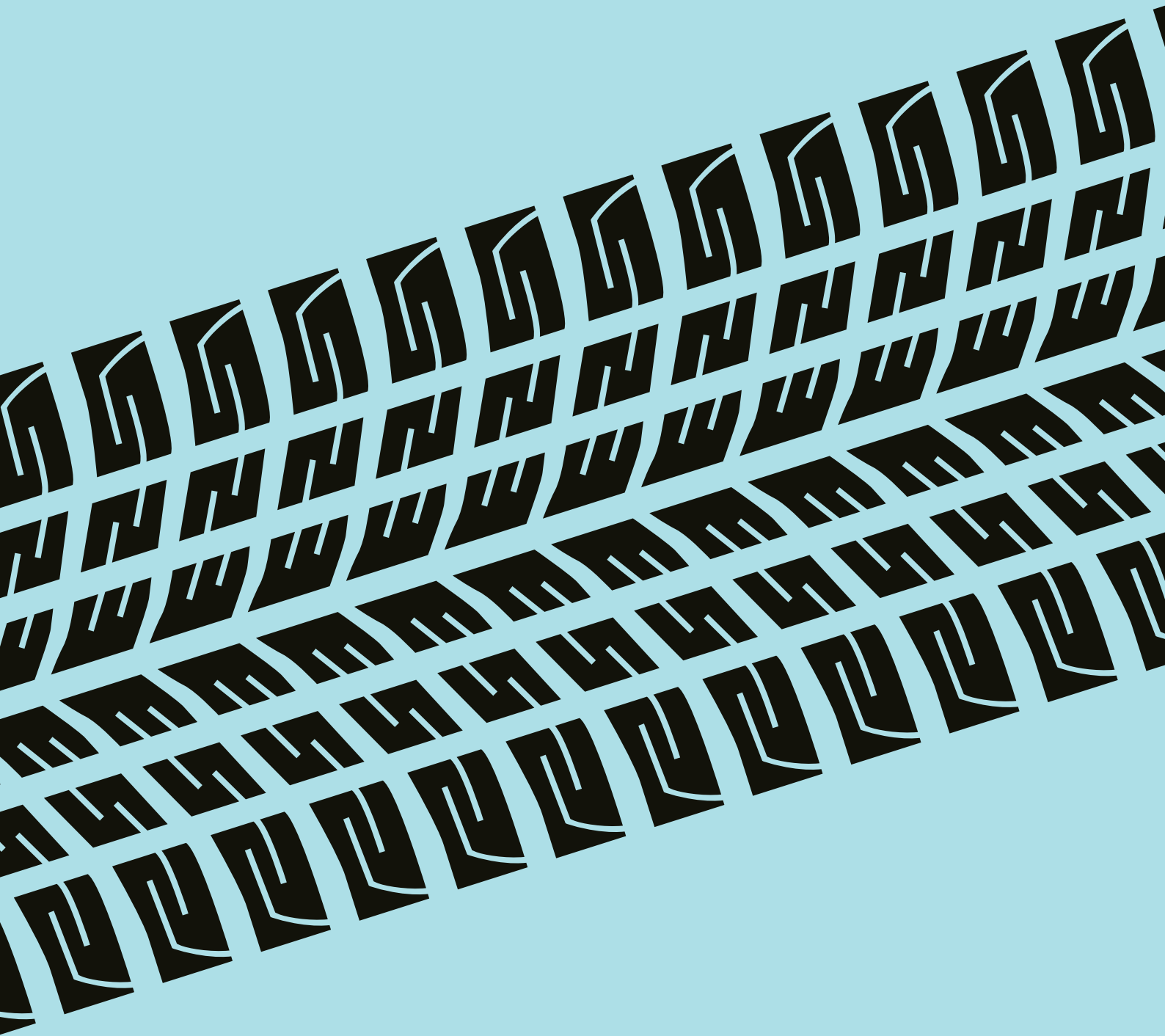


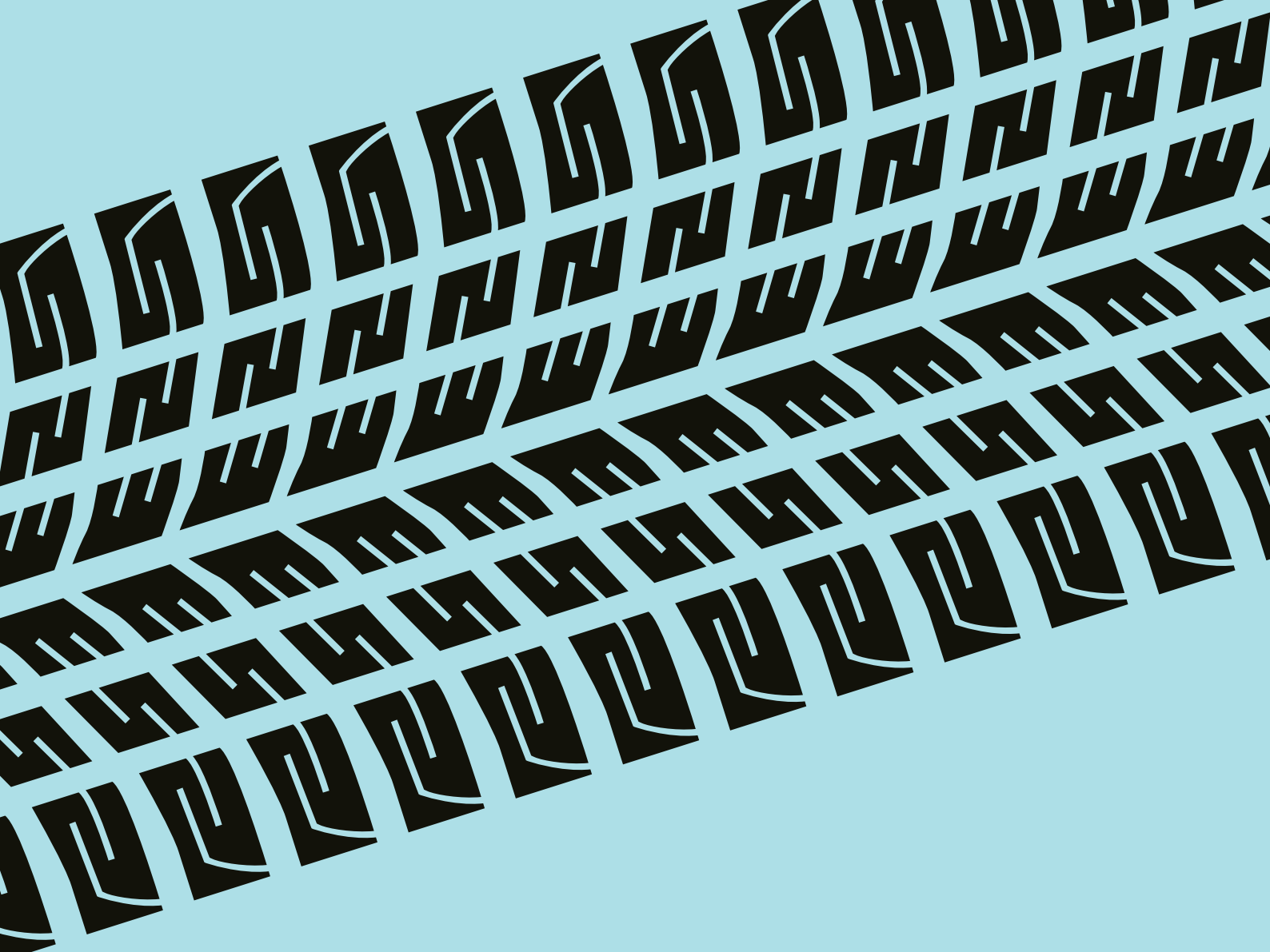
**sela**  
south east legal alliance

# 4



**SEE Market Snippets - 2021Q4**





Business opportunities in SEE

## **SEE Market Snippets - 2021Q4**

SELA - South East Legal Alliance  
December 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

