

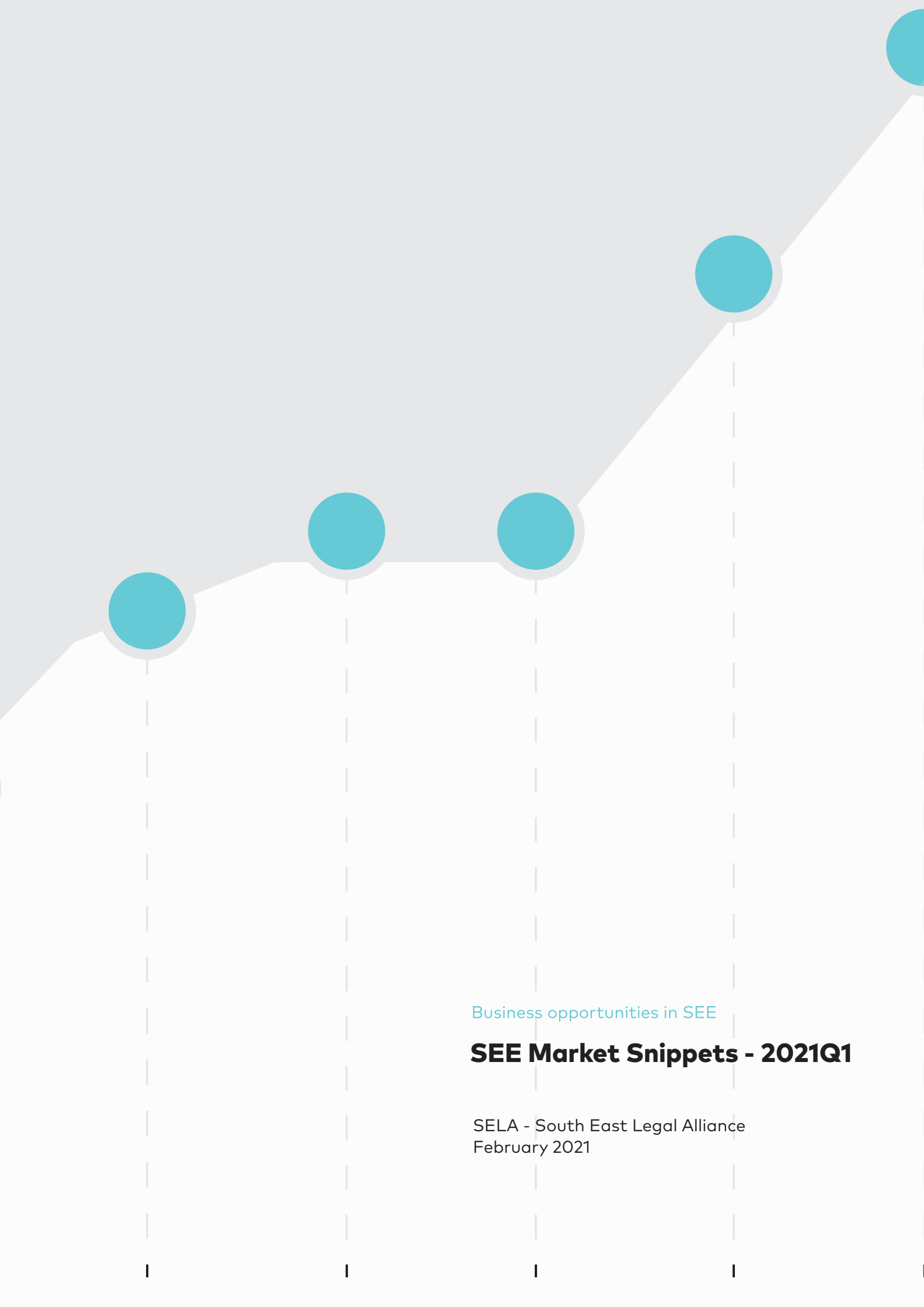


sela
south east legal alliance



SEE Market Snippets - 2021Q1





Business opportunities in SEE

SEE Market Snippets - 2021Q1

SELA - South East Legal Alliance
February 2021

P R E F A C E

This report provides a comprehensive analysis of actionable intelligence on current opportunities within the SELA member countries. The information contained herein is intended solely for informational purposes and is generally available to the public and from sources believed to be reliable. SELA does not guarantee the accuracy, completeness, or timeliness of the information and shall not be liable for any damages or costs in connection with the use of the content contained herein.

INDEX

OVERVIEW / 6

POTENTIAL DEALS

Mergers & Acquisitions / 14

Infrastructure / 18

Natural Resources & Energy/ 22

Leisure / 28

OVERVIEW

Country-by-Country



For more information on the Albanian market please contact

Shpati Hoxha
shpati.hoxha@hmf.al

–

Two significant shocks that have recently affected the economy—the devastating 2019 earthquake and the COVID-19 pandemic—dominate the stage of recent economic developments. As the country started its reconstruction phase, the global pandemic forced it to put key economic sectors in lockdown. The tourism sector, a key driver of growth, was hit especially hard because of containment measures and travel restrictions.

GDP contracted by 2.5% in the first quarter of 2020. Investment contracted sharply by 16.7%, while consumption growth was marginal at 1.1%. Net exports decreased by 8.13%.

