Changes will start as of 1\textsuperscript{st} January, Electric Power Industry of Serbia is one of the last guardians of this country, its economy and citizens.

The Government of the Republic of Serbia adopted on 16 November a conclusion by which it accepted the Preliminary draft for the reorganization of PE “Electric Power Industry of Serbia”. This document outlines EPS’ intention to implement a number of changes concerning the legal form and organization of the company, resulting from Serbia’s obligations under the Stabilization and Association Agreement, as well as several fundamental laws in Serbia, particularly the Energy Law and the Law on Public Property. According to this document, the reorganization involves change of the legal form of EPS through corporatization process as well as organizational and management changes in its subsidiary companies. Aleksandar Obradović, the CEO of PE EPS, said at the meeting of the executives of EPS with the executives of thermo power plants and mines, held on 20 November, that the changes should be undertaken immediately, or more precisely, as of 1 January of the following year, and that the legal documents related to establishing new organization of the company are already being prepared at a brisk pace.

– We are facing a moment of truth, which means that we are in a very difficult financial situation with a gap of over 40 billion dinars in our assets. Furthermore, it is necessary to provide 12 billion euros for the projected investments. We must find a way out of this situation and do our best to transform the so-called “sluggish monopolist” into a well-organized business system that will generate profit. In order to achieve this goal, we have to mobilize all people and resources within “Electric Power Industry of Serbia” – said Obradović.

Explaining that opening of internal electricity market calls for a substantial increase in operational efficiency across all business functions, especially in production which will have to adapt not only to market needs and opportunities, but also to its rules, CEO highlighted that the efficiency imperative should be fulfilled in the overall organization of business activities, usage of energy and equipment, quality control of purchased spare parts, raw materials and services, and particularly, in cost management.

– “Electric Power Industry of Serbia” is one of the last guardians of this country, its economy and citizens, its energy and economic independence. The upcoming reforms are going to ensure the survival and development of EPS, which should become an even stronger pillar of the country’s economic stability, at the same time playing an important role in the regional energy sector. If we miss this opportunity as well, then I can neither imagine a future direction of EPS nor of Serbia – said Obradović.

Speaking of the responsibility of EPS for the actual situation in the Serbian economy, and especially in the mechanical engineering, CEO said that “Electric Power Industry of Serbia” as a state-owned enterprise, by its very nature should act in the best interest of the country,
national economy and labor force, but in order to be able to provide help to any other sector which is in an unenviable position, EPS should help itself first.

– The concept of changes that we have embraced and for which we have gained support of the Government of Serbia, has to enable faster overcoming of difficulties and establishing of a positive trend, which will lead to a stable profitability. In this manner, we can help both ourselves and others. It is clear that only a profitable EPS can be a strong pillar of the overall economy in Serbia – said Obradović.

*Source Serbia Energy Magazine*