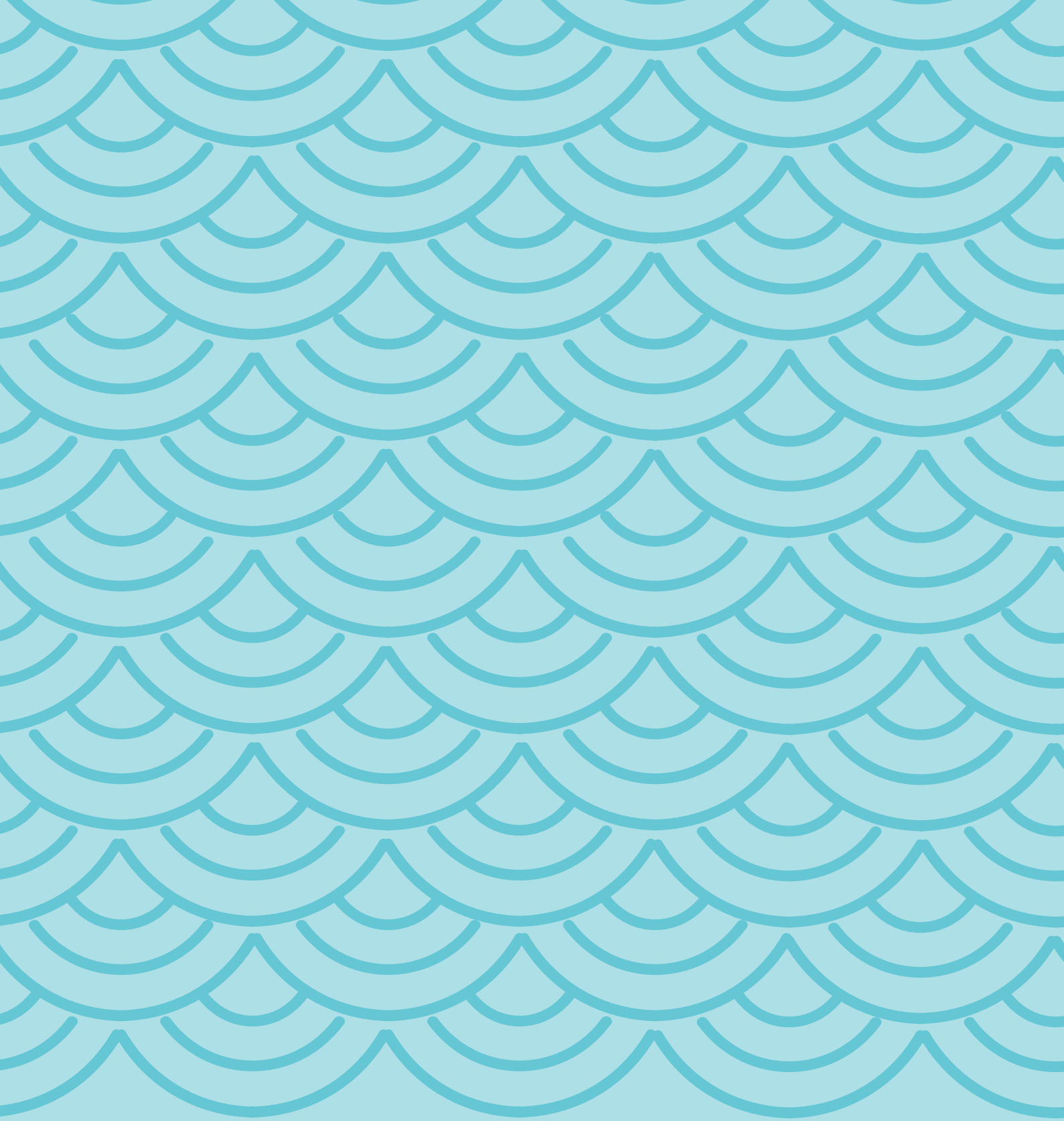


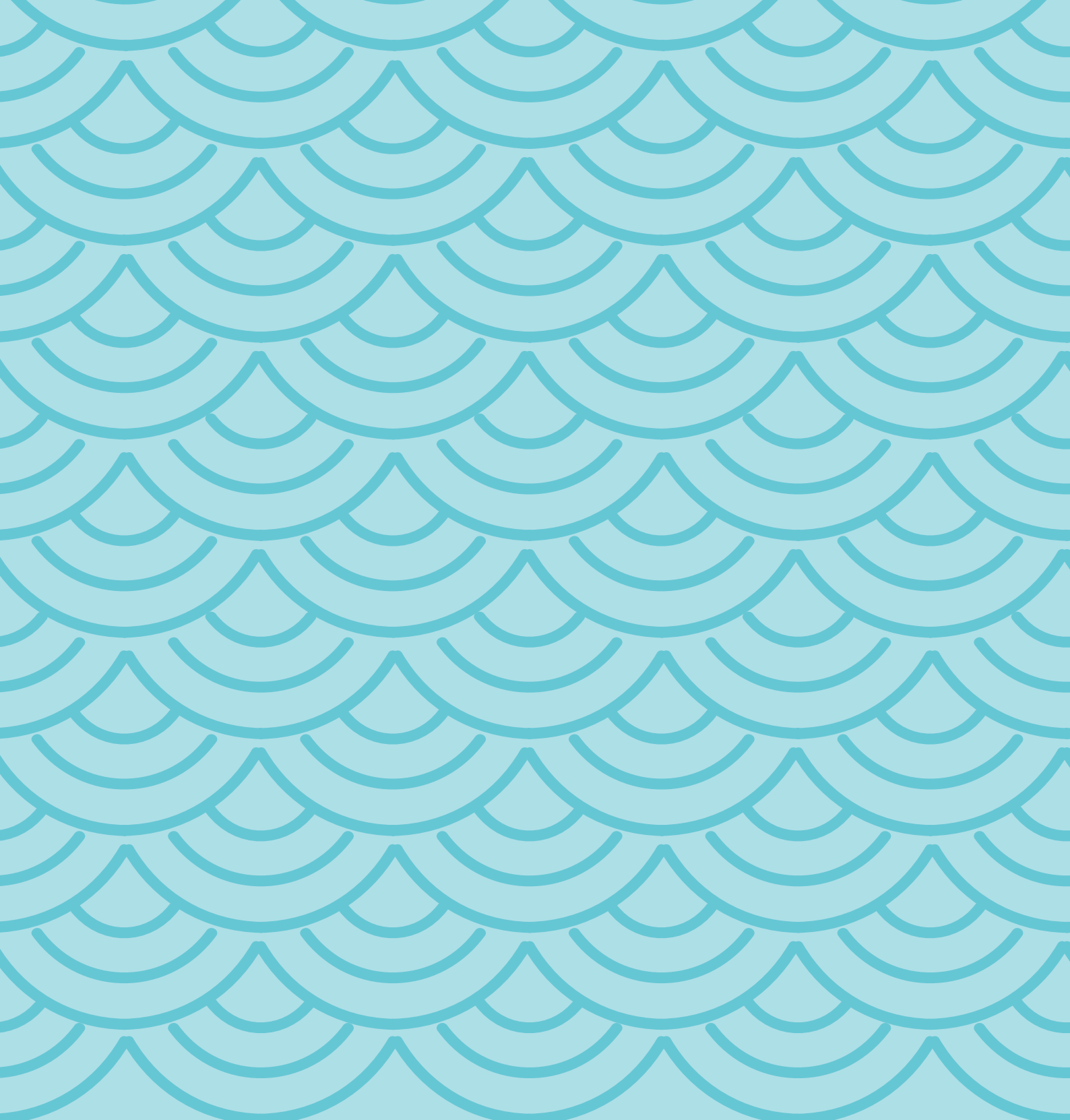


**sela**  
south east legal alliance



**SEE Market Snippets - 2021Q2**

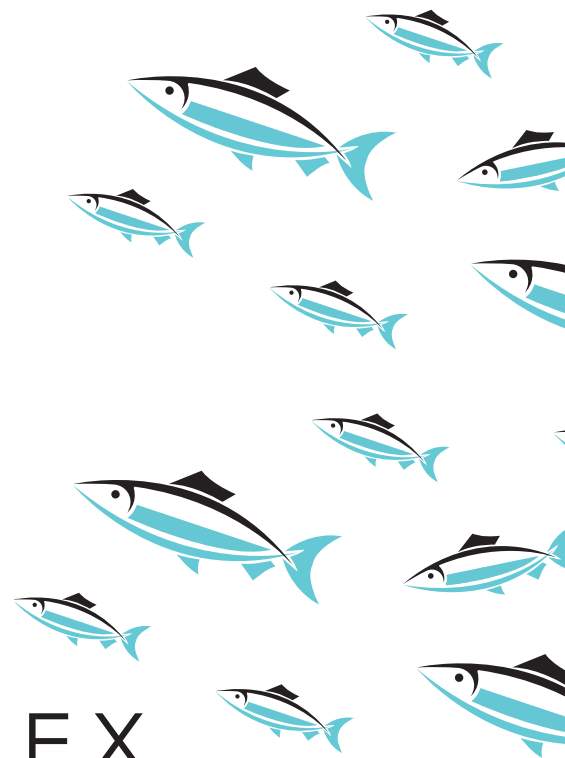




Business opportunities in SEE

## **SEE Market Snippets - 2021Q2**

SELA - South East Legal Alliance  
Jun 2021



# PREFACE

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 / 26
- Entertainment / 28



# SELA LAWYER SPOTLIGHT

Featuring Uroš Popović  
The fisherman

[Read his 5 tips for fishing \(and for life!\) →](#)

# OVERVIEW

## Country-by-Country



**For more information on the Albanian market please contact**

**Shpati Hoxha**  
**[shpati.hoxha@hmf.al](mailto: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.

The current account deficit is expected to narrow to 8.8% of GDP in 2021 and further decline to 6.5% in line with pre-crisis trends, driven by projected improvements in the trade balance. Service exports, including tourism and fast-expanding business process operations, should narrow the trade deficit over the medium term. Import growth will be high at 13% in 2021, as infrastructure investment speeds up.

With economic activity picking up, revenues are projected to recover to 27.6% of GDP by 2022–25. Albania's public debt is projected to gradually decrease over the medium term.



