

Serbian Ministry of Finance announced that it has signed a reimbursable advisory services (RAS) agreement with the World Bank in order to receive support for the restructuring of state-owned power utility EPS.

The statement from the Ministry said that the project is aimed at strengthening the governance system, risk management and business planning of EPS, which should contribute to more efficient operation of the company.

As a result of successful reorganization implemented since 2014, Serbian state-owned power utility EPS managed to reduce the number of employees by 2,500 and it plans to lay off further 2,500 workers by the end of 2019. Currently, EPS employs some 29,000 workers. The first phase of restructuring of EPS was completed in July 2015, when the company started to operate through three legal entities instead of 14 – the parent company EPS and two subsidiaries: EPS Distribucija (electricity distribution) and EPS Snabedavanje (electricity supply). The next phase was completed in January 2016, when part of EPS Distribucija was separated and merged with the parent company, and the third phase was completed in May 2016, when EPS Snabedavanje was merged with the parent company.