

From 2015 until today, about 120 million euros have been invested in the modernization of public lighting, and most of the work was won by almost the same companies and their partners – about 108 million euros went to them. They won 33 of a total of 35 public-private partnership tenders, as well as a non-PPP tender in Bor.

By December 2019, 24 cities in Serbia have replaced the old public lighting with new, energy efficient ones. In 2020, Priboj, Pancevo, Vrbas, Vrsac, Negotin, Leskovac, Nis, Zajecar, Sremska Mitrovica, Subotica and Pirot joined them. Only the companies that won all the other jobs did not apply for the tender in Pancevo. What has not changed compared to previous years is the way these tenders are conducted – the conditions for participation are still such that they are met only by companies that have already won, new companies that appear appear together with experienced in these jobs, and there is almost no competition or it is rejected.

Representatives of the companies, who answered BIRN's questions, explain that they do not get all the jobs, as well as that they win tenders because they have a good offer and experience. The leaders of the municipalities claim that everything is done according to the law, they say that they are not interested in political connections and that the companies with the most favorable offer win the tender. They do not mention that this offer was in most cases the only one.

Who "owns" public lighting

New players in this business, the Serbian companies Emporio team and Elgra vision, joined forces with the Serbian branch of the Slovenian company Resalta and got jobs in three cities – Nis, Pirot and Negotin. These three deals are worth a total of about 20m euros. Resalta doo from Belgrade is owned by the company Resalta from Slovenia, one of the co-owners of which is the former employer of the Serbian Prime Minister Ana Brnabić, Mark Krendal. The Emporio team got its first job as a private partner for the installation of LED lamps at the end of 2019, which BIRN wrote about. The owner and director of Emporio team, Slobodan Zdravkovic, did not answer BIRN's questions, neither at the end of 2019 when he joined these jobs, nor at the beginning of January 2021. According to the media, Zdravković was arrested on January 29, 2021, on suspicion of being the organizer of a criminal group for money laundering. Emporio team is also engaged in maintaining the hygiene of the Ministry of the Interior, as the daily Danas wrote, then cleaning the new kovid hospital in Batajnica, as the Nova.rs portal wrote, as well as providing security for the Ministry of the Interior. weekly NIN.

The other partner in this trilling company is the company Elgra vision from Ugrinovac. In



addition to public lighting, this company is engaged in valuable projects at airports in Serbia – they got the job of placing three masts and three flags at Nikola Tesla Airport in the amount of 9.25 million euros, which was reported by the weekly Vreme 2018. In addition, this company got a job in the negotiation procedure with the Ministry of Defense in 2019 for the installation of a light marking system at the Morava-Ladjevci airport in the value of 2 million euros.

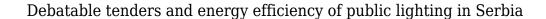
Elgra vision did not answer BIRN's questions about their participation in public lighting through a public-private partnership, ie how they joined these jobs and how the cooperation with the partners came about. The main partner in this group is the Serbian branch of the Slovenian company Resalta, which has been present in these businesses since 2017. The company previously told BIRN that it is not true that they get jobs because of political ties. When asked how they comment on winning the tenders in 2020, Resalta states that their companies participate in only 13 of about 40 active projects.

"It is no secret that we are one of the market leaders in the ESCO product market in Serbia - we have invested around 10 million euros in projects, which will be returned to us through savings in electricity consumption," Resalta wrote to BIRN in January 2020.

According to public procurement data, the jobs awarded to Resalta, including those won by ENEF-Energy Efficiency, which is now owned by it, are worth more than 40m euros. In 2017, Resalta took over ENEF from the Hungarian company U light and Sylvester Horvat, who is the majority owner and director of Esco Elios. In previous years, Resalta participated in tenders together with the companies U light, Smart Energy Investment, Esco Elios and Keep Light. These companies participated in tenders without Resalta. Keep Light became known to the public after it sold an 18-meter-high plastic Christmas tree to the city of Belgrade in 2017 for 83,000 euros. Participates in a total of 17 of the 35 public-private partnerships for the installation of LED lamps. Keep Light did not respond to BIRN's questions regarding these deals. The companies U light and Esco Elios are connected with the Hungarian company Elios, whose co-owner was the son-in-law of the Hungarian Prime Minister Viktor Orban, about which BIRN wrote.

Another group of companies

The second combination from 2020 consists of the Serbian branch of Petrol from Slovenia and the Serbian branch of Smart Energy Investment from Hungary. Their joint offer took three victories in these tenders – in Vrbas, Priboj and Zajecar, with a total value of around 10 million euros. The head of the branch of the Hungarian company Smart Energy Investment in Serbia is Obrad Tadic, a former assistant director in the Capital Investment





Administration of Vojvodina. The company told BIRN that getting the jobs had nothing to do with their representative.

"Political ties, other than those related to environmental policies, energy efficiency, and the improvement of utility services, are not the subject of our attention or influence our business decisions," Smart Energy Investment said in a written response to BIRN. Petrol told BIRN that public lighting in Serbia was outdated and a major burden on local government budgets, as well as excessive pollution.

"We are proud that by investing in energy-efficient public lighting, we are also helping local communities in Serbia, efficient public lighting and financial savings for municipal and city budgets," BIRN said in a written response, adding that they have dozens of successful projects in the region.

In Serbia, Petrol doo got its first job for the installation of LED lamps in the municipality of Secanj in 2018. Although they cooperate in Slovenia, Petrol and Resalta do not participate together in lighting tenders in Serbia, but alternately appear. Instead of answering the question why this is so, the company Petrol states that energy renovation projects are subject to local laws and that Petrol acts as a private partner – investor.

"Resalta is our partner exclusively in the narrow field of certain energy renovation projects of public buildings in the Republic of Slovenia, we are not cooperating on public lighting renovation projects for now," the company said in a written response to BIRN. Elektromontaža also works with them in Priboj, whose owner is Nenad Kovač, a friend and business partner of Nikola Petrović, former director of Elektromreža Srbije and godfather and one of the closest associates of the President of Serbia, Aleksandar Vučić.

Source: birn.rs