

German development bank (KfW) has offered to Serbia a loan in the amount of 2.5 million euros for the recovery of Kolubara mines, but the Government refused the offer because this amount is not enough for the entire operation.

TPPNT is supplied only with half of necessary coal amounts due to flooded open pit mines of MB "Kolubara".

It is estimated that the water pumping out of the open pit mines of MB "Kolubara" will cost more than 10 million euros. The money KfW was ready to redirect from the already approved loan for the recovery of the mines, would cover at least one-fourth of costs, and the drainage of the basin could finally start. The drainage, due to the problem of coal supply of TPPNT, it was announced as a priority for the end of June or early July. Thus, the tender announcement, which is already late, is still being waited.

The more the recovery of Kolubara mines is delayed, Serbia has a deeper problem with the production of electricity in TPPNT, which now receives only half of the usual 90,000 tons of coal per day. Due to the lower production of TPPNT and import, the resigning minister, Lazar Krstić, has demanded, as the "Blic" had written before, the electricity price to increase by 30 %. The current situation suits only the electricity importers.

KfW has offered a loan in the amount of 2.5 million euros, i.e. the Dutch company that would perform the work in this value by its pumps and recover the mines. Obligation of the state would be only to provide fuel for the pumps. However, EPS rejected this offer.

-The amount, which KfW proposed, isn't enough for the recovery of the mines. Since the loan of the KfW has already been approved, it will be used for something else.-it was stated for the "Blic" in the Ministry of Energy.

In this case, the logic of the state is not clear because the valuable time is being lost. With the KfW loan, the drainage of the mining basin could already start, rather than wait for the autumn, because it is hardly possible that the selection of the company that will pump out the water will be finished before the end of summer.

Besides, using the money from the already agreed credit would be reduced by the amount of new debt that will follow after the announcement of tender for pump supply. As the "Blic" finds out, the World Bank and other financial institutions are ready to engage in the operation so, that the recovery can start as soon as possible.

Production cut in half

- 30 million tons of coal a year used to be produced in OMPs of Kolubara until the floods.
- 19 million tons of coal a year used to be produced in OMPs "West Field" and "Veliki Crljeni"
- 90,000 tons of coal per day used for being dispatched to TPPNT
- 45,000 tons of coal per day is being dispatched at the moment
- 210 million cubic of water inflowed into OPM "Tamnava-West Field "

German Development Bank (KfW) has also confirmed for the "Blic" that the loan was

offered to Serbia.

- There is a minor amount that could be redirected for the drainage. Those funds do not cover the amount necessary for the entire undertaking. This was the offer, but now it is on the Government to decide - it was said to the "Blic" in KfW of Serbia.

EPS had no comment on this subject. The secretary of Mr. Aleksandar Obradović answered the phone and said that Mr. Obradović was ill and he wouldn't be coming to work. The answer that was given by the Press Service of EPS didn't give any explanation why the KfW offer was rejected.

- Announcement of tender for water pumping out is not late, but is carried out in accordance with the legal procedures. The Serbian Government approved the changes of the business plan and funds for damage recovery a week ago, which was a necessary condition for the announcement of the tender for water pumping out of the "Kolubara" mines. Immediately after that EPS urgently demanded the approval for the procurement from the Public Procurement Office. Dutch company and all other national and foreign companies can participate in the tender. It is evident that the most favorable offer will be selected. - it was responded from EPS.

Electric Power Industry of Serbia decides on everything else including the dates.

"Kolubara" did everything EPS has changed its decision three times, and only on the seventh of July informed MB "Kolubara" that they will carry out the procurement. - Project of pumping out and recovery of the "Kolubara" OPMs was finished a month ago and it was delivered to EPS - says for the "Blic" director of "Kolubara" Milorad Grčić.