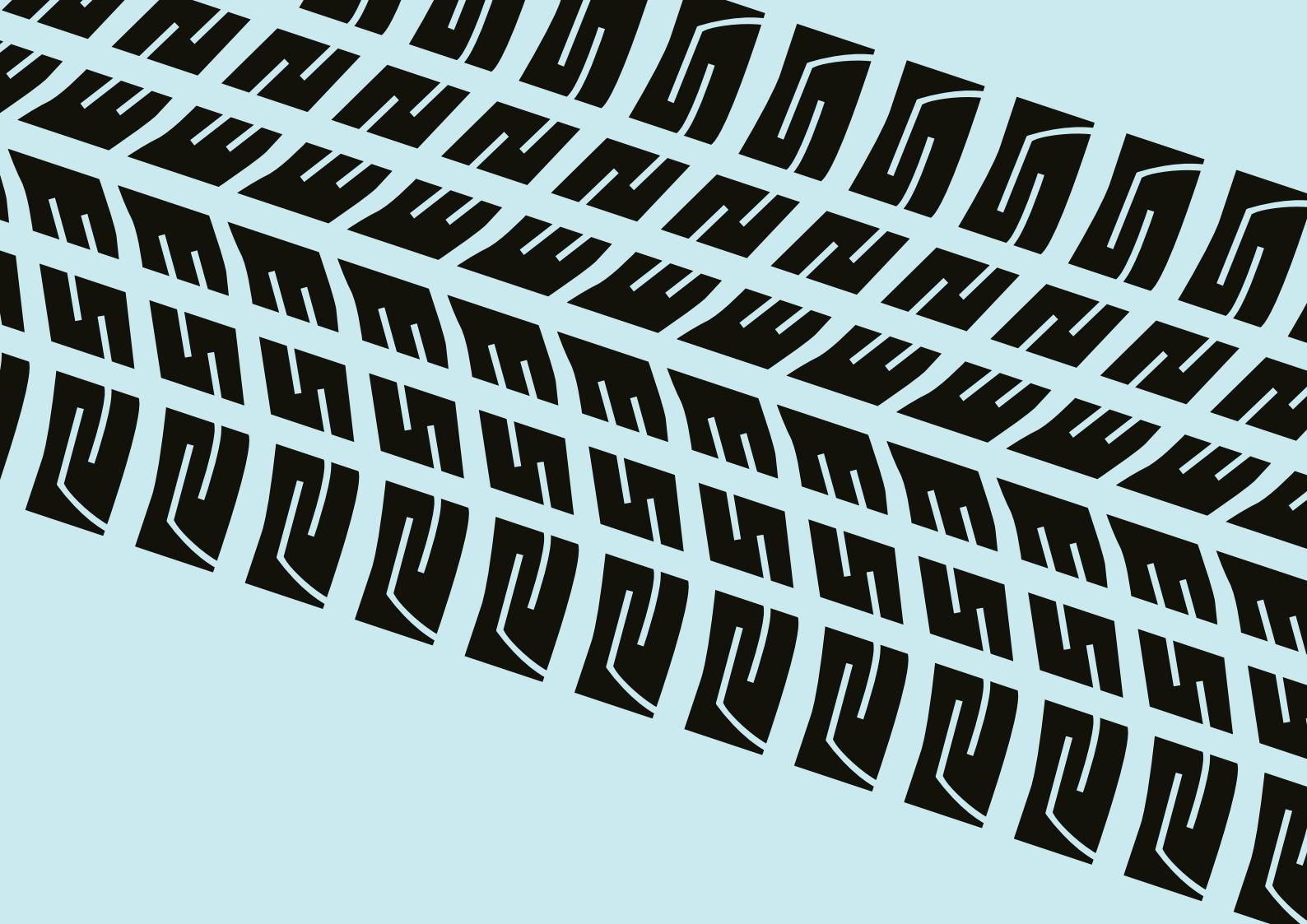
POTENTIAL DEALS

Mergers & Acquisitions / 14

Infrastructure / 18

Natural Resources & Energy/ 24

Leisure / 28



# SELA LAWYER SPOTLIGHT

Featuring Andrej Kirm  
The motorcyclist

[Read his top 5 motorcycling tips →](#)

# OVERVIEW

Country-by-Country



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-

Based on the findings of the Organization for Economic Co-operation and Development (OECD) Policy Outlook on "Competitiveness in the South East Europe 2021", Albania has adopted important reforms compared with the last study in 2018. Performance improvement has been identified in 10 among 15 dimensions subject to assessment, such as: promotion and facilitation of investments, framework of trade policies, education system, employment conditions, and approximation with the EU standards in the energy sector and tax procedures, etc.



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

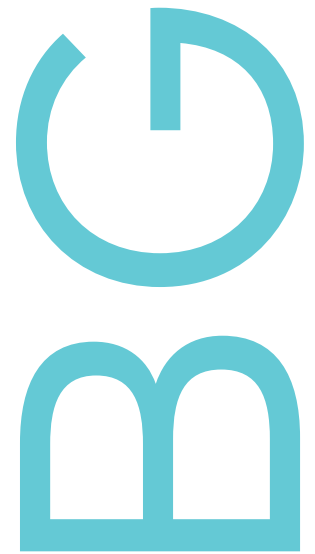
**Stevan Dimitrijević**  
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–

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 the energy one as Bosnia has large potential for renewables.



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–

Bulgaria's We Continue The Change (WCC), a recently formed political movement led by former caretaker economy minister Kiril Petkov, won the snap general election held on 14 November 2021 with 25.67% support. It is expected that WCC will form a coalition cabinet with TISP, BSP and Democratic Bulgaria to govern the country. President Rumen Radev was re-elected for a second consecutive 5-years mandate.

In line with global trends, inflation in Bulgaria has increased recently, due to a combination of rising food and energy prices, as well as strengthening domestic demand. In the medium term, EU fund inflows, including from the Next Generation EU (NGEU) instrument, will support Bulgaria's economic growth, according to Standard & Poor's (S&P) Global Ratings.



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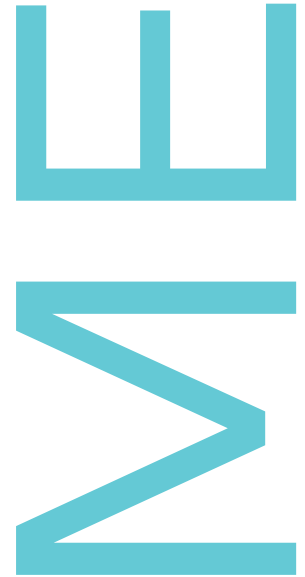
–

After challenging beginning 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, Croatia is focusing its efforts on living up to the positive estimations of the country's economic growth given by the European Commission.

EU country forecasts expect Croatia to grow strongly in 2021 and exceed its pre-crisis level in 2022.

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.



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–

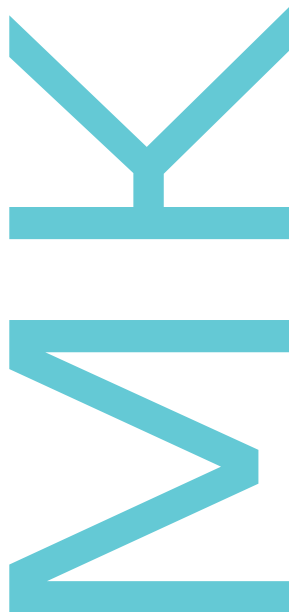
The tourism sector in Montenegro experienced a sharp decline, from the moment coronavirus (COVID-19) pandemic emerged in 2019, and didn't recover until the vaccine was discovered in 2021. In order to improve this sector, Montenegro is investing in its tourism infrastructure and development of its eco-tourism industry to exceed 30% of GDP by 2027. The government is trying to attract large foreign hotel chains that will provide hospitality standards similar to those in Europe.