**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.

In 2020, the country's economy declined due to the COVID-19 outbreak, reporting a negative growth balance of 5.5%, compared to 2.8% in 2019. According to the IMF's April 2021 forecast, growth is expected to resume in 2021, estimated at 3.5% of GDP, and stabilize in 2022 at 3.3%.

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

**For more information on the Bulgarian market please contact**

**Zoya Todorova**  
**zoya.todorova@dpc.bg**

-

After politicians failed in a third attempt to form a government a month after the elections held on 04 April 2021, the president Rumen Radev appointed a new caretaker government to lead the country for two months until new elections on 11 July 2021. The country has a new government headed by the ex-general Stefan Yanev whose primary job will be to organize fair elections in July 2021.

Businesses are seeing markets recover and demand is rising, and expectations for the coming months are optimistic. National statistics showed that industrial firms reported a 19% increase in revenue in March compared to February 2021, and exports in March rose to a record of BGN 5.7 billion for the month - a 27% increase compared to March 2020.

The European Commission improved its economic outlook for Bulgaria this year - the latest macroeconomic forecast shows GDP rising by 3.5% compared to 2.7% three months prior. The improvement is due to expectations for stronger demand from abroad which, in turn, would lead to an increase in goods exports.





**For more information on the Croatian market please contact**

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

–

After challenging commencement of the 2021 caused primarily by the third wave of COVID-19 cases and the delays in vaccine delivery experienced by all EU Member States, in the second quarter Croatia began to prepare for the post-pandemic opening of the economy. Primarily driven by the need to secure good and fruitful tourist season, Croatia is continuing its massive vaccination campaign with over 1,200,000 (approx. 30% of population) people receiving at least one dose of vaccine to this day.

With post-pandemic motivation striving economies worldwide, the Croatia is set to grow strongly in 2021 and exceed its pre-crisis level in 2022, as shown by EU country forecasts.

The recovery is expected to be broad-based, driven primarily by growing exports of services (tourism), private consumption and investment. Employment, which performed rather well during the crisis, is also expected to increase, albeit slowly. Public finances, which bore the brunt of the crisis, are set to recover gradually in 2021 and 2022, moderately reducing the public debt ratio from its elevated levels.

The macroeconomic environment continues to remain stable - investment trends are positive and there is a significant number of investment possibilities in different areas. Going forward, EU funding through various sources aimed at restarting the economy and weathering the crises should play a key role in supporting the country's economic recovery.



**For more information on the Montenegrin market please contact**

**Vuk Drašković**  
**vuk.draskovic@bd2p.com**

–

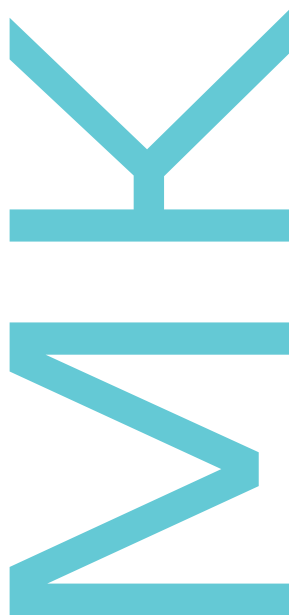
As the smallest country of the Balkans, Montenegro has a relatively fragile economy that is transitioning to a market system and is based on financial investments, especially in the energy and tourism sectors (private investment accounts for 20% of GDP).

Montenegro's economy is expected to rebound thanks to investments supporting construction works and the revival of private consumption, with growth forecasted at 9% for 2021 and 5.5% in 2022.

The completion of the first section of the Bar-Boljare highway (financed through a loan taken out with China Eximbank) should help to ease the pressure on public finances in 2021 and in 2022, when the gross debt should decrease to 85.4%.

Stronger exports led by the tourism recovery are projected to reduce the current account deficit to 13% and 10% of the GDP in 2022 and 2023, respectively. After peaking at 105% of GDP in 2020, public debt is estimated to return to pre-crisis levels by 2023.





**For more information on the North Macedonian market please contact**

**Igor Aleksandrovski**  
**[aleksandrovski@businesslaw.mk](mailto:aleksandrovski@businesslaw.mk)**

–

North Macedonia is currently working on encouraging, attracting and creating conditions for the implementation of strategic investments as well as changes in the legislation of attracting FDI. As its aim, the process 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.

There have also been changes in the incentives structure for supporting FDI.



**For more information on the Serbian market please contact**

**Marija Bojović**  
**[marija.bojovic@bd2p.com](mailto: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. According to National Bank of Serbia's projection, GDP growth in 2021 will range from 5% to 6%, with symmetrical risks.

The adopted economic policy measures (EUR 5.8 billion) minimized the decline in GDP in 2020, while an additional package of EUR 2.2 billion (4.3% of GDP) is to contribute in 2021 to the full recovery of GDP and return to the path of sustainable growth of about 4% in the medium term.

At the beginning of 2021, Government issued on the international market 12Y Eurobond in the amount of EUR 1 billion, at a coupon rate of 1.65% and a yield rate of 1.920%. In February 2021, public debt stood at the level of 53.5% of GDP.

Services sectors were hit the most by the pandemic-related events (down 1.5%, year-on-year), while value added in industry remained flat in real terms and the agriculture sector grew by 4.9%.

