

Turkish MB Holding has sued Croatia to the European Court of Human Rights (ECHR) over the ownership dispute at the Croatia's first geothermal power plant at Velika Ciglena near Bjelovar.

MB Holding and its Croatian partner Geothermal solutions are locked in a legal dispute over the power station, which is due to receive more than 130 million euros in state incentives until 2031.

Geothermal Solutions, which held a 20 % stake in the project company Geoen, managed to oust the Turkish investor, who owned 80 % of the company, from the Zagreb Commercial Court register, thus taking the full ownership of the project company. The ownership of the land on which the power plant was built has also been transferred to Geothermal Solutions. The lawsuit before the ECHR claims that the High Commercial Court, in its ruling from 26 February 2021, incorrectly applied substantive law denying MB Holding effective legal protection before the court. MB Holding claims that its rights have been violated, adding that as the majority owner it has provided the financing for the construction of the power plant as well as the know-how.

16.5 MW Velika Ciglena project, located near Bjelovar in northeastern Croatia, exploits geothermal steam and hot water at 170 degrees Celsius to produce electricity which is then delivered to national electricity network. Italian company Turboden delivered and commissioned an Organic Rankine Cycle (ORC) turbine system for the power plant, which successfully completed the nominal load test. The reservoir was discovered in 1990 by oil company INA, during an underground exploration for oil. The oil was never found, instead, a promising potential for geothermal energy was discovered.