Montenegro's economy is expected to rebound thanks to investments supporting construction works and the revival of private consumption.

The World Bank expects Montenegro's GDP to grow by 5.6% in 2022.

Assuming a full recovery in tourism in 2022 and 2023, growth is projected to remain strong at 5.6% and 4.8%, respectively. Investments are expected to level off in 2022 as the highway construction is finalized.





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–

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



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–

In November 2021 the government adopted the 2022 draft budget, which projects a 3.0% fiscal deficit. A key element of the budget is infrastructure investment, which should improve growth potential.

Economic growth should ease next year due to a less favorable base effect. However, stronger capital expenditure outlays should spill over and buoy household spending through improved employment levels and wage growth. EU funds and government investment should further support activity, but pandemic-related uncertainty poses a risk.

According to NBS' projection, inflation will most likely move above the upper bound of the target tolerance band until the end of Q1 2022 under the impact of temporary factors. As of Q2 2022, inflation should return to the target tolerance band and move around midpoint thereafter.



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–

In the fall of 2021 Slovenia started its second half of the 6 month's presidency of the EU Council. The presidency undoubtedly has a positive impact on the recognition and international reputation of Slovenia, which also affects business opportunities. In light of COVID-19 pandemic, one of the main priorities at the time of presidency is strengthening the resilience of the European Union.

After a decrease in the last quarter of 2020, which was a consequence of the COVID-19 epidemics, economic activity continues to strengthen and accelerate in the third quarter of 2021. Most short-term indicators show relatively high year-on-year growth, and the outlook for economic growth remains favorable. In the second quarter of 2021, the prices of commercial real estate (offices and retail spaces) were increased by 1.1%, compared to the previous quarter. The prices were the highest after 2015 – 6.8 % above the 2015 average.

Slovenia also experienced a 2-Year high tourist arrivals in September of 2021. Arrivals accelerated 29.2 % year-on-year which was a consequence of easing travel restrictions for international tourists during summer. Foreign travelers arrived mainly from Germany, Austria and the Netherlands.

The COVID-19 epidemic in 2020 strongly marked the Slovenian economy, however it also brought some new opportunities, e.g. shortening global value chains or introducing telework. In addition, with the support of appropriate economic policies in such changed context, the introduction of digital solutions, innovation and new business models, as well as urgent changes in healthcare and long-term care, could be significantly accelerated.



By Industry

# POTENTIAL DEALS





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# MERGERS & ACQUISITIONS

## 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.

## 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 production of arms and provision of services related to defence including Kosmos Banja Luka and Orao Bijeljina.

## SALE OF PROJECT FOR RESIDENTIAL COMPLEX AND RETAIL PARK IN VARNA

**Market/jurisdiction:** Bulgaria

**Sector:** Retail

**Deal Category:** M&A

**Deal value:** upon request

Sale of residential project and retail park to be constructed over 33 000 m<sup>2</sup> land plot located in one of the most populated areas in Varna. The project consists of residential buildings with 48,000m<sup>2</sup> of built-up area, including 370 apartments and 370 indoor and outdoor parking spaces and a retail park of 21,000 m<sup>2</sup>. including around 6,000m<sup>2</sup> of retail space and 300 parking spaces. The land plot has a detailed development plan entered into force. The construction works are planned to start in early 2022.

## PUBLIC CALL FOR STRATEGIC INVESTORS

**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 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.

## PRIVATIZATION OF STATE-OWNED COMPANIES

**Market/jurisdiction:** Slovenia

**Sector:** Various

**Deal Category:** Privatization

**Deal value:** n/a

SSH and DUTB, managing the privatization process continue with the sale of state's share in various state-owned companies, among which are Alpina d.o.o., Argolina d.o.o., Cinkarna d.d., ISTRABENZ, d.o.o., MLM d.d., Thermana d.d., Salomon d.o.o. etc.





# INFRASTRUCTURE

## PORTO ROMANO PORT, TENDER PROCEDURES DURRES, ALBANIA

**Market/jurisdiction:** Albania

**Sector:** Transport Infrastructure

**Deal Category:** Project

**Deal value:** Undisclosed

The Albanian Ministry of Infrastructure and Energy conducted the first phase of the tender procedures regarding the construction of the new port at Porto Romano area in Durres, Albania.

Among 14 participants, the following 5 international companies were pre-selected to continue the process: the Spanish company "Tipsa", the French company "Altea GEO Studio", the Dutch company "Royal Haskoning DHV", the consortium of Italian and Albanian companies: "Technital S.p.A", "SEED Consulting" and "Atelier 4", and the joint-venture of 4 companies "Artelia", "Yuksel Proje", "F&M Ingeria" and "Ice".

These companies shall submit their detailed projects within a 6- month term, and further on another international bid phase shall be conducted for the selection of the winner.

The concession term is envisaged to be for a period of 35 years. The value of the investment shall be determined upon presentation of the detailed Porto Romano design.

## 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 5.000 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.

## 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 construction of motorway network in Republic of Srpska and state owned motorway operator runs the competitive dialogue for design, construction and financing of the Vukosavlje – Brcko section as well as the tender for design, construction of Bijeljina – Raca section.

