

Serbian Energy Minister Zorana Mihajlovic: EPS needs 200-300 million EUR to work normally in April

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Electricity price is expected to increase since 1 April but EPS should accomplish its obligations previously. The priority is public supplier establishment and we are looking for EPS's smaller debt together with the Ministry- Zorana Markovic, Minister of Energy, Development and Environmental Protection, said.

-If EPS establishes the corporation that will be the public supplier in the next couple of days, it will be possible for Agency to get the approval for the price that would be valid since 1 April until the mid of March. Price will increase for 10 to 12% and the Agency will give the final decision - Mihajlovic said in short interview for "Blic" in Government after presentation of public call for the construction of 317 small HPPs.

How long will Government wait for EPS's top to make a deal?

-We won't wait too long. I sent a letter to the Managing Board and to Managing Director last week. The priority is establishment of the company that Government will determine as a public supplier. I expect this business to be finished by the end of this week and we will talk about the solution of financial situation afterwards. If EPS can't do that, Government will take care of it.

Is the conflict between SNS and SPS the reason for the blockage?

-Making priorities in the public company which has been ruined for years is the point here, not political conflict. My job is to ask Managing Board and Director to take care for priorities and adopted laws by Government.

What about the credit for EPS?

-EPS's financial problem cannot be solved at once and I don't think that question of half million EUR indebtedness should be solved until the end of this week. We started discussions with the Ministry of Finance about the solution of EPS's financial problem that didn't occur in the last six months or a year. Government enabled EPS to reprogram debts to its owners with interests' write-off.

Does Managing Board have right when it asks Government for approval?

-We want smaller debts for EPS. Reconstruction companies own hundreds million EUR and we cannot turn them off, while EPS needs 200 to 300 million EUR to function normally by April. We are trying to solve this question with Ministry of Finance and to offset debts, if it is needed.

Does Government support the idea of Srbijagas Director for 25% of stocks' buyout from Jugorosgas?

-We have not talked about it yet. We have sold these 25% for about 4 million dollars and we should investigate how that happened. Buyout will of course cost more, but if we do economical estimations that will show this is good for us, I won't have any complains.

Source Blic/Serbia Energy SEE Desk