**For more information on the Slovenian market please contact**

**Andrej Kirm**  
**andrej.kirm@k-p.si**

A variety of takeover events are expected in Slovenia next year. The funds, which are owners of Slovenian companies since 2016, are preparing for withdrawals from investments. Some funds, such as American HPS Investments, have been preparing to sell their investments since 2019, but activities have been temporarily halted or slowed down due to the pandemic; however, as the pandemic subsides, developments in the area will continue and will be very turbulent in 2021, according to financial experts. The companies that could change the ownership structure again include in particular investments owned by the HPS, Alfi and KJK funds.



The privatization procedure in Slovenia, managed by the company Slovenian Sovereign Holding (SSH), owned entirely by the Republic of Slovenia, is still 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 4.5% in the fourth quarter of 2020 and by 5.5% in 2020. However, residential property prices have been rising for the sixth year in a row; in 2020, they increased by 5.2% compared to the previous year. According to IMAD, the second quarter of 2021 brings more favourable prospects for economic activity in the rest of the year and a gradual recovery in services.

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

## PRIVATIZATION OF BH TELECOM

**Market/jurisdiction:** Bosnia and 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.

## 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.

## ACQUISITION OF LUXURY BUSINESS

**Market/jurisdiction:** Europe

**Sector:** Luxury goods

**Deal Category:** M&A

**Deal value:** EUR 10 - 50 million

A client is looking to acquire a luxury business for EUR 10-50 million, ideally in Europe and with history. The client is looking to acquire a majority stake in a company from any sector and region in Europe with a very premium and niche positioning.

Examples of ideal businesses may be high-end fashion retail, jewelry and watches, silverware, luxury home goods, leather goods, bespoke shirt maker, etc.

## SALE OF AGRICULTURE BUSINESS

**Market/jurisdiction:** Bulgaria

**Sector:** Agriculture

**Deal Category:** M&A

**Deal value:** n/a

Opportunity for acquisition of various agricultural land plots located in Northern Bulgaria, near the towns of Dobrich and Silistra, as well as agricultural grain bases and silos for grain storage and different agricultural machinery centers.

## SALE OF SHARES IN STATE-OWNED ENTERPRISES

**Market/jurisdiction:** Croatia

**Sector:** Public sector

**Deal Category:** Acquisition of shares

**Deal value:** n/a

The Government of Croatia adopted National Recovery and Resilience Plan, which envisages sale of state-owned shares in 185 companies. The government plans to publish the sale of those shares until 2 quarter 2026.

In addition, the state will revise the list of strategic companies owned by the state in accordance with OECD guidelines. That may lead to sale of certain companies that were considered strategic so far – in particular those in transport industry.

## TENDER FOR TENANTS OF BUSINESS ZONES IN PODGORICA

**Market/jurisdiction:** Montenegro  
**Sector:** Infrastructure  
**Deal Category:** Tender  
**Deal value:** n/a

The city of Podgorica has opened a public contest for the selection of the tenants of the business zones and the awarding of the parcels for the construction of facilities in the business zones.

Future investors are provided with ten business zones whose land is owned by Podgorica, taking up 3,328,000 m<sup>2</sup>, from Tuski Put to the turning toward the Golubovci airport.

The exemptions provided include: the lease of land for up to 30 years, with an annual rent of EUR 0.01 per square meter, the possibility of the purchase of land at the estimated value with the possibility of repayment in 60 monthly instalments, a reduced fee for utility equipping and an exemption from the payment of the fee for the use of municipal roads for a period of 10 years are envisaged for the tenants of the business zones.

The business zones are planned for the following activities: agriculture and agro-industry, manufacturing and wood industry, professional and technical activities, exhibition and sales salons and storage, parking and garages, as well as hospitality and accommodation.

The public opening of the bids will be held on 7 July 2021.

## PUBLIC CALL FOR STRATEGIC INVESTORS

**Market/jurisdiction:** North Macedonia  
**Sector:** Various  
**Deal Category:** M&A  
**Deal value:** EUR 30 to 150 million

The purpose of the Law for Strategic Investments to attract foreign investor in strategic areas for the country.

In order to qualify for the status, the Investment must be at least EUR 50 million. Once it qualifies the investor enters direct negotiation with the government in regard to support and state aid possibilities.

## 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. At present the feasibility study is being prepared.



## 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. At present the feasibility study is being prepared.

## POTENTIAL SALE OF MERKUR TRGOVINA D.O.O.

**Market/jurisdiction:** Slovenia

**Sector:** Technical goods

**Deal Category:** M&A

**Deal value:** n/a

MERKUR trgovina is a well-known Slovenian retailer of technical goods, The company (its healthy part) was bought by HPS Investments in 2017 and successfully restructured.

Today, the company is only engaged in retail, it no longer has a metallurgical program, it owns much less real estate, and due to the corona crisis, it has also accelerated and improved online sales. It greatly improved its results from

2016 to 2019: gross cash flow (EBITDA) grew from EUR 8.7 to 20.3 million, and operating profit from EUR 7.2 to 11.5 million.