Also, EBRD approved loans for financing new sections of the Vc Corridor Highway from north towards southern part of the country.

## SALE OF THE CONCESSION HOLDER OF PORT BURGAS

**Market/jurisdiction:** Bulgaria

**Sector:** Maritime, Transport, Shipping

**Deal Category:** Concessions

**Deal value:** Not announced

The state-owned, but leased-out port management company is being sold by its concessionaire. Offers are currently collected for the purchase of BMF Port Burgas - concession holder of two major terminals of Port Burgas - the bulk cargo terminal Burgas East 2 and the container terminal Burgas West. The term of the concession of Burgas East 2 expires in 2058 and of Burgas West – in 2060, and the amounts of the required investments are EUR 122.8 million and EUR 61.4 million, respectively. The company has declared a rather hefty profit in recent years: BGN 51.8 million for 2020 and BGN 35 million dividend.

## DEANOVEC DATA CENTER

**Market/jurisdiction:** Croatia

**Sector:** Telecommunication, IT

**Deal Category:** Project / logistics

**Deal value:** up to EUR 120 million

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.

## GATE OF ZADAR

**Market/jurisdiction:** Croatia

**Sector:** Infrastructure and/or commercial aspect

**Deal Category:** Project

**Deal value:** EUR 110.8 million

The project's location is the historic City of Zadar, one of the most significant tourist destinations in the country. Easily accessible via road and air, Zadar is also a sea connecting point, having ferry port with routes to islands of northern and central Dalmatia, as well as to Italy.

The City of Zadar plans to revitalize and urbanize the contact zone between the historical centre and the new part of the City of Zadar, known as the wider area of Ravnica. Currently, on the land intended for the project, there are a few obsolete cultural and sports facilities, an old fortress, a small harbour and two canals. Some of the existing structures of historical value are envisaged for renewal, however the largest part of the project area is planned for the construction of the new infrastructure and commercial facilities that will transform the area into a modern urban centre with a cultural, commercial, entertainment and tourist (hotels) facilities, and a sports and recreational zone on 18.9 hectares of the land area and 11.2 hectares of the sea area.

The transaction model for the land designated for the construction of commercial and other facilities would be based on the right to build granted for up to 99 years. Depending on interest, the strategic partner could participate in the development of the whole project or just the commercial facilities.

## PORT OF SLAVONSKI BROD – LIQUID CARGO TERMINAL

**Market/jurisdiction:** Croatia

**Sector:** Infrastructure / Energy

**Deal Category:** Project

**Deal value:** EUR 12 Million

The Port of Slavonski Brod is located on the left bank of the River Sava, 4 km southeast of Slavonski Brod, on the border between the Republic of Croatia and the Republic of Bosnia and Herzegovina, close to the intersection of the railway corridor X and the road corridor Vc. It is also the international port of entry to the European Union. The port has direct access to road and rail networks that facilitate the loading and storage of goods as well as freight forwarding to inland waterways along the Danube to the main Croatian seaports Rijeka, Ploče, Split and Zadar, and on the opposite direction right up to the Black Sea.

In the process of securing the conditions for a more dynamic growth in terms of activities of the Port, the Port Authority of Slavonski Brod, which manages and develops the port on the River Sava on an area of 90 hectares, is conducting an investment cycle of approx. 17 million EUR, including the construction of the port and accompanying facilities as well as the development of the wider port area with all the necessary infrastructure (so far about 80% of the port infrastructure has been built). Currently, there is an oil terminal for reloading of crude oil and a bulk cargo terminal. A contract with the concessionaire for the construction of the thermal power plant/ heating plant and bio-ethanol plant has also been signed. In addition, the Port Authority also plans to construct a new terminal for liquid cargo (diesel, gasoline, bioethanol) with 8 tanks and total capacity of 48,000 m<sup>3</sup>. In order to increase the volume of cargo reloading

and the handling capacities of the Port (up to 1,500,000 tons per year), a road network is also being planned, which would go along the banks of the river, together with a container terminal with a capacity of up to 200,000 tons. The plan foresees the construction of adjoining facilities, a Ro-La terminal for reloading trucks on low-floor wagons with a capacity for receiving/dispatching 20 low-floor wagons as well as a terminal for hazardous goods and a shipyard for the maintenance and servicing of ships.

The Port Authority is seeking strategic partners to invest in the liquid cargo terminal, through a concession model (for a period of 5 to 25 years, which could be prolonged to 50 years, provided the Government of the Republic of Croatia grants an approval) or through the right to build model. The estimated value of the investment is 12 million EUR.

## PAŠMAN BRIDGE

**Market/jurisdiction:** Croatia

**Sector:** Infrastructure / traffic

**Deal Category:** Project

**Deal value:** approx. EUR 60 million

Not long after finalization of historic connecting of the Croatian territory by the completed Pelješac bridge, the Croatian Government has announced another project of connecting the Island of Pašman with a city of Zadar – by a bridge.

The Project's estimated value is approx. EUR 60 million and the construction process should take 3 years to be completed. The bridge will be long 2203, 5 meters and is expected to significantly reduce pressure and reliance on the ferry transportation system, that is currently experienced especially during tourist season. The feasibility study for the project is currently being prepared.