The crisis has been reflected in the labor market. In the second quarter of 2020, employment declined by 3.6% year-on-year, unemployment rose to 11.9%, and labor force participation declined.





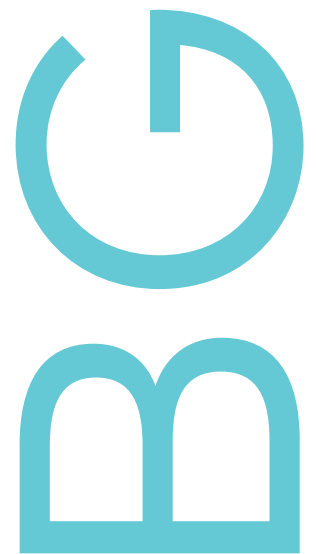
For more information on the Bosnian market please contact

Stevan Dimitrijević
stevan.dimitrijevic@dimitrijevicpartners.com

–

EU member states have accepted the EU membership application of Bosnia & Herzegovina in September 2016, commencing the long process towards EU membership. Bosnia & Herzegovina has a complex multi-level government structure. It is composed of the Federation of Bosnia and Herzegovina and the Republic of Srpska, collectively referred to as the "Entities". The Entities have significant legislative powers in economy and foreign investments.

The major sector for investment in the country is in the energy as Bosnia has large potential for renewables.



For more information on the Bulgarian market please contact

Zoya Todorova
zoya.todorova@dpc.bg

–

Market closures and restrictions to control the coronavirus pandemic have led to a desire to shorten supply chains. Bulgarian authorities have put forces to present the country as a new "nearshoring" destination worldwide, aiming to position it as an excellent destination for production relocation in nearshoring. In addition, the World Bank said it expects Bulgaria's gross domestic product (GDP) to increase by 3.3% in 2021 and by 3.7% in 2022, according to the report.

Bulgaria prepares a national plan for adopting the euro which will contain details about the actions to be taken by the authorities and business for the successful adoption of the European currency. It is expected that the country will join the Eurozone in 2024.



For more information on the Croatian market please contact

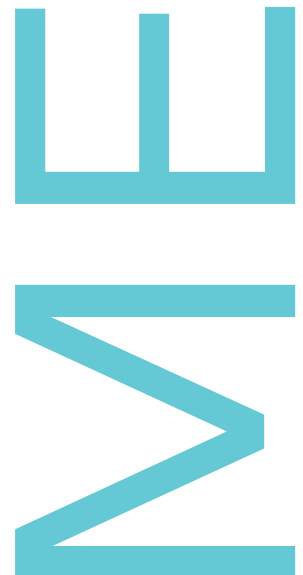
Duško Žurić
dusko.zuric@zuric-i-partneri.hr

–

Government of Republic of Croatia in 2021 continues to focus on combating the COVID-19 pandemic. It is expected that the situation will remain stable in Croatia and that one of the main economic sectors – tourism, will be revitalized by summer. The Government is making constant efforts aimed to relieve those economy sectors which suffered the most due to anti-pandemic measures.

Apart from COVID-19 pandemic, Croatia was hit by a series of earthquakes that destroyed or damaged a number of buildings in various towns across central Croatia. That caused some turmoil in the real estate market and within the construction industry. In particular, real property market in Zagreb did not show much decline in the COVID-19 scenario because a number of residential and business premises present in the historic center had to be evacuated or became less desirable, increasing demand for modern developments. Demand for construction works is thus rather high.

The macroeconomic environment continues to remain stable - investment trends are positive and there is a significant number of investment possibilities in different types of infrastructure projects, energy projects and in the tourism industry, the latter of which has been recognized by both the investors and the project holders as the key branch for investments.



For more information on the Montenegrin market please contact

Vuk Drašković
vuk.draskovic@bd2p.com

–

As the smallest country of the Balkans, Montenegro has a relatively fragile economy that is transitioning to a market system and is based on financial investments, especially in the energy and tourism sectors (private investment accounts for 20% of GDP).

The country's economy grew by 3.6% in 2019 (from 5.1% one year before), mostly due to infrastructure investment for the first part of the motorway connection between the port of Bar and Boljare, which was estimated to account for 6% of GDP.

After a contraction of 9.2% in 2020, the economic recovery will be comparatively modest in 2021. The Montenegrin economy will probably be the hardest hit of all Western Balkans countries as a result of the COVID-19 pandemic, given its heavy reliance on tourism (foreign tourist arrivals declined by over 80%). An IMF deal has avoided a payments crisis, but the country's large twin deficits mean the government will need to return to international bond markets and tap additional financial assistance to close the gap in 2021.

The gradual reopening of the global economy should bolster the external sector, while household spending is also expected to recover. It is forecasted for GDP to grow 6.0% in 2021, which is up 0.8 percentage points from last month's estimate. In 2022, the economy is seen expanding 4.6%

Exports recorded a fall of 35.5%. The economy also entered deflation in the second quarter, with year-on-year inflation averaging -0.7% in April to June 2020.

In the World Bank's Doing Business Report 2020 Montenegro stayed in the same place as in the previous year, being 50th on the ease of doing business list.



