

A Montenegro court has blocked the sale of a 41.7 percent stake Italy's biggest regional utility A2A holds in power utility Elektroprivreda Crne Gore.

A2A said in June that it planned to sell its entire stake in EPCG for 250 million euros (\$288.28 million). The remaining share is owned by the Montenegro government.

The Podgorica-based High Court's decision, which comes after a Special State Prosecutor's office request, means that A2A cannot sell its stake until court proceedings relating to an individual suspected of inciting A2A representatives to commit bribery is complete.

It gave no further detail.

A2A, controlled by the cities of Milan and Brescia, spent around 436 million euros on buying a 43.7 percent holding in EPCG, which it has since cut to 41.7 percent. In May it hired investment bank Rothschild to advise on a stake sale.

A2A said it was checking reports its had been blocked by a Montenegro court.

Although it has a minority stake, A2A jointly manages EPCG and has previously said it wanted investment return guarantees, management autonomy and a clear regulatory framework.

Source: Reuters