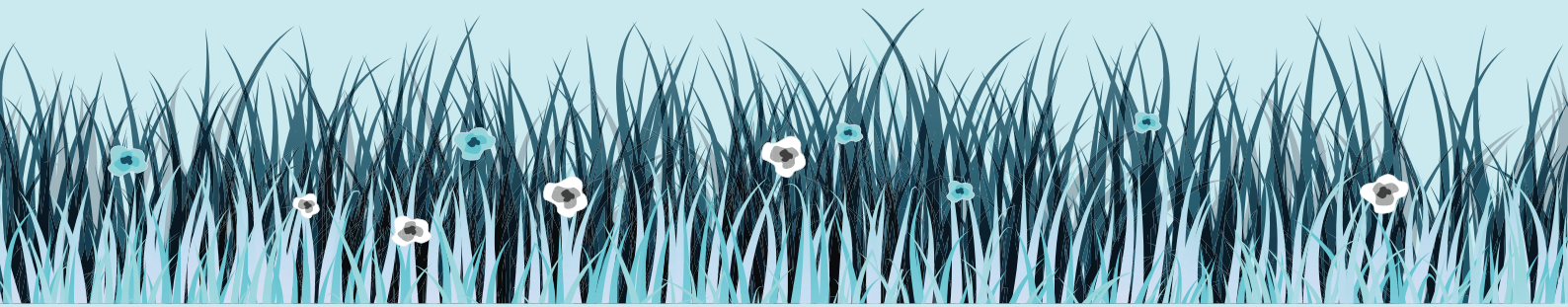


sela
south east legal alliance

SEE Market Snippets 2024Q1





Business opportunities in SEE

SEE Market Snippets - 2024Q1

SELA - South East Legal Alliance
February 2024





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.

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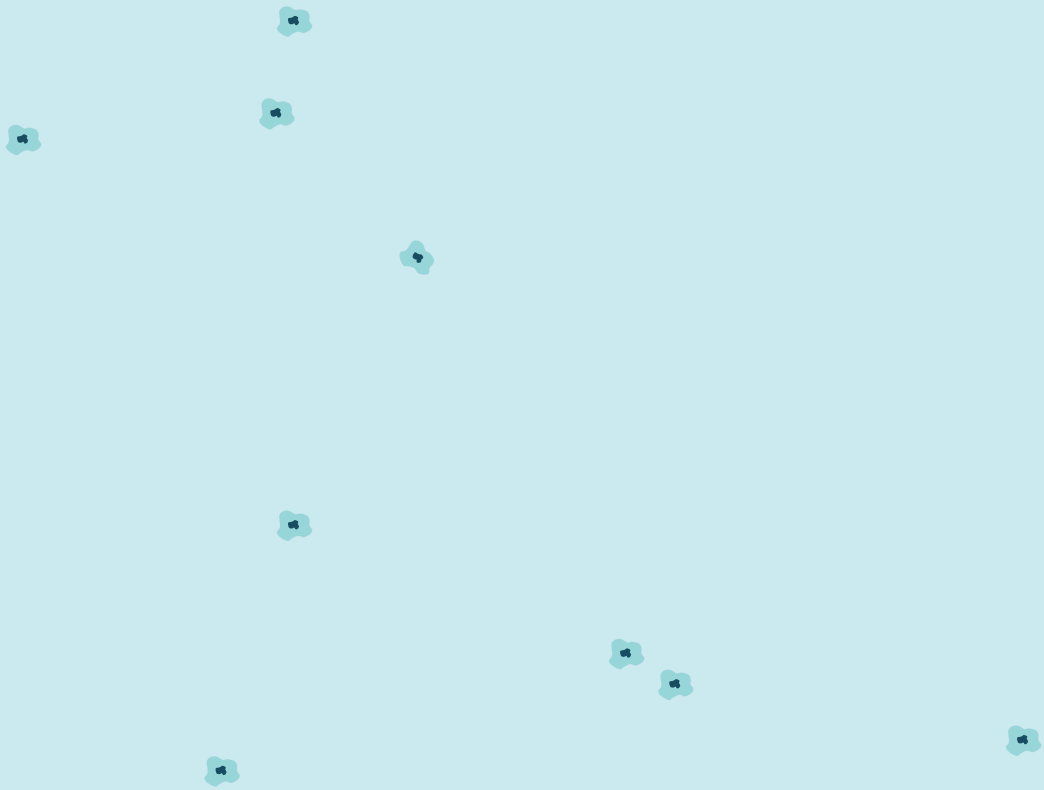
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OVERVIEW