## POTENTIAL SALE OF TOMPLAST D.O.O.

**Market/jurisdiction:** Slovenia

**Sector:** Manufacturing

**Deal Category:** M&A

**Deal value:** n/a

Tomplast is a manufacturing company for production of components from thermoplastics with injection molding technology. The company has over 35 years of tradition in the automotive and holiday industry as well as the power tools and industrial equipment industry. Since 2016 it has been owned by the Finnish fund KJK, which is better known in Slovenia for being the owner of Elan. During this time, the company grew from EUR 29.5 to 52.4 million in sales revenue. Supposedly, KJK has been considering selling the company.

# INFRASTRUCTURE

## VLORA AIRPORT CONCESSION

**Market/jurisdiction:** Albania  
**Sector:** Transport Infrastructure  
**Deal Category:** Project  
**Deal value:** EUR 104 million approx.

During March 2021 the Albanian Government awarded a concession for the construction and operation of the new international airport in Vlorë, in the southern part of Albania. The new airport aims to boost tourism in the southern Riviera.

The concession was awarded to a consortium of companies led by the Swiss – Kosovar company Mabetex.

Construction works are expected to start soon, and the value of the investment is expected to be EUR 104 million approx.

## TURKSTREAM GAS PIPELINE

**Market/jurisdiction:** Bosnia & Herzegovina  
**Sector:** Infrastructure – Gas  
**Deal Category:** Investment  
**Deal value:** EUR 300 million

The Ministry of Energy and Mining of Republic of Srpska announced plans for the construction of the 300 kilometers long transport pipeline through Republic of Srpska and the construction of a distribution gas network along the cities that will be connected to the transport network in the length of about 5000 kilometers. The construction of the planned gas pipeline should be financed by the Russian company "Gazprom" together with still undetermined participation of Republic of Srpska.

## DESIGN AND CONSTRUCTION OF THE THIRD METRO LINE IN SOFIA

**Market/jurisdiction:** Bulgaria  
**Sector:** Transport Infrastructure – Subway  
**Deal Category:** Public Procurement  
**Deal value:** EUR 270 million

Design and construction of a section of the third metro line in Sofia with six metro stations.

The public procurement is for preparation of a detailed design, construction, and delivery of the necessary equipment and commissioning of a section of the third metro line. The total length of the section, including the metro stations, is 5666 m. Six underground metro stations / from MC1 to MC6 / and three inter-station ventilation systems will be built along the route, as well as an underground two-story car parking. The public procurement is divided into five separate positions.

## DEANOVEC DATA CENTER

**Market/jurisdiction:** Croatia  
**Sector:** Telecommunication, IT  
**Deal Category:** Project / logistics  
**Deal value:** n/a

Odašiljači i veze d.o.o. as the project developer is looking for a strategic partner(s) for designing, construction and management of the data center. Location of the data center is connected with the optical core network, while further expansion of the currently existing connection with electricity transmission line is available.

Project developer has 12 hectares of land which was once used for medium and short wave broadcasting, and most of the land is now available to be utilized for new purposes. At the location, there is a station for connection with satellites, as well as building which can be partially used for the new data center as well.

The goal of the project is construction and management of the biggest green and telecom-independent data center in the region, which should enrich the collocation and other standard data services market, primarily for undertakings, hyperscalers, telecommunication companies, cloud services providers and content delivery services for private and public sector.

## 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, called Air Montenegro.

The company will have a total of EUR 30 million as the initial capital.

The Montenegrin Civil Aviation Agency (ACV) has recently issued an air operator's certificate (AOC) to the new carrier, making the first important administrative-legal step toward its first flights.

The airline is set to make its commercial debut in June 2021.

## PRIVATIZATION OF NORTH MACEDONIAN RAILWAYS

**Market/jurisdiction:** North Macedonia

**Sector:** Transport Infrastructure - Railways

**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 North Macedonian Railways in the following years. Privatization of the Factory for rail vehicles - "Kolska Veles", was also mentioned. At present the feasibility study is being prepared.

## CONSTRUCTION OF RAILWAY FROM BELGRADE TO NORTH MACEDONIA

**Market/jurisdiction:** Serbia, North Macedonia

**Sector:** Transport Infrastructure - Railways

**Deal Category:** Project

**Deal value:** EUR 4 billion

Serbia-North Macedonia railway project consists of the reconstruction of the 243.5 km-long line between Belgrade and Niš and will provide rail connection to Preševo, in southern Serbia towards Skopje, in North Macedonia.

The construction of the railway will be supported by the European Union with EUR 700 million.

The estimated value of the investment for the Belgrade-Niš section is around USD 2.2 billion, and for the Niš-Preševo-North Macedonian state border, around USD 2.1 billion.

The Belgrade – Niš railway will allow trains to run at speeds of 200 km/h and with 160 km/h on the Niš – Preševo rail line.

The construction works are expected to start this year and are scheduled to be completed in 2026.

## 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 is expected to be signed between the Government of Serbia, City of Belgrade, the Chinese company PowerChina and the French company Alstom.

According to the preliminary design of the project, the Belgrade metro network will initially consist of two lines of 22 km and 19.8 km in length respectively and will integrate four urban railway lines.

It was recently announced that the construction of the first line is to start in November 2021, while the construction of the second line will start in 2022. First subway line is expected to be launched in 2028 and the second by 2030.

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.

