

Serbia: Privatization of EPS is not being considered, restructuring will prepare EPS for market rules and expected competition says Minister Mihajlovic

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Minister of Energy, Zorana Mihajlovic has stated that “corporatization” of Elektroprivreda Srbije is not privatization. According to her words, savings from reconstruction of this company will save 100 million EUR yearly.

Mihajlovic said that EPS’s privatization is not even considered, but certain partners will be found for certain projects. “EPS needs to be the company ready to handle with others at Serbia’s open market by 2015”, she said.

Mihajlovic stressed that Government’s goal is to enable EPS to do business in market principles and to solve its problems on its own.

We are aware that resistance occurs when the question of big changes is launched in some company. Many in the company Elektroprivreda Srbije was not familiar with the results and goals EPS’s corporatization brings”, she said.

Minister said that Government determined the beginning basis for EPS’s reconstruction in November 2012 so it shall be differently organized this year.

Cleanup in all public companies in Serbia shall begin. It has already begun in EPS and it shall begin in some companies like Srbijagas”, she said and added that reconstruction of Srbijagas is required.

Mihajlovic added that she is not against edition to Srbijagas’s reconstruction plan.

“We should avoid repetition of mistakes from earlier change procedures in this company”, Markovic said and reminded that “EPS is contained from 13 industrial societies and it functions within 15 organization systems at the moment”.

We should release EPS from “social function” it had for 20 years within uneconomical electricity price.

“Economy Institute has estimated how EPS will do business if it had price of electricity according to three parameters during the last ten years: average price in 6 countries from ex Yugoslavia, Central Europe and EU. EPS’s earning would be 5 billion EUR higher in the first place, and even 15 billion in the third place”, Managing Director of Economy Institute, Dragan Sagovnovic, said.

Source; MERZ/Serbia Energy