

Elektroprivreda BiH and the Chinese Company China Gezhouba Group Corporation will sign a contract on the construction of the Block 7 in the Thermal Power Plant Tuzla worth 722 million EUR (1.4 billion BAM), which represents the largest post-war investment in the sector of electrical energy in BiH. Project financier is the Chinese developmental bank EXIM and the repayment period, together with a five-year grace period, is 15 years.

In this way, the diplomatic offensive of the Chairman of the Council of Ministers of BiH Denis Zvizdić will be crowned. This offensive was especially intensified within the Forum 16+1, which gathers China and 16 countries of Central and East Europe, including Bosnia and Herzegovina, on economic basis. Precisely Zvizdić was the one to ensure significant support to this project from China at last year's forum held in Suzhou, China.

However, investment in the Block 7, the backbone of BiH energetics is the future, is not the end of Chinese investments. State Prime Minister believes that this is only the beginning of the investment cycle which should eventually contribute to the economic development of the country, greater employment rate, and the connecting of related economic activities.

Analysts believe that BiH made a good job with the Chinese. Amel Kovačević, economic expert and Ambassador of BiH to China in the time when BiH made a plan for construction of electrical energy plants, highlighted that the arrival of companies from this country is not surprising. Several important energy facilities are being built in the world at the moment, and majority of them are built by Chinese companies.

Director General of Elektroprivreda BiH Bajazit Jašarević and Investment Director Senad Salkić will sign the contract on the construction of Block 7 of the Thermal Power Plant Tuzla with the officials of the company China Gezhouba Group Corporation. Ceremony which will be held within the Sarajevo Business Forum will also be attended by the Chairman of the Presidency of BiH Bakir Izetbegović, Chairman of the Council of Ministers of BiH Denis Zvizdić and Prime Minister of FBiH Fadil Novalić. National delegation from China will be led by Ning Jizhe, Deputy Director of the National Development and Reform Commission.

"Value of the project is 722 million EUR. We can say that, by signing this contract, we confirm that technical details of the contract are harmonized and that we need support by the Government of China when applying for credit with the EXIM bank, so that we repay the credit with five years of grace period and 15 years of repayment period, instead of the five years of grace period and ten years of repayment period as offered by the bank," said Jašarević.

Optimistic deadline for fulfillment of preconditions for construction is the end of this year, and the realistic expectation is that the first Chinese people will arrive in Tuzla in spring next year. In addition to greater competitiveness of BiH electricity on the European market,

Block 7 will also enable job for Tuzla miners in the next 50 years.

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