

SERBIA

TWO 700MW THERMAL POWER PLANTS TO BE TENDERED TO INTERNATIONAL INVESTORS

Serbian National Electricity Company wants to offer to international investor to participate in completion of two thermal power plants Kolubara B and Nikola Tesla B, each of 700MW. The tender for Kolubara B is expected to be announced immediately after the new government is sworn in, probably some time in May 2007.

More than €300 million have already been invested in the construction of Kolubara B plant so far, and about €50 million are expected to be needed for the construction completion. 90% of the boiler, produced by the Canadian company Combustion and the local company Minel Kotlogradnja, had been already delivered.

About 95% of the needed documentation has been prepared for the tender announcement. The Czech company CEZ has recently confirmed its interest in participation in the tender for construction of Kolubara B, also due to the fact that a significant part of its equipment has been provided from Czech Republic. Experts have estimated that completion of works on Kolubara B envisages increase in annual coal production from the current 29 million tons to 36 million tons at the existing and new surface mines of the Mining Basin Kolubara.