

In order to discuss possible cooperation between energy sectors of Montenegro and Serbia, President of the Board of Directors of Montenegrin state-owned power utility EPCG Milutin Djukanovic was in official visit to Serbia, where he met several officials.

However, former Montenegrin Minister of Economy Dragica Sekulic warned that, back in 2015, Serbian President Aleksandar Vucic announced the intentions of state-owned power utility EPS to acquire other power utilities in the region, primarily EPCG and ERS in the Republic of Srpska. She believes that it would be a bad move because Montenegro would become economically dependent on Serbia.

She reminds that when a country loses its energy independence it also loses its economic independence, especially bearing in mind the state of the Montenegrin economy caused by the coronavirus pandemic. If weak tourist seasons are taken into account, the importance of the energy sector in a crisis situation like this becomes even greater.

Serbian energy expert Mijat Lakicevic believes that any kind of cooperation with EPS would be disastrous for Montenegro and its citizens, considering that EPS is a bad company, with bad operation and bad management. He said that it is beneficial to inject private capital into state-owned enterprises, but it should be done via public tender, where the seller chooses the best offer. EPS is not well managed, not enough is invested in the company, it operates for years with losses or with minimal profit, which is again the result of clever bookkeeping, and not the actual situation. He stressed that EPS urgently needs restructuring in order to become a good company, not acquisitions in the region.