

Bosnia energy potentials are being tapped by private investors and Chinese soft loans. New HPPs are being developed by private investors, new thermal power plants mostly with Chinese credit packages with Chinese contractors which are paving the path toward EU markets over Bosnia references.

Projects of construction of the TPP Tuzla Block 7 - 450 MW TPP Banovici Block 1 - 300 MW TPP Kakanj Block 8 - 300 MW, HTP Zenica with the installed capacity of 390 MW electric and 170 MW of heat energy for heating the town of Zenica represent the highest investments in the region.

Furthermore, the implementation of the initiated projects in terms of hydroelectricity has to be mentioned too, such as construction of HPP Vranduk - 1963 MW, HPP Janjici 13.3 MW HPPS Vrilo - 62 MW. In the period 2015/2020, it is realistic to expect implementation of the project of construction of about 36 small hydropower plant with the total installed capacity of around 53 MW.

With regards to other renewable energy sources in the Federation of BiH, in the upcoming period Bosnian gov expect to see the implementation of the project of construction of WF Podvezje - 48 MW and WF Mesihovina - 55 MW

Furthermore, private sector initiated the construction of the following windfarms: WF Debelo Brdo - 54.6 MW, WF Gradina - 70 MW, WF Orlovaca - 42 MW, WF Pakline 1 - 48 MW, WF Pakline 2 - 48 MW, WF Kupres 1 - 48 MW, WF Baljci - 48 MW, WF Jelovaca - 36 MW, WF Mucevaca - 60 MW and WF Ivovik - 84 MW. In addition, in 2014, private investors were issued 75 energy permits for construction of solar photovoltaic plants with the total installed capacity of approximately 15.7 MW, and the implementation of most of these projects is expected in 2015.

The total expected foreign investments in 2014 will amount to 270-300MEUR. Out of this amount, around 100-130MEUR would account for the usual investments based on the average of the previous three years and the forecasts of mild economic growth in the European Union and weak growth in the neighboring countries. Foreign investments in electrical energy sector are expected to amount to 170MEUR

In July 2013, KTG Zenica signed a contract with the Chinese company SEPCO III for the construction of the Heat and Thermal Power Plant Zenica. SEPCO III should finalise the HTP Zenica according to the turnkey system within 29 months, with the overall planned investments in the project of 250MEUR. According to the latest available data, the construction of the HTP Zenica is not going to start this year.

The EFT Group signed the concession contracts for the construction of TPP Stanari and the expansion of the existing mine as well as the construction of the Hydro Power Plant - HPP

Ulog. The total investments in these projects will reach 600MEUR by the end of 2017.

In Republika Srpska, the beginning of the construction of the TPP Ugljevik 3 is planned in the total amount of around 700MEUR over the period of 3-4 years, while the works should be carried out by a jointly established company "Comsar Energy RS" where the 90% owner is the "Comsar Energy Ltd" and the 10% owner is the "Mine and Thermal Power Plant Ugljevik". The construction contract is signed with the Chinese "China Power Engineering Consulting Group Corporation", whereas, according to the plan, the full technological and engineering process of the construction will be managed by the American company "Black and Veatch". The beginning of the construction works is planned in 2016, while the assumed investments for this year would amount to around 25MEUR.

Possible beginning of the construction of "TPP Tuzla Block 7" with total capacity of 450 MW in the total amount of 800MEUR has not been taken into account since currently the option of financing through loans is being under consideration. Gov have not taken into account the announced investment in the amount of 10MEUR for gasification of the facilities in the "Oil Refinery Bosanski Brod" d.o.o. Bosanski Brod, which should be finalised by the end of 2015. The beginning of the implementation of the project of construction of electricity system "Hydro Power System Gornja Drina" is uncertain. The investment during the first year of construction of HPS Gornja Drina was originally planned to amount to 25MEUR, whereas subsequent average annual investments were planned to reach around 75MEUR.

Foreign direct investments in 2016 are expected to reach 550MEUR. Investments in the BiH energy generation sector would amount to around 340MEUR

In addition to the "EFT Group" investments and "Comsar Energy Ltd" there is also finalisation of the main works on "HTP Zenica" with 125MEUR.

Possible investments in "HPS Gornja Drina" that would bring approximately 50MEUR in the coming period have not been taken into consideration in these projections. There are also good chances for beginning of investments in the project "HPS Srednja Drina" with investments during the first year of around 25MEUR and average investments of around 50MEUR in the subsequent period.

Foreign direct investments in 2017 are expected to reach 550MEUR. Investments in energy generation sector would amount to 220MEUR.