For more information on the North Macedonian market please contact

Igor Aleksandrovski
aleksandrovski@businesslaw.mk

-

North Macedonia is currently working on encouraging, attracting and creating conditions for the implementation of strategic investments that will increase the economic growth, employment and application of new technologies and innovations in different areas such as energy and infrastructure, transport and telecommunications, industrial and technological parks, etc.

This shall enhance the competitive economic opportunities of the Republic of North Macedonia, increase the exports and decrease the trade deficit and it shall improve the wellbeing and living conditions of the citizens of the Republic of North Macedonia. Privatization of state-owned companies is planned for this year, which through public-private partnership or privatization should overcome the problem of accumulation of losses.

A new law for Strategic Investment has been adopted last year and public calls for strategic investment projects will run every year.

The Government also announced a plan "Action 21" that will emphasize Energy investments along with environmental protection.



For more information on the Serbian market please contact

Marija Bojović
marija.bojovic@bd2p.com

–

The COVID-19 pandemic, related containment measures, and a stimulus package of nearly 13% of GDP took a toll on the Serbian economy, with an approximate decrease in real GDP of 3% in 2020 and recovery starting in 2021.

Serbia used most of the available fiscal space early on in the pandemic, resulting in an economic contraction of 6.4% (year-on-year) in the second quarter of 2020 that was less pronounced than in neighboring countries but still led to a small increase in unemployment and an uptick in poverty.

The new government formed in October 2020 (following June 2020 elections) continues to implement programs that address structural weaknesses, increase public sector efficiency, and eliminate bottlenecks to private sector growth, along with maintaining macroeconomic stability.

In January 2021, the National Bank of Serbia decided to keep the key policy rate unchanged at 1.0%, the lowest level in inflation targeting regime. Banking sector stability has been preserved and further reinforced.

An important aspect will be the introduction of a “green growth” program to its post-COVID-19 economic recovery efforts while responding to challenges that include a shrinking population, labor shortages, and climate change. Serbia’s continued growth will crucially depend on the pace of the European Union (EU) accession process.

In the World Bank’s Doing Business Report 2020 Serbia has been ranked 44th. That is a jump of 4 places, having been ranked 48th in 2019.



For more information on the Slovenian market please contact

Andrej Kirm
andrej.kirm@k-p.si

–

The privatization procedure in Slovenia, managed by the company Slovenian Sovereign Holding (SSH), owned entirely by the Republic of Slovenia, is ongoing. Additional investment opportunities will arise from the sales process of the Bank Assets Management Company (BAMC) equity holdings and non-performing loans (NPLs). BAMC was established in March 2013 as a state-owned company and it is planned to wind up with all of its activities and sales procedures by 2022.

Like the rest of the world, the Slovenian economy in 2020 was marked mainly by the COVID-19 epidemic. Gross domestic product (GDP) decreased by 2.6% in the third quarter of 2020 and by 6.0% in the first nine months compared to the same period in 2019. However, the epidemic did not affect the real estate prices, which remain stable, at least after the first half of 2020.

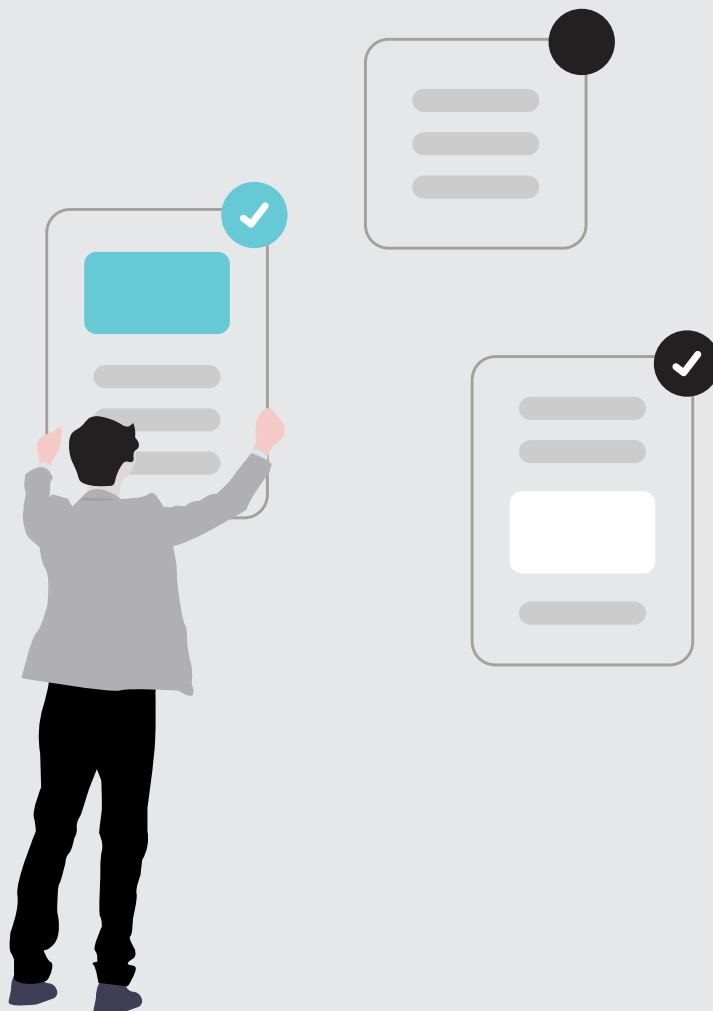
In the World Bank's Doing Business Report 2020, Slovenia has been ranked 37th, thus advancing by 3 places compared to 2019.

Most foreign investors are attracted by Slovenia's strategic position at the heart of Europe with an ideal land-sea-air transport system and with an educated and skilled local workforce.

POTENT DEALS

By Industry

TIAL



MERGERS & ACQUISITIONS

FORTENOVA GROUP NEGOTIATING WITH NOMAD FOODS ABOUT SALE OF FROZEN FOOD FACTORIES

Market/jurisdiction: Serbia, Croatia, North Macedonia, Slovenia, Bosnia and Herzegovina, Montenegro and Kosovo

Sector: Frozen foods

Deal Category: M&A

Deal value: EUR 600 million

Fortenova Group has announced that it will move forward to the next phase of selling its frozen food factories by entering into exclusive negotiations with Nomad Foods.

The companies in question are Ledo plus d.o.o., Ledo d.o.o. Čitluk and Frikom d.o.o., forming together with several smaller affiliated companies the Frozen Food Business Group.

It is expected for the next phase of the Frozen Food Business Group sale process to be completed by the end of Q1 of 2021 through the signing of a Sale and Purchase Agreement. If so, the transaction could be completed post receipt of regulatory approvals, as early as summer 2021.

PRIVATIZATION OF BH TELECOM

Market/jurisdiction: Bosnia & Herzegovina

Sector: Telecom

Deal Category: Privatization

Deal value: n/a

BH Telecom is the biggest telecom provider in Bosnia and Herzegovina and there are plans for privatization. Due diligence for management of the company has been completed in 2018.

PUBLIC CALL FOR STRATEGIC INVESTMENTS

Market/jurisdiction: North Macedonia
Sector: Various
Deal Category: n/a
Deal value: EUR 30 to 150 million

The purpose of the Law for Strategic Investments is to increase the economic growth, employment and application of new technologies and innovations, enhancement of the competitive economic opportunities of the Republic of North Macedonia, increase of the exports and a decrease in the trade deficit and improvement of the wellbeing and living conditions of the citizens of the Republic of North Macedonia by encouraging, attracting and creating conditions for the implementation of strategic investments.

FOUNDING OF NEW AIRLINE IN MONTENEGRO

Market/jurisdiction: Montenegro
Sector: Aviation
Deal Category: Project
Deal value: EUR 30 million

Government of Montenegro, through the rationalization of spending of EUR 4 million, started the founding of a new national airline carrier, ToMontenegro.

According to reports, the company will have a total of EUR 30 million as the initial capital.

It is said that the government had reached the decision on the founding of the new airline carrier on December 30, without holding

a session, based on the obtained approval of the majority of the members.

The decision says that the founder of the company is the Government of Montenegro, with a 100% share.

The founding capital is EUR 30 million and the sum will be paid within a year of the company's registration, in one or more installments, of which EUR 4 million will be paid with the registration.

PRIVATIZATION OF THE ARMS PRODUCTION COMPANIES IN REPUBLIC OF SRPSKA

Market/jurisdiction: Bosnia & Herzegovina
Sector: Arms Industry
Deal Category: Privatization
Deal value: n/a

The Government of the Republic of Srpska intends to privatize companies engaged with the production of arms and provision of services related to defense including Kosmos Banja Luka and Orao Bijeljina.

INTRODUCTION OF A THIRD MOBILE NETWORK OPERATOR

Market/jurisdiction: North Macedonia
Sector: Telecommunications
Deal Category: Potential M&A
Deal value: n/a

There is a rumor that there will be a tender for a third mobile network operator in North Macedonia. Currently, the market is operated by Telekom (as a merger between T-Mobile and Macedonian Telekom) and A1 (previously One. Vip, as a merger between One and Vip).

PRIVATIZATION OF THE FACTORY EUROKOMPOZIT

Market/jurisdiction: North Macedonia
Sector: Production of electro-insulating materials/ Military Supplies
Deal Category: Privatization/PPP
Deal value: n/a

The Government announced the privatization of the Factory Eurokompozit, a factory for electro-insulating materials established in 1952 and engaged in production of special-purpose products that is military and police equipment since 1978.

It counts a total number of 430 employees and the production program is divided into two main branches: Military and law enforcement equipment and Civil trade-oriented products.

SALE OF AN AGRICULTURE COMPANY

Market/jurisdiction: Bulgaria
Sector: Agriculture
Deal Category: M&A
Deal value: EUR 4.3 million

Bulgarian agriculture company specialized in the sale of organic agriculture products with EU-Bio and Bio Suisse certificates. The company owns 9000 decares of land and grow and export bio wheat, bio sunflower, vegetables and bio fruits.

In 2020 the produced agricultural products are 1,700 tons, exported mainly in Italy.

SALE OF MLM D.D.

Market/jurisdiction: Slovenia
Sector: Automobile industry
Deal Category: M&A
Deal value: n/a

BAMC is selling its 100% ownership of the company MLM d.d.

Mariborska livarna Maribor (MLM d.d.) engages in the production of tools, production of die-casting parts with machining and production of forged semi-products out of copper alloys. It combines the PE (Business unit) Alutec with three basic profit centers.

PRIVATIZATION OF THE NATIONAL POST OFFICES

Market/jurisdiction: North Macedonia

Sector: Postal services

Deal Category: Privatization/PPP

Deal value: n/a

The Government instructed the Deputy Prime Minister in charge of economic affairs, the Minister of Economy and the Director of National Posts to initiate the preparation of a feasibility study on the possibilities for initiating a procedure for taking over the company with a public-private partnership or with privatization to continue the process of liberalization of postal services in the country in accordance with EU regulations.

INFRASTRUCTURE

LJUBLJANA AIRPORT CITY: LOGISTICS

Market/jurisdiction: Slovenia

Sector: Multimodal Nodes (ports, airports, stations, logistic platforms)

Deal Category: Project

Deal value: n/a

Fraport Slovenija, a group member of Fraport AG Frankfurt Airport Services Worldwide, is looking for investors to develop Ljubljana Airport City. Communally equipped and consolidated land plots are within the Ljubljana Airport area and are ready to be developed for hotel, logistics, warehousing, hangar, and office activities.

Ljubljana Airport is the main Slovenian international gateway and one of the leading airports in the region with a catchment area of more than 4 million inhabitants. It connects the Balkan region with Western and Central Europe. With its continuous growth, Ljubljana Airport is becoming an important regional travel, distribution and logistics center.

MODERNIZATION OF THE RAILWAY LINE SOFIA - PERNIK - RADOMIR

Market/jurisdiction: Bulgaria

Sector: Transport – Railway

Deal Category: Public Procurement

Deal value: EUR 136 million

In line with its modernization plans, National Railway Infrastructure Company announced a public procurement for railway section Pernik - Radomir including preparation of technical designs, modernization of the railway section, construction of a two-way, electrified high-speed bypass at one station, SCADA system upgrade etc.

The procurement will be held in two stages - an application for participation and the submission of technical and price offers.

AGREEMENT ON THE CONSTRUCTION OF THE BELGRADE SUBWAY

Market/jurisdiction: Serbia
Sector: Transport Infrastructure – Subway
Deal Category: Project
Deal value: EUR 581 million

The joint agreement on the construction of the Belgrade Subway was signed between the Government of Serbia, City of Belgrade, the Chinese company PowerChina and the French company Alstom. It is planned for the initial works to start in the third quarter of 2021.

According to certain estimates, the first subway line in Belgrade, from Makiško Polje to Mirijevo, could be finished within three years of the beginning of the works.

The value of the agreement is EUR 581 million, of which EUR 127 million is meant for the upgrade of the efficiency of the power distribution network, whereas EUR 454 million is to be put into the construction of the first subway line.

In addition, a detailed project for Prokop was presented – a station building with a square, business park and a public garage is to be built. It was stated that the goal was to complete the construction of this complex through a public-private partnership (PPP).

PRIVATIZATION OF MACEDONIAN RAILWAYS

Market/jurisdiction: North Macedonia
Sector: Transport Infrastructure – Railway
Deal Category: Privatization/PPP
Deal value: n/a

The Government announced reforms which through public-private partnership or privatization would overcome the problem of accumulation of losses in their operations. The Prime Minister announced possible privatization for the Macedonian Railways in the following years. Privatization of the Factory for rail vehicles - "Kolska Veles", was also mentioned.

TENDER FOR THE CONSTRUCTION OF LLOGARA TUNNEL

Market/jurisdiction: Albania
Sector: Transport Infrastructure
Deal Category: Project
Deal value: Bid based

The Albanian Government has launched a tender for the award of works for the construction of the Llogara Tunnel connecting Vlorë to the southern Riviera, part of the road section Orikum-Himare, for a maximal value of 19 billion Lekë (approx. EUR 154 million). The term for the completion of the works is 37 months from the date of signing of the contract.

The deadline for submission of bids is 12 February 2021.

MOTORWAY NETWORK

Market/jurisdiction: Bosnia & Herzegovina
Sector: Transport Infrastructure – Roads
Deal Category: Concession/PPP/Construction
Deal value: n/a

The Government of the Republic of Srpska announced ambitious plans for the construction of a motorway network in Republic of Srpska and state-owned motorway operator runs the tender for the design, construction and financing of the Vukosavlje – Brcko – Raca sections. Also, EBRD approved loans for financing new sections of the Vc Corridor Highway from the north towards the southern part of the country.

PLOVDIV AIRPORT CONCESSION

Market/jurisdiction: Bulgaria
Sector: Transport Infrastructure - Aviation
Deal Category: Concession
Deal value: EUR 100 million

The Bulgarian government relaunched the Plovdiv Airport concession and all interested parties may submit their offers by 25 February 2021.

Plovdiv Airport is Bulgaria's 4th busiest and is the airport of the second-largest city in Bulgaria - Plovdiv. The airport is intended to become a future hub for exporting goods all over the Balkan Peninsula.

The state is looking to receive a one-time payment of BGN 150,000 without VAT at the beginning of the concession. The winner will have to increase the payload of the runway and

taxiways so that larger and heavier aircraft can land and to build a new cargo terminal.

Applicants are required to have operated at least one international airport with a minimum passenger capacity of 450 000 for at least 5 years during the last 10 years. Among others, the registered capital of the bidding company should be at least EUR 500 000 and the book value of fixed assets should be min EUR 20 million.

NATURAL RESOURCES & ENERGY

HPPS GORNJA DRINA

Market/jurisdiction: Bosnia & Herzegovina

Sector: Energy – Hydropower plant

Deal Category: Construction

Deal value: EUR 450 million

A joint venture between Elektroprivreda Republike Srpske and Elektroprivreda Srbije announced plans for the development of a cascade of 4 hydropower plants on Drina river. Total investment is estimated to be around EUR 450 million.

REVITALIZATION OF POWER NETWORK IN MONTENEGRO

Market/jurisdiction: Montenegro

Sector: Energy

Deal Category: Tender

Deal value: EUR 20 million

The Montenegrin Power Distribution System (CEDIS) has opened the public invitation for the second phase of the revitalization of the medium-voltage and the low-voltage network.

According to the documentation, this is the revitalization of the network on the entire territory of Montenegro, and the tender entails works on the construction of a substation and the works on low-voltage installations.

A total of EUR 19.8 million has been set aside for this job, without the VAT.

Bids may be submitted by February 11, 2020.

TENDER FOR THE CONSTRUCTION OF A COMBINED HEAT AND POWER (CHP) PLANT IN SOFIA

Market/jurisdiction: Bulgaria
Sector: Energy – Heat and power plant
Deal Category: Public Procurement Procedure
Deal value: EUR 150 million

The heating utility company of Sofia has launched a tender for EUR 150 million contract for the construction of a combined heat and power (CHP) plant. The scope of the public procurement is the design and construction of a cogeneration unit in Sofia using RDF-fuel, including preparation, purchase, delivery and commissioning of the necessary equipment, facilities and furniture.

The contract also envisages a two-year warranty period, as well as the provision of technical support and staff training within a three-year period.

The construction of the CHP plant will be financed with EU funding, as well as with an approved loan from the European Investment Bank.

Deadline for submitting offers is 15 March 2021.

TENDERS FOR THE CONSTRUCTION OF NEW WIND PARKS

Market/jurisdiction: Albania
Sector: Energy – Wind
Deal Category: Project
Deal value: Bid based

The Albanian Government has announced plans for initiating tender procedures for utility-scale onshore wind power plants. The Ministry of Infrastructure and Energy has therefore invited prospective developers to identify and propose sites viable for the design, financing, construction and operation of new onshore wind power plants.

The Ministry of Infrastructure and Energy seeks to award one or more projects with a minimum installed capacity of 30 MW and a maximum capacity of 75 MW. The total installed capacity that is planned for an award is up to 150 MW. The awarded projects will receive support measures through a 15-year Power Purchase Agreement (PPA) to sell 100% of the energy output from the respective wind parks, at a fixed price submitted in the winning bids.

The Ministry of Infrastructure and Energy expects to receive Request for Qualification (RFQ) prospective bidders with the required technical experience, financial resources and legal standing to deliver a project. The RFQ will be published in the first quarter of 2021.

Request for Proposals (RFP) for each prequalified bidder to demonstrate the viability of its proposed site and to submit a financial bid are expected to be issued by the second half of 2022.

MODERNIZATION AND PRIVATIZATION OF TEC NEGOTINO

Market/jurisdiction: North Macedonia

Sector: Energy – Fuel oil

Deal Category: Potential Privatization/PPP/Concession

Deal value: n/a

TEC Negotino is a thermal power plant operating on fuel oil. It is the second-largest producer of electricity in the country with maximal capacity of 215 MWh. It is kept as a reserve of North Macedonia's energy system. There is a rumor for its modernization into Natural Gas Turbine Power Plant and privatization which will include PPP or concession.

The project is located in north-east of Croatia, near the City of Slatina, and is based on the report by a leading geothermal engineering firm that has verified huge geothermal reserves in the vicinity of Slatina. The first phase includes the construction of first unit, cogeneration for electricity and heat production from geothermal energy. Other three units (hot water over 100°C distribution system foreseen for the needs of the Town of Slatina, hot water under 100°C distribution system for the needs of particular subproject and process water distribution system) are planned to be implemented two years after the start of operation of cogeneration plant. The project holder is looking for an investor or a strategic partner.

DRAVACEL – PULP AND PAPER PRODUCTION AND GEOTHERMAL ENERGY PRODUCTION

Market/jurisdiction: Croatia

Sector: Natural Resources – Geothermal energy

Deal Category: Project

Deal value: EUR 313 million

The project Dravacel envisages the construction of a pulp and paper production plant with the capacity of 185,000 tons per year and paper factory with capacity of 440,000 tons per year and construction of 10 MW geothermal power plant (co-generation of electricity and heat production from geothermal energy) and construction of 15 MW bio-power plant (co-generation of electricity and heat production from biomass).

CONSTRUCTION OF NEW GAS PIPELINE

Market/jurisdiction: Serbia

Sector: Energy – Natural Gas

Deal Category: Project

Deal value: EUR 85.5 million

The public call for the selection of the supervisor of the project of gas interconnection Serbia-Bulgaria was opened and is the first step toward the preparation of the beginning of the construction of a new gas pipeline, which is expected in late 2021, the Ministry of Energy and Mining of Serbia announced.

The planned capacity of the Niš-Dimitrovgrad gas pipeline is 1.8 billion m³ a year, and the estimated total investment value of the project is EUR 85.5 million, which will be provided from the pre-accession funds of the European Union and a loan of the European Investment Bank.

The realization of the project will secure the diversification of the direction and the sources of gas supply. This will enable a greater security of supply of Serbia and the region and it will enable a further development of the distribution gas network in central, eastern and southern Serbia.

HRGUD WIND FARM

Market/jurisdiction: Bosnia & Herzegovina

Sector: Energy – Wind

Deal Category: Construction

Deal value: EUR 60 million

Elektroprivreda Republike Srpske was awarded with concession for the development of 50 Mw wind farm Hrgud Total investment is estimated at EUR 60 million and it will be financed through a loan by German KfW.

BORON RESERVES WORTH OVER EUR 1.7 BILLION

Market/jurisdiction: Serbia
Sector: Natural Resources - Boron
Deal Category: Project
Deal value: EUR 1.7 billion

The Canadian company Erin Ventures has detected reserves of the boron ore in the Piskanja area, not far from the abandoned coal mines near Baljevac on the Ibar (Municipality of Raska). The gross value of the reserves is said to exceed USD 2 billion.

As it was reported, they have signed an agreement with another Canadian company, Temas, which will invest EUR 10.5 million in the next four years in exchange for half of the ownership.

According to the preliminary feasibility study, this mine could be operational for 21 years. In that period, 11 million tons of boron could be extracted from the area. The element is used in space technology and mobile phone manufacture. Temas is also exploring rare elements such as titanium and vanadium. The discovery of the Canadian Erin has now put Serbia among the countries featuring large reserves of this ore.

PRIVATIZATION OF WATER MANAGEMENT COMPANIES

Market/jurisdiction: Serbia
Sector: Natural Resources - Water
Deal Category: Privatization
Deal value: EUR 3.5 million

It was announced that there were several potential buyers interested in the four water management companies that operate in Zrenjanin, Pancevo, Kovin and Vrsac, and that their privatization can be expected in 2021. These are Vodoprivredno privredno društvo Srednji Banat doo Zrenjanin, Vodoprivredno društvo Tamiš Dunav doo Pančevo, Vodoprivredno privredno društvo Podunavlje doo Kovin and Vodoprivredno privredno društvo Južni Banat Vršac.

According to the data published on the website of the ministry, the total value of the capital of these four water management companies, as of December 31, 2019, was nearly EUR 3.5 million.

The most valuable one is Srednji Banat from Zrenjanin, at slightly over EUR 1.2 million.

BIOMASS COGENERATION PLANT

Market/jurisdiction: Croatia

Sector: Natural Resources – Electric and thermal energy

Deal Category: Project

Deal value: EUR 7.3 million

The project consists of a cogeneration plant on wood biomass of power 1MWe / 3 MWt, intended for the production of electricity and thermal energy for heating. The necessary analysis was procured and permits obtained. Project holder is considering the private-public partnership and co-financing. The project is located in central Croatia in Vojnić, near the City of Karlovac.

WIND FARM NEAR KIKINDA

Market/jurisdiction: Croatia

Sector: Natural Resources – Wind

Deal Category: Project

Deal value: EUR 120 million

French renewables developer IEL OIE Balkan Renewable Energy has announced the start of construction of the 85 MW Bašaid wind farm near Kikinda and a geothermal plant for 2021.

The investment is worth EUR 120 million, and the joint company Bašaid wind doo, registered in Belgrade, will be in charge of the construction.

LEISURE

DUBROVNIK 3 SISTERS – CROATIAN DREAM

Market/jurisdiction: Croatia

Sector: Tourism

Deal Category: Project – Construction

Deal value: EUR 920 million

The project is 100% privately owned and it is located in the center of the Dubrovnik-Neretva County, on the eastern Adriatic coast.

An estimated value of the project is 920 million EUR and the project holder is looking for an investor or a strategic partner. The Project "Dubrovnik 3 Sisters - Croatian Dream" extends over an area of 260 ha, of which 40 ha is earmarked for a luxury resort with hotels, a tourist center and additional facilities – 7 hotels with 400 accommodation units, 500 apartments, sports facilities, a marina for mega yachts with 400 berths, a golf course (27 holes), 220 villas, shops, restaurants, bars, museums, galleries and many other facilities.

This project may qualify for investment incentives under the conditions stipulated by the Act on Investment Promotion. The drafting of an environmental impact assessment, Urban Development Plan for the zone with the golf course is underway, along with a feasibility study.

Infrastructure work has started at the construction site.

MOUNTAIN & SKI RESORT RIBNIŠKO POHORJE

Market/jurisdiction: Slovenia

Sector: Tourism

Deal Category: Project

Deal value: EUR 56 million

The promotor (RRA Koroška) is looking for an investor for the construction of new tourist infrastructure on Pohorje hills, following the development of winter and summer tourism, including wellness tourism, spa tourism, congress tourism, cycle tourism, golfing tourism, adventure tourism, and agro-tourism.

The Mountain-Ski Resort Ribniško Pohorje encompasses all the modern trends of a skiing and wellness complex: the construction of the Pesnik circular cableway (KKS Pesnik) and a connecting way from the village of Ribnica na Pohorju to the existing Ribniška Koča Ski Centre on top of the Pohorje Hills; the construction of a hotel and apartment complex in Ribnica na Pohorju; the installation of the Smolnik four-person chairlift; the development of three smaller apartment complexes next to the lifts at the Ribniško Pohorje: Pesnik, Smolnik, at the Ribniška Koča mountain lodge; and the construction of two connecting four-person chairlifts to Hudi Kot - between the Ski Resort Ribniško Pohorje and the existing Kope Ski Centre (2 four-person chairlifts, six drag lifts).

BUILDING LAND SHIPYARD IZOLA

Market/jurisdiction: Slovenia

Sector: Tourism

Deal Category: Investment

Deal value: EUR 9 million

The "IZOLA SHIPYARD" property is located directly on the coast along the northeastern part of the Izola Peninsula, just a stone's throw from the historical town center of Izola. The land plot currently hosts derelict shipyard facilities and industrial equipment, suitable for demolition. The land plot is easily accessible and has good public utility infrastructure and is ideal for the development of tourism capacities. Under the new municipal zoning act, the area is zoned for tourism throughout the year.

A project blueprint has been produced, which anticipates the construction of a seaside resort with an upscale family hotel (planned gross floor area of all hotel capacities: 17,823 m²) and an indoor and outdoor water park (planned gross floor size of the water park: 12,424 m²).

BIGOVA-TRASTE TOURIST COMPLEX

Market/jurisdiction: Montenegro

Sector: Tourism

Deal Category: Investment

Deal value: EUR 300 million

The agreement on the realization of the highest category tourist complex on the Bigova-Traste peninsula (including hotels, villas and commercial facilities) was signed in November 2019 by local governments and the investor - company Bigova Bay. It was announced that the works are progressing as scheduled and that the complex will be finished in the first part of 2021. The idea started seven years ago and the project will be the initial capstone for future investment in this extremely attractive space.

ISTRIA ESTATE & COUNTRY CLUB, MARLERA GOLF

Market/jurisdiction: Croatia

Sector: Tourism

Deal Category: Project – Construction

Deal value: EUR 150 million

The project is located on the southern tip of the Istria peninsula, with incredible views on the Adriatic Sea, where the tranquility of the countryside meets the untouched seashore, only a few kilometers from a vibrant City of Pula.

The project extends over 126 hectares of land and according to the plan envisages a five-star luxury hotel with 170 rooms, extensive spa & wellness facilities, conference facilities, restaurants, bars, and a casino; 114 residential units, including apartments and luxury villas and a 27 hole golf course and supporting facilities. Marlera Golf LD Ltd. & Nova Istra Ideaus Ltd. are the owners of the land planned for construction.

The companies are looking for an investor or strategic partner. The project is in an advanced development stage, as market assessment, concept and master plan development, financial feasibility studies, design and architectural planning are all completed. Building permits are obtained for all zones except for the hotel, however, there is a location permit in place. The project is eligible for investment incentives under conditions set out in the Act on Investment Promotion.

SKI CHAIRLIFT IN MONTENEGRO

Market/jurisdiction: Montenegro

Sector: Tourism Infrastructure

Deal Category: Project

Deal value: EUR 18 million

Montenegro's government has signed with Bosnian company Strucon a 9 million euro deal for the construction of a six-person chairlift in Hajla ski resort.

The construction of the chairlift is to be completed within 18 months from the date of the contractor's introduction into the project.

The estimated value of facilities and works within this complex is EUR 18 million.

The Hajla ski resort, 12 km out of the town of Rozaje, was reopened in 2016 after 13 years of neglect. It has a single ski track with a length of 9 km.

VITAL & SPORT RESORT KIDRICEVO

Market/jurisdiction: Slovenia

Sector: Tourism

Deal Category: Project

Deal value: EUR 32.2 million

Sports, Leisure and Business Hotel 4 star Premium (with 4-star accommodation in lodges) – 170 units - the planned tourism resort is an investment project based on three main products: preparation of professional and recreational athletes, active holidays and health and well-being, which is in line with the trends and demands of the tourist market.

The project has been conceived by RIMC International Hotel Resort Management and Consulting GmbH, Hamburg, a worldwide operating company in partnership with the company Talum d.d., Municipality of Kidričevo and regional Tourist destination.



-
The information contained in this brochure is provided for informational purposes only, and should not be construed as legal advice on any subject matter.

Albania

Hoxha, Memi & Hoxha

www.hmh.al

Bosnia and Herzegovina

Dimitrijević & Partners

www.dimitrijevicpartners.com

Bulgaria

Dimitrov, Petrov & Co.

www.dpc.bg

Croatia

Žurić i Partneri

www.zuric-i-partneri.hr

North Macedonia

Apostolska Aleksandrovski & Partners

www.businesslaw.mk

Serbia / Montenegro

Bojović, Drašković, Popović & Partners

www.bd2p.com

Slovenia

Kirm Perpar

www.k-p.si

www.selegalalliance.com

