

The Electric Power Industry of Croatia (HEP) has announced an investment breakthrough in the region, and first step could be takeover of the Electric Power Industry of Montenegro. Electric Power Industry of Serbia also has similar intentions towards the Montenegrin electric power industry.

The engagement reportedly includes an agreement on investment in thermal power plant Pljevlja II, where also the Croatian consultants worked.

It is primarily the initial public offering of shares by which would be collected the capital for investment.

Serbian Prime Minister Aleksandar Vucic announced plans of Electric Power Industry of Serbia.

“We do not want to privatize EPS, but to expand our influence. We negotiate with the Republic of Serbia and Montenegro”, Vucic said, adding that the analysis which will show the profitability of this move is underway, but it is not disputed that takeover of two markets means a lot for strengthening the Serbian economy.

The ownership of Electric Power Industry of Montenegro is divided between the state, which holds 51.02 percent of stake, and a strategic partner, the Italian company A2A, which holds 41.74 percent of stake and reportedly wants to leave the partnership. Italians are reluctant to invest in TPP Pljevlja II, and it is the important strategic project for Montenegro.

There is 1.23 percent of the shares on the free market, and share price amounted to 3.5 EUR on Friday on the Montenegrin Stock Exchange, which means that share package owned by A2A is worth slightly more than 190 MEUR.