

Representatives of A2A and Government prolonged the EPCG partnership contract for two months

Representatives of A2A and Montenegrin government agreed to prolong the contract for partnership in EPCG for two more months, the contract is valid since 2009, it was announced from the Italian company.

“This will enable continuation of negotiations for extending the partnership, based on the agreed basic principles”, it was stated in the announcement of A2A, as Mina-business reported.

This is the fourth extension of the deadline for making an agreement on future arrangement and eventual continuation of partnership with the Italian partner in EPCG.

Five-year contract expired in March this year. Negotiations that started at the end of last year were supposed to be finished by March of this year, but they were prolonged until the end of June first, and then until 31st of July.

Government and A2A disagree on priority investments. Italians think that construction of the second block of Thermal power plant TE in Pljevlja is not profitable at the moment, which is something that the Government is insisting on.

Costs of the project are at least 338 million euros. A2A was supposed to find a third partner to invest in financing of TE, and for equipment supplier Czech Skoda Praha was selected. Since Italians couldn't provide the third partner for financing of TE, negotiations for the potential exit of A2A from EPCG were conducted at the same time, but this option is still in discussion too.

According to unofficial information, they unsuccessfully tried to sell it's part of the EPCG but they cannot get even close to 430 million euros which is how much they paid for their share in 2009. The country owns 57 percent of EPCG.

Among the requests from A2A is a guarantee of profitability of the investment money, autonomy in management and security when it comes to regulatory frame (price), in order to be able to find the third partner for financing the second block of TE.

source: m.cdm.me