The Government of Serbia has recently adopted a draft of the law for the Metro, which refers to the construction of the Belgrade Metro as one of the most complex infrastructure projects.

### TENDER FOR NEW UNIVERSITY CHILDREN'S HOSPITAL

**Market/jurisdiction:** Serbia  
**Sector:** Infrastructure - construction  
**Deal Category:** Tender  
**Deal value:** EUR 100 million

An international tender for the execution of the preparatory works on the development of the construction site for the raising of the new university children's hospital Tiršova 2 in Belgrade has recently been opened.

According to the tender, the execution of the preparatory works includes the preparation of the location and the organization of the construction site, the construction of the access road and the construction of the load-bearing structures for the securing of the foundation pit.

The works are expected to begin in September 2021 and to be finished by April 2022.

Bids may be submitted by 7 July 2021, with the tender evaluation criterion being the lowest evaluated tender price.

### LJUBLJANA AIRPORT CITY: LOGISTICS

**Market/jurisdiction:** Slovenia  
**Sector:** Multimodal Nodes (ports, airports, stations, logistic platforms)  
**Deal Category:** Projects  
**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.

# NATURAL RESOURCES & ENERGY

## AWARD OF 100 MW SPITALLA SOLAR FARM

**Market/jurisdiction:** Albania

**Sector:** Energy – Wind

**Deal Category:** Project

**Deal value:** Bid Based

During March 2021 the Albanian Government has awarded to the French firm Voltalia the tender for the design, financing, construction, operation, maintenance and transfer of a Solar Photovoltaic Facility in Spitalla, near Durrës, with an installed capacity of 100 MW. As support measure for the construction of new renewable generation capacities, the tender envisaged the off-take of 70% of energy production, to the bidder offering the lowest off-take price.

Voltalia won at the auction for the Spille project with a bid of EUR 29.89 per MWh as off-take price.

The same company was awarded a similar tender for the construction of a Solar Photovoltaic Facility in Karavasta, near Lushnja, with an installed capacity of 140 MW. In comparison, Voltalia won the 140 MW Karavasta deal with EUR 24.89 per MWh. Albania gets 99% of its power from renewable sources.

## SKAVICA HPP PROJECT

**Market/jurisdiction:** Albania

**Sector:** Energy - Hydro

**Deal Category:** Project

**Deal value:** n/a

In the framework of the Memorandum of Economic Cooperation for Projects and Purchases, between the Albanian Government and the US Government, the Minister of Infrastructure and Energy and the US company Bechtel, signed in March 2021 the Memorandum of Understanding for Cooperation related to the HPP Skavica Project.

Based on this MoU, the Albanian government has approved a draft law authorizing and defining the special procedure for negotiating, executing and approving the contract with Bechtel for the design and construction of the Skavica hydropower plant. The draft law envisages a two phase procedure, whereby the awarded company will have a period for the exploration of the project feasibility and thereafter submit an implementation project to the.

## LNG PROJECT

**Market/jurisdiction:** Albania

**Sector:** Energy – Gas

**Deal Category:** Project

**Deal value:** n/a

In March 2021 the Albanian Ministry of Infrastructure and Energy and Excelerate Energy L.P. (Excelerate), ExxonMobil LNG Market Development Inc. (ExxonMobil), signed a Memorandum of Understanding (MOU) to conduct a feasibility study for the potential development of an integrated LNG to power solution that includes developing an LNG import terminal, converting and/or expanding the existing Vloa thermal power plant, and establishing small scale LNG distribution to Albania and the surrounding Balkans.

## HPPS GORNJA DRINA

**Market/jurisdiction:** Albania

**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.

## HRGUD WIND FARM

**Market/jurisdiction:** Bosnia & Herzegovina

**Sector:** Energy

**Deal Category:** Construction

**Deal value:** EUR 60 million

Elektroprivreda Republike Srpske was awarded with concession for development of 50 Mw wind farm Hrgud.

Total investment is estimated on 60 million EUR and it will be financed through loan by German KfW.

## BIOMASS COGENERATION PLANT VOJNIĆ

**Market/jurisdiction:** Croatia

**Sector:** Energy - Biomass

**Deal Category:** Construction / development

**Deal value:** EUR 7.4 million

Located in Vojnić Municipality in the south-east part of the Karlovac County in the center part of Croatia, on the crossroad of the main traffic routes connecting Central Europe with Adriatic coast, the project of constructing biomass cogeneration plant is set to establish cogeneration plant using wood biomass and pellets on 25,371 square meters of land.

Project includes construction of a biomass cogeneration facility with power of 1,000 Kw together with awning for biomass, facility for production of pellet and weighbridge (total net and gross surface of all of the facilities relating to project is: 647.45 sq. meters net, 1,276.26 sq. meters gross).

Based on the assessment from the main project, supply of the energy from the renewable sources which would be transmitted into the network is 7,200 MWh for the electric energy and 16,800 MWh for the thermal energy.

In April 2019, the project has been granted a construction permit. As a model of transaction, Vojnić Municipality is offering selling, a tenancy right or a clean lease of the land in the scope of the project.

The tender is to be performed by the Croatian energy market operator (HROTE), with tender criteria already publicly announced.

## NEW ENERGY STRATEGY IN MONTENEGRO

**Market/jurisdiction:** Montenegro

**Sector:** Energy - Water

**Deal Category:** Construction

**Deal value:** n/a

A new energy strategy for Montenegro is being drafted, which will give priority to renewable sources, in an effort to gradually reduce CO2 emissions to zero.

It was recently announced that the construction of new capacities of HPP Komarnica, SP Briska gora, WPP Gvozd and WPP Brajići is expected in the next period, while the tender for SP Velje brdo is being prepared.

After the Government has accepted the tender documentation, the Ministry of Montenegro will announce a public invitation, according to which it would conduct a tender procedure for the selection of investors.

## CONSTRUCTION OF A DRINKING WATER TREATMENT PLANT

**Market/jurisdiction:** Montenegro

**Sector:** Energy - Water

**Deal Category:** Construction/ tender

**Deal value:** EUR 500,000

The municipality of Pljevlja in Montenegro has recently announced a public call for the construction of a drinking water treatment plant in Bogiševac worth EUR 438,000.

Deadline for submitting offers is 11 June 2021.

## CONSTRUCTION OF WASTEWATER TREATMENT PLANT

**Market/jurisdiction:** Montenegro

**Sector:** Waste treatment Infrastructure

**Deal Category:** Project

**Deal value:** EUR 10 million

The tender documentation is being prepared for the project of construction of a wastewater treatment plant near Podgorica.

All relevant environmental and social impact studies have indicated that the project will have a positive impact on local water resources, Skadar Lake National Park and the environment, as well as on general health of the population.

EU provided a grant in the amount of around EUR 10 million for the construction of this plant.

A new pedestrian bridge on Morača, which is part of the wastewater collecting and treatment project, has recently opened, valued



at around EUR 1.9 million. In the hull of this bridge there are two collector pipes that will be used to transfer wastewater from one bank of the Morača to another, i.e. from the existing to the future plant.

## 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.

The Government has made a decision for modernization into Natural Gas Turbine Power Plant and privatization which will include PPP or concession. At present the feasibility study is being prepared.

## SERBIA - NEW GAS PIPELINES

**Market/jurisdiction:** Serbia, Bosnia and Herzegovina, Bulgaria

**Sector:** Energy – Natural Gas

**Deal Category:** Project

**Deal value:** Approx. EUR 205 million

The Serbian state-owned natural gas provider Srbijagas and the Bosnian natural gas distributor Gas-Res signed an agreement recently to build a gas pipeline between Serbia and Republika Srpska in Bosnia & Herzegovina.

The interconnection will link the gas pipeline system in B&H to Serbia and the Balkan Stream pipeline, which extends Gazprom's TurkStream project to Europe, with the project expected to be completed by 2026.

In addition, the financial agreement on the project of the construction of the gas interconnector Niš-Dimitrovgrad-Bulgaria has been signed by the Government of Serbia and the European Investment Bank (EIB).

The total value of the project amounts to EUR 85.5 million, of which the EIB provides EUR 25 million as loans, EUR 49.6 million are grants from the EU IPA funds, whereas the rest is to be covered from the budget of Serbia and the own funds of the PE Srbijagas.

The construction is expected to begin in late 2021, and the plan is for it to become operational by 2023.

## KRAGUJEVAC DISTRICT HEATING PROJECT

**Market/jurisdiction:** Serbia

**Sector:** Energy – Natural Gas

**Deal Category:** Tender

**Deal value:** EUR 18 million

The city authorities of Kragujevac are shutting down the coal-based furnaces in their heating system and switch to gas. The old furnaces should be shut down by the end of the year, and that modern furnaces, connected to the gas system, would be installed in their place.

The international tender for the project will open on May 31 and includes works and consulting services.

The Ministry of Environmental Protection will use part of the proceeds from the EBRD loan for this project, in two installments. The first one pertains to a sum of EUR 1-14 million for the replacement of coal-based furnaces with new, natural gas-based furnaces, and the second of EUR 2-4 million for the development of the ash disposal site.

# LEISURE

## BEACHFRONT HOTEL AND RESIDENTIAL DEVELOPMENT

**Market/jurisdiction:** Bulgaria

**Sector:** Tourism

**Deal Category:** Project – Construction

**Deal value:** EUR 1.5 million

Possibility for acquisition of large beachfront land plot of approx. 50 000 sq. suitable for development of a luxury hotel and residential holiday complex near the resort Obzor.

The town of Obzor is situated between the two largest coastal cities in Bulgaria – Varna and Burgas, thus having excellent connectivity to 2 airports and 2 highways.

## SACCORGIANA PROJECT

**Market/jurisdiction:** Croatia

**Sector:** Tourism

**Deal Category:** Project - Construction

**Deal value:** EUR 80 million

Initiated by the Ministry of tourism and sport and based on the tourism development strategy of the Republic of Croatia, which has recognized Istria as a region with high investment potential, Saccorgiana project – also labeled as a greenfield project – aims to develop new touristic complex, hotel and camp with total capacity of 1,544 beds category 4/5 stars. The complex should include catering, leisure and entertainment and accompanying gastronomy and tourist objects.