Country-by-Country



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

Shpati Hoxha
shpati.hoxha@hmf.al

–

In October 2023 Moody's affirmed Albania's B1 long-term foreign and local currency issuer ratings and the B1 foreign currency senior unsecured debt rating, with a stable outlook. Moody's suggests that despite significant shocks to the Albanian economy in recent years, including an earthquake, the pandemic, and an energy crisis due to the Ukraine conflict, the country has managed to uphold macroeconomic stability.

In October 2023 the Financial Action Task Force (FATF) issued a decision to remove Albania from its list of jurisdictions under increased monitoring ("grey list"). This significant change in the ranking was due to reforms performed inside the Financial Intelligence Agency, formerly the General Directorate for the Prevention of Money Laundering, the steps taken to fundamentally change some parts of the legislation on this matter as well as the massive digitization of many processes expected to provide transparency guarantee.



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

Stevan Dimitrijević
stevan.dimitrijevic@dimitrijevicpartners.com

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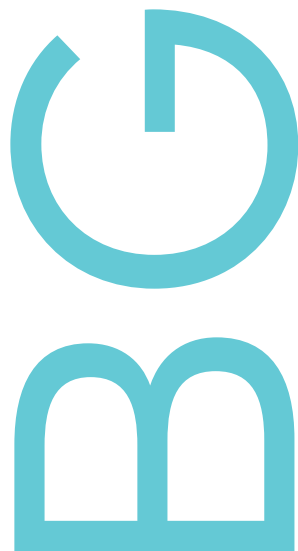
Bosnia & Herzegovina has a complex multi-level government structure. It is composed of the Federation of Bosnia & Herzegovina and the Republic of Srpska, collectively referred to as the "Entities". The Entities have significant legislative powers in economy and foreign investments.

At the end of 2022, Bosnia & Herzegovina officially received the status of a candidate country for EU.

Bosnia and Herzegovina is at an early stage of establishing a functioning market economy. In 2024 the projection of the GDP growth is at 3%, assuming weakening but not complete disappearance of the existing inflationary shocks. Cooperation and coordination of economic policymaking at state level and among the entities have further deteriorated.

As a result, the country's internal market remains fragmented, adversely affecting the business environment. Unemployment remains very high and labour out-migration persists. The country's economic reform programme (ERP) continues to be of poor quality and implementation of reforms is limited. The ERP does not contain sufficient credible countrywide measures to address the major structural economic challenges in relation to the business environment, the informal economy, public enterprises, the green and digital transitions, and unemployment.

Overall, Bosnia and Herzegovina's economic performance remains below its potential, as policymaking is hindered by political stalemate, an overly short-term approach, and lack of focus on policy measures to build growth.



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

Iliya Grozdanov
iliya.grozdanov@drp-legal.com

–

The country continues its stable economic development in early 2024. All state bodies are actively rooting and striving to achieve the national goals of adopting the Euro in January 2025 and joining the Schengen zone by land as soon as possible. After intensive negotiations and decisions with this regard at the end of 2023, controls at air and sea borders with Bulgaria and Romania will drop as of 31 March 2024.

The much-awaited constitution amendments as regards the statute of the State Prosecution and placing it under democratic accountability took place in late December 2023.

Parliament adopted a huge part of the legislation related to the EU Recovery Fund and their use is expected to commence smoothly. Soon (beginning of March) the Pro-Liberal and Pro-European Parliament groups behind the current regular government are to make a rotation switch with change of Prime Minister figure and maybe perform additional amendments in the government structure. The former European Commissioner Maria Gabriel is expected to become the country's new Prime Minister responsible for continuing the government's efforts to keep inflation in control and continue rapid steps to stabilize regulatory environment.



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

Laurenz W. Vuchetich
laurenz.vuchetich@bdvlegal.com

–

Croatia's current economic trends and expectations for 2024 are quite positive.

