Serbia will soon adopt a new law on public-private partnerships as it seeks to attract around 4 billion euros ($5.5 billion) worth of investments into local infrastructure over the next decade, government officials said.

The draft law, awaiting parliamentary approval, will encourage investment, allow local governments to form public- private partnerships independently from the central authorities, and offer investors half-a-century concessions for projects instead of the current 30-year maximum, Oliver Dulic, Serbia's Minister for Environment, Mining and Spatial Planning, told a business conference in Belgrade today.

Investors in renewable energy will also need less time to secure power purchase agreements or guarantees that the electricity they plan to produce will be bought by utilities at agreed tariffs, Economy Minister Nebojsa Ciric said. Banks consider such guarantees essential for financing projects.

The legislation also aims to improve the quality of communal services and free up budget resources, as private investment will have a bigger role in infrastructure development, according to the draft text.