Being one of the most attractive touristic destinations in Croatia, Istria region has received multiple investments over the last decade, further developing the luxury tourism scene, whereas the Saccorgiana project is expected to meet the constantly increasing demand for high-quality tourist accommodation and facility.

The proximity to the vast specter of tourist attractions, with accent on the sport, culture and ethno-gastronomic tourism, all increase the attractiveness of the project's location. Moreover, the scope of project coverage, a property owned by the Republic of Croatia and the city of Pula, represents an archeological site at its northern part and is partially surrounded by the maritime domain.

Public procurement procedure, based on which the project developer shall be selected, is expected to be published by the Republic of Croatia.

## 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).

## SATILU ECO VILLAGE

**Market/jurisdiction:** Slovenia

**Sector:** Resource Efficiency and Environmental Protection

**Deal Category:** Project

**Deal value:** EUR 50,5 million

SATILU comprises 50 family organic mini-farms based on environmentally friendly, energy self-sufficient, and organic food production farming solutions. It applies the most modern greenhouse and renewable green energy technologies to produce high-quality organic vegetable, fish, and goat dairy products for both local and export markets. SATILU consists of:

- 50 single-family houses, built in a passive standard,
- 30 vertical aquaponics systems of 500 m<sup>2</sup> each, providing year-round production of special organic food products, and
- 20 organic goat farms for the production of organic goat dairy products.

SATILU will be energy self-sufficient using solar and wind electricity production and its own green Gasification Power Plant using food production and household bio-waste. The on-site energy production will have sufficient capacity to meet the SATILU community's electricity and heating requirements.

# ENTERTAINMENT

## ISTRIA ESTATE & COUNTRY CLUB, MARLERA GOLF

**Market/jurisdiction:** Croatia

**Sector:** Tourism

**Deal Category:** Project – Construction

**Deal value:** EUR 150 million

City of Novska plans to build a HRK 374,5 million worth of campus for video game competitions, which could turn Novska into a European gaming center. This unique project will be the first Croatian campus of the gaming industry - unique in this part of Europe. It will provide future IT students with all the opportunities to one day be top in the gaming industry, which is constantly on the rise and where the invested funds return many times over.

The campus will be a complex of several buildings and will cover 8 hectares, with a student dormitory to accommodate 250 users on 11,500 square meters, a faculty building with about 9,000 square meters of gross area, accommodation for professors and guest lecturers, gaming industry accelerator and entrepreneurial an eSport incubator with a 4,000-seat hall. The accelerator of the gaming industry will include a recording studio, meeting rooms and a hall with new gaming equipment, where high school students and everyone else interested in the industry will be able to be educated and trained.

The space that will dominate the space resembles a space flying object with 4,000 thousand seats for spectators and a space for gaming competitions.

The gaming industry campus in Novska is included in the list of strategic projects of the Republic of Croatia

# SELA lawyer spotlight



FEATURING UROŠ POPOVIĆ

*Uroš Popović is a partner at Bojović Drašković Popović & Partners, with more than 15 years of extensive experience in corporate and commercial law in Serbia and in Montenegro.*

*Uroš is a member of both the Serbian Bar Association and the New York Bar Association.*

*Also a highly regarded corporate & commercial, M&A, competition, dispute resolution, energy and data protection expert by The Legal 500, Chambers, IFLR1000, and Who's Who Legal.*

When he is not working on some of the largest projects in Serbia and Montenegro, Uroš loves to spend his time fishing. Or planning his next fishing trip. Or swapping stories about his last one.

For him, fishing is an endless source of delight and a perfect chance to experience nature in a unique way.

He has agreed to share with us some fishing tips, some of which are certainly applicable to other areas as well.

## 5 FISHING TIPS

- Maintain a balance. If you tend to overdo something, eventually it will lose its appeal.
- Don't focus on getting to a certain spot or catching a fish at any cost – enjoy the trip there and the whole process.
- Never stop learning about your favorite techniques and always maintain an open mind to adopting new ones.
- If it doesn't seem like your day and everything that could go wrong does go wrong take a step back, make a 20 minute break, and resume.
- Try to release most of the fish you catch. If you have time, energy, and resources for this hobby you are likely not dependent on it as a source of food.

A large, stylized number '2' is the central focus. It is composed of thick black lines. The top curve of the '2' is split into two segments: the left portion is black, and the right portion is a vibrant teal color. The number is positioned in the upper right quadrant of the page.

# 2

-  
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](http://www.hmh.al)

## **Bosnia and Herzegovina**

**Dimitrijević & Partners**

[www.dimitrijevicpartners.com](http://www.dimitrijevicpartners.com)

## **Bulgaria**

**Dimitrov, Petrov & Co.**

[www.dpc.bg](http://www.dpc.bg)

## **Croatia**

**Žurić i Partneri**

[www.zuric-i-partneri.hr](http://www.zuric-i-partneri.hr)

## **North Macedonia**

**Apostolska Aleksandrovski & Partners**

[www.businesslaw.mk](http://www.businesslaw.mk)

## **Serbia / Montenegro**

**Bojović, Drašković, Popović & Partners**

[www.bd2p.com](http://www.bd2p.com)

## **Slovenia**

**Kirm Perpar**

[www.k-p.si](http://www.k-p.si)

[www.selegalalliance.com](http://www.selegalalliance.com)