According to Croatian National Bank (CNB) assessment, from the beginning of 2024, Croatia's economic growth is expected to strengthen in parallel with the growth of real disposable income, which will result from the reduction of inflation, strong wage growth, resilient employment, and the growth of exports that will increase foreign demand as a result. Further, CNB expects the GDP to increase by 3% in real terms in 2024, rather than 2.6% as previously estimated.

Inflation is expected to slow down further in 2024, reaching 4% at the level of the entire year after hitting 8.4% in 2023. Additionally, all main sub-components of inflation should be reduced, especially food and core inflation, as lower energy and raw material prices continue to make their way into the prices of goods and services.



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

Panagiotis Drakopoulos
pdrakopoulos@drakopoulos-law.com

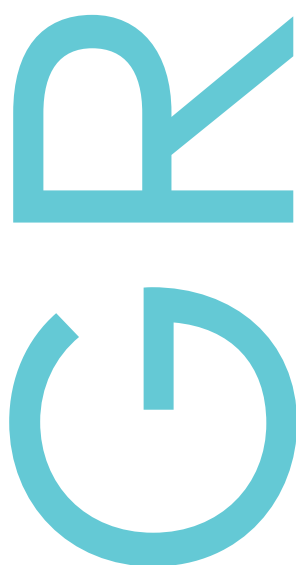
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Cyprus, being strategically positioned at the eastern end of Europe, is the third largest island in the Mediterranean Sea. Serving as a crossroads for Europe, Africa and Asia, it enjoys proximity to diverse civilizations and settings. A member of the EU since 2004, Cyprus adopted the Euro as its national currency in 2008.

The country boasts an advanced, high-income economy, reflected in a very high Human Development Index.

However, Cypriot economists point out that various factors such as high inflation, an assertive interest rate policy, sanctions, the war in Gaza, and the recovery of the tourism sector significantly impacted the economy in 2023. The effects of these events are anticipated to carry through into 2024.

On a positive note, the real estate market experienced a recovery in 2023, marking a crucial development. Further improvement is anticipated in the real estate sector for the year 2024.



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

Panagiotis Drakopoulos
pdrakopoulos@drakopoulos-law.com

–

After a strong rebound in 2022, Greek economy continued to show positive, albeit decelerating, growth rates in 2023 and stood out among other countries in the eurozone. According to the latest macroeconomic forecast of the European Commission for Greece, the country's real GDP "is estimated to have grown by 2.2% in 2023" and "is expected to remain broadly stable at 2.3% in 2024 and 2025". Consumption and export of goods and services remained the main growth drivers in 2023 while investment contributed significantly to such growth rates. According to the Monetary Policy Report issued by the Bank of Greece in December 2023, investment through the Recovery and Resilience Plan (RRP) is expected to further contribute to the country's growth in the near future.

Annual HICP inflation decreased to 4.2% (from 9.3% in 2022), mainly due to the decrease in energy prices. However, prices of processed foods, non-energy industrial goods and services remained very high in 2023 and contributed negatively to inflation rates. It is noteworthy that Greek government recently adopted new measures to tackle high prices of basic consumer goods (the so called "greedflation"). HICP inflation is "expected to decline more gradually in 2024 and 2025 to 2.7% and 2% respectively", according to European Commission's macroeconomic forecast.



For more information on the Montenegrin market please contact

Vuk Drašković
vuk.draskovic@bd2p.com

–

Montenegro started negotiations with the EU in 2012 and strives to join by 2025, ahead of the other countries in the Western Balkans. Of the 35 negotiations chapters, two have been provisionally closed and 22 have been opened.

Progress in European integrations and established political stability are a positive signal for foreign investors. Following areas are in special focus: green energy, infrastructure, telecommunications, tourism, and cybersecurity.

However, Montenegrin economy is still affected by global geopolitical uncertainties. It is estimated that the real growth of Montenegro's economy will amount to 7%. On an annual basis, bank capital increased by 22%, deposits by 4.8%, and loans by 11.9%. The share of NPLs in total loans at the end of 2023 was 5%, which is 0.7% less than in Q4 2022.

Hydrogen has enormous investment potential and represents a good business opportunity for companies in Montenegro - after drafting of the Green Hydrogen Strategy has begun, supported by GIZ. This program supports the development of processes, methodologies, and instruments for long-term decarbonisation planning and integration of climate and economