), provided 130 million euros loan to HEP to help it finance investments in new gas-fired combined heat and power units on the site of the existing combined-cycle power plant in Zagreb. The funds, of which the EBRD will lend 87 million euros and the EIB will provide 43 million euros, will be used for the installation of two low-NOx gas turbines, two heat recovery steam generators and one back pressure steam turbine producing heat and electricity at CHPP Zagreb.