The Ministry of Sea, Transport and Infrastructure as the project developer recognized the need for co-financing of the project, and is expected that the interested investors are welcomed to communicate their interest for participation in the future stages of the project.

## 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.

## TENDERS FOR MODERNIZATION OF RAILWAYS

**Market/jurisdiction:** Serbia

**Sector:** Infrastructure - railways

**Deal Category:** Tender

**Deal value:** EUR 102 million

Serbia recently had a loan of EUR 102 million approved by the World Bank and the French Development Agency for the development of the railway hub in Serbia, and the Ministry of Finance has now published a general procurement notice of the tenders and projects to be financed with the proceeds from this loan.

The plan is to open a large number of tenders, among which are tenders for:

- rehabilitation and extension of rail tracks in tunnels Dedinje, Vezni, Stadion and Vračar and the railway in the Pančevo Bridge-Pančevo Main Railway Station section;
- the second phase of the construction of the Belgrade Center main railway station (Prokop);
- construction of the bypass route to the Bogojevo railway station;
- reconstruction and modernization of Vršac-Romanian border railway;
- procurement of rail cars for the Blue Train (Plavi voz);
- analysis of the ownership structure of the Srbija Kargo company;
- study of the integration of new passenger and cargo services in the rail traffic system.

# NATURAL RESOURCES & ENERGY

## AUCTION FOR WIND FARMS

**Market/jurisdiction:** Albania

**Sector:** Energy – wind

**Deal Category:** Project

**Deal value:** n/a

During June 2021, the Albanian Ministry of Infrastructure and Energy launched a two phase auction procedure, for the award of different projects in different sites proposed by the bidders, each with a minimal / maximal installed capacity, between 10 – 75 MW.

The total generation capacities that are planned to be awarded under this procedure amount to 100 MW.

The winning bidders will be able to sell 100% of their energy output to a relevant state energy company, at price submitted in their bid. Bids providing for an off-take price higher than EUR 75/MW will be disregarded.

## HRGUD WIND FARM

**Market/jurisdiction:** Bosnia & Herzegovina

**Sector:** Energy

**Deal Category:** Construction

**Deal value:** n/a

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



## PROJECT OF IMPLEMENTATION OF SMART ELECTRICITY METERS

**Market/jurisdiction:** Serbia

**Sector:** Energy

**Deal Category:** Project

**Deal value:** EUR 80 million

Government of Serbia and EBRD signed agreements for the implementation of smart electricity meters in Serbia, as well as agreement on a EUR 40 million worth loan for financing the first phase of the project.

The project will be implemented in two phases, with a loan and financing agreement for the first phase concluded with the EBRD.

The realization of project will start by the end of 2021. The first phase of the project will end by 2025, while the deadline for the realization of the entire project is 2027.

Čačak, Niš and Kraljevo will be the first three cities in Serbia to implement smart electricity meters by 2025.

Project goals are:

- to introduce a new way of electricity consumption measuring;
- to reduce losses of energy in the distribution network;
- to lower the carbon dioxide emissions by about 5,000 tons per year;
- to provide a better electricity supply.

## CONSTRUCTION OF HYDROPOWER PLANTS ĐERDAP 3 AND BISTRICA

**Market/jurisdiction:** Serbia

**Sector:** Energy – green, wind and hydro

**Deal Category:** Project

**Deal value:** EUR 17 billion

The Ministry of Mining and Energy presented a EUR 17 billion investment plan that includes these two hydropower plants Đerdap 3 and Bistrica, as well as solar, gas and wind power plants which will secure the stability of the energy system.

The implementation of the investment would begin in 2022.

American multilevel company Bechtel is interested in investing EUR 2 billion in building a hydropower plant Đerdap 3 and a wind farm that could be one of the largest in Europe.

## REALIZATION OF THE PLJEVLJA HEATING PROJECT

**Market/jurisdiction:** Montenegro

**Sector:** Energy – heating

**Deal Category:** Reconstruction

**Deal value:** EUR 54 million

State-owned Montenegrin power utility EPCG has started (August 2021) the realization of the project for the construction of district heating system in the city of Pljevlja.

The project includes the construction of the primary heating pipeline between coal-fired thermal power plant Pljevlja and the city, which will create conditions for the connection of the existing infrastructure to a new, more environmentally-friendly heating source. The project will allow the closure of a number of boiler rooms within the city, which will result in less air pollution.

It will also allow the Montenegro to close Chapter 27 on the protection of the environment within pre-accession negotiations with the EU. This will mean cheaper heating for the citizens of Pljevlja and less air pollution.

Also, the project will be predominantly financed by EPCG from its own resources and, as planned, the ecological reconstruction will take place before 2023.

EPCG signed a contract for the reconstruction of TPP Pljevlja, with a consortium led by Chinese Dongfang Electric Company (DEC).

## FIRST FLOATING SOLAR POWER PLANT IN MONTENEGRO

**Market/jurisdiction:** Montenegro

**Sector:** Energy - solar

**Deal Category:** Project

**Deal value:** EUR 10 million

State power utility Elektroprivreda Crne Gore (EPCG) plans to build the first floating solar power plant in Montenegro and one of the first in the region, at its Slano reservoir, near the city of Nikšić.

The project should begin by the end of this year or during the first half of next year.

Slano represents a great potential for renewable energy development in Montenegro, particularly given that the country does not have large land areas suitable for ground-mounted solar power plants, and the lake is not recognized as a tourist location.

The Slano reservoir spans about 9 square kilometers and is owned by EPCG, which means that the deployment of solar panels would not entail resolving any ownership issues. Floating solar power plants are a relatively new phenomenon. Numerous studies confirm that they are 12.5 percent more efficient than solar power plants on roofs and ground.

The project is expected to begin by the end of 2021 or during the first 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.

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.

## CONSTRUCTION OF THE GAS PIPELINE ZLATIBOR - NOVA VAROŠ - PRIBOJ - PRIJEPOLJE

**Market/jurisdiction:** Serbia  
**Sector:** Energy  
**Deal Category:** Project  
**Deal value:** EUR 40 million

Works on the construction of the gas pipeline Zlatibor - Nova Varoš - Priboj – Prijepolje, 80 km long, will begin in February 2022 and will be completed in a year.

Preparatory works are already underway.

The goal of this project is being self-sufficient, having enough energy and at the same time having a healthy environment.

## TENDERING PROCEDURE FOR DESIGNING AND CONSTRUCTION OF SEWER SYSTEM

**Market/jurisdiction:** Serbia  
**Sector:** Waste treatment Infrastructure  
**Deal Category:** Tender  
**Deal value:** Procurement EUR 53.25 million

The tendering procedure for the construction of 90 km of the missing sewer system and wastewater treatment plants on the left coast of the Danube, in the Belgrade municipality of Palilula – is announced on the 1 October. Access to the procurement documents is restricted, further information can be obtained at [www.beoland.com](http://www.beoland.com); contact person Zoran Kostić, [bpss@beoland.com](mailto:bpss@beoland.com).

Legal basis: Contract will be financed by the European Investment Bank (EIB) and subject to EIB's Guide to Procurement.

According to the agreement with the European Investment Bank, a contractor should be selected by December 2021.

The opening of international tenders for the procurement of two contracts on the execution of works is planned, the first one pertaining to the designing and construction of primary collectors, pumping stations, secondary sewer network (gravitational and vacuum networks) and a facility for waste water treatment.

# LEISURE

## CONCESSION OF MINERAL BATHS NEAR SOFIA

**Market/jurisdiction:** Bulgaria

**Sector:** Tourism

**Deal Category:** Concession (Construction works and operation)

**Deal value:** Approx. EUR 2 million

A concession procedure has been approved by Sofia Municipality for construction and operation of a SPA centre, encompassing the renovated historic building of the mineral baths in Bankya. The term of the concession is 20 years and the minimum annual concession fee is EUR 100,000. The procedure stipulates the construction of an underground swimming pool and other facilities at the approximate value of EUR 1 million over the next 2 years.

## DUBROVNIK 3 SISTERS – CROATIAN DREAM

**Market/jurisdiction:** Croatia

**Sector:** Tourism

**Deal Category:** Project – construction

**Deal value:** EUR 920 million

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 centre 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. The project is 100% privately owned and it is located in the centre of the Dubrovnik-Neretva County, on the eastern Adriatic coast, in the corridor that connects Central and Eastern Europe. The location is attractive due to its proximity to the City of Dubrovnik, the most famous Croatian city and world-class tourist centre.

Construction requirements within the zone enable the construction of structures up to 5 floors, with a maximum height of 20 m, given that 40% of the building plot needs to be landscaped as parks and natural green areas. The project infrastructure has been harmonised with the existing spatial plans. The zone envisaged for the resort has been earmarked for tourism purposes in the Urban Development Plan. The drafting of an environmental impact assessment and the Urban Development Plan for the zone with the golf course is underway, as well as preparations of the feasibility study.

Estimated value of the project is 920 million EUR and the project holder is looking for investor or strategic partner.

## LUXURY COMPLEX PLANNED TO BE BUILT IN KOTOR

**Market/jurisdiction:** Montenegro

**Sector:** Tourism

**Deal Category:** Project – construction

**Deal value:** n/a

A new tourist complex could emerge in Kotor in the coming period, near a tourist location Glavatičići, on a 35,308 m<sup>2</sup> area on which the construction of the complex is planned.

The investment includes the construction of a tourist resort that will consist of a central building with all the necessary facilities for the functioning of the complex and 37 villas, 3 pavilions and green and traffic areas.

According to the terms of reference, all facilities will be of category of 4 stars.

## ARRANGEMENT OF THE COMPLEX ON BOROVIČKO LAKE

**Market/jurisdiction:** Montenegro

**Sector:** Tourism

**Deal Category:** Project

**Deal value:** EUR 12 million

The municipality of Pljevlja plans to arrange the area around Borovičko Lake.

The conceptual design that won the competition for the development of the conceptual urban-architectural solution is divided into three parts.

The first, the zone around the lake, includes the arrangement and construction of a swimming pool on the platform, swimming pools in three locations with a sandy beach, park and zones for children and non-swimmers, open stages, park zones along the hatchery, fishing trails, labyrinth of greenery, while for boats, canoes, kayaks and small boats, camping zone, auto camp, picnic zone, fishing camp with fishing plateaus.

Within the central zone of the conceptual design, a parking space, hotel accommodation, catering facilities, a museum of mining machinery and a promenade are planned.

In the third zone, intended for sports and recreational facilities, a football stadium with prefabricated stands, tennis and small sports courts, basketball and table tennis courts, volleyball, an outdoor gym, mini golf and bowling courts, a karting track and a ski slope are planned.

The estimated amount needed to finance the arrangement of the Borovičko Lake complex is around EUR 12 million.

## BELVEDER TERRACE IZOLA - GLAMPING

**Market/jurisdiction:** Slovenia

**Sector:** Tourism

**Deal Category:** Project

**Deal value:** EUR 15 million

Glamping is one of the possible development contents of this field. The area borders the Resort San Simon, the most intensive tourist part of Izola. The project is designed to take advantage of this strategic location, especially the protected area.

The project includes a didactic garden to raise awareness of the importance of biodiversity and protected areas in the North Adriatic, a funicular or other way to ensure public access to the sea from the future garage above this area and glamping houses.

On the beach, there is the possibility of developing a sustainable visit to the most beautiful wild beach in the S. Adriatic - the coast of the Moon Bay, which is otherwise more difficult to access through the cliff. Even closer, in the next bay is also the famous wild beach of Bela Skala. Both beaches are the most beautiful fantastic beaches in the N. Adriatic.

## THERMAL VILLAGE OF KOSTANJEVICA NA KRKI

**Market/jurisdiction:** Slovenia

**Sector:** Tourism

**Deal Category:** Project

**Deal value:** EUR 39 million

The construction of a new thermal village in Kostanjevica na Krki envisages an exclusive spa resort with public baths and individual houses with private thermal water pools. In nearly 5 hectares, there will be two distinctive but together connected areas – public and private. In the smaller part of the new thermal village, there will be a public area with an administration building, a reception, a restaurant, and other public facilities that service and support public bath (including parking). The public site will also include a large, more than 5.000 m<sup>2</sup> big thermal water natural pool available to the general population.

The remaining area of the new thermal village will be more private and available to the owners and tenants of the individual houses. There will be 28 private plots of land (700-900 m<sup>2</sup> each) on which individual houses with private thermal natural pools will be built. Houses are one story (P+M) tall and 8,60 m x 13,30 m (228 m<sup>2</sup>) big units with living, sleeping and leisure areas. In addition to the common living and sleeping areas, each house will have its gym, sauna, indoor jacuzzi and outdoor deck with a natural pool of warm thermal water. Each house will be able to accommodate up to 10 persons per night. Access to the private plots with big courtyards for parking will be provided from the primary two-way internal road.

In the middle of the new thermal village, there will be a public park. There will be a children playground and other arrangements for recreation and different leisure activities in the park area.

## 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.

## GLAMPING GOLF RESORT MORAVSKE TOPLICE

**Market/jurisdiction:** Slovenia

**Sector:** Tourism

**Deal Category:** Project

**Deal value:** EUR 2.5 million

The Glamping Resort complex in Moravske Toplice project includes ten modernly designed holiday facilities with a touch of Prekmurje architecture and a central building with a reception, restaurant and bar.

A unique feature is a natural swimming lake and a small golf course, located in a natural environment near the thermal complex Terme 3.000 and an extensive golf course.

Glamping Golf Resort Moravske Toplice provides individuality of stay and relaxation with the possibility of using many facilities such as: visiting the thermal park, wellness and health services, golf, cycling, culinary, etc.

All necessary communal infrastructure: water supply, sewerage, electricity, and telecommunications are immediate.

The investor is expected to enter into the project in the form of establishing a project company.





# SELA lawyer spotlight

FEATURING ANDREJ KIRM



*Andrej is the Managing Partner of Kirm Perpar. He specializes on Corporate & Commercial, Competition & Antitrust, Real Estate and Aviation Law. Besides general corporate, corporate governance, compliance and regulatory advice, Andrej provides guidance in M&As, share sales, privatizations, strategic partnerships, as well as joint ventures. Having led several large-scale transactions in Slovenia with cross-border aspects, Andrej is recognized amongst leading business lawyers by clients and independent legal directories alike.*

*"Andrej is very sharp and knowledgeable and is probably the most goal-oriented lawyer in the market." – The Legal 500 EMEA*

When not advising the clients or focusing on family matters, Andrej is an avid motorcycle rider and a hobby mechanic. Motorcycling has been Andrej's hobby for many years, and he considers it as an excellent therapy for stress relief. His preferred routes are the Italian Dolomites, Swiss Alps, and the Adriatic Highway, Croatia's most scenic sea-side drive. Now Andrej's sons are also more and more developing interest for the hobby.

## TOP 5 MOTORCYCLING TIPS:

- Leave your worries at home. Riding a motorbike demands full attention and focus. This is not the time to be solving problems or engaging in mind chatter. Luckily, riding fully occupies the mind so the focus is easy to achieve.
- Take your time and enjoy the ride. With motorcycling, the journey is as much about the drive as it is about the destination. So take your time and enjoy every moment.
- Ride with your friends. Riding in a group is one of the most pleasant experiences, provided you choose your group wisely.
- Plan your ride, but don't always stick with the plan. You will usually find the best experiences were off your planned route stops.
- Ride your own pace. Don't feel compelled to keep up with more experienced riders. It never ends well.



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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)

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**Bojović, Drašković, Popović & Partners**

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

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