

EPCG/A2A Montenegro: Investments and financial results influenced by depts., says Bianco CFO

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Energy company of Montenegro “Elektroprivreda Crne Gore” business results are on the same level like in 2011, while operative profit is meaningfully increased according to management estimations. Finance Director EPCG Flavio Bjanko said that hard economy situation of company continued, and few factors that company couldn’t stop influenced her.

Elektroprivreda had 66, 5 million worth net loss in 2011, while company income amounted 261, 3 million Euros.

“The first factor that influenced our business result like previous years, are electricity tariffs for all types of consumers. Relation between tariffs, production and operative expenses was financial baggage to company. International market prices were significantly higher than those Regulative Energy Agency approved (RAE). The difference between these prices represent net loss for the company, beside the fact that Montenegro lacks 30% of electricity”, said Bjanko.

He stressed that current situation with KAP debt of 60 million Euros also influences business result.

-This debt represents one of the main problems of EPCG. Relation between production and consumption is harmonized and the whole energy system functioning is well balanced with KAP production increase since 1 October- said Bjanko.

It was stated in EPCG that households and other consumers’ debts are around 200 million Euros what significantly influences net financial position of company.

-Our future investments depend on the collection rate. EPCG cannot tolerate postponing of

collection for too long because it will have negative influence on the whole energy system in Montenegro. I believe that EPCG together with national institutions should support vulnerable categories of buyers who are not in position to pay debts for electricity at the moment. On the other side, it cannot tolerate those consumers who can pay but they don't because of bad habit-stated Bjanko.

Source Serbia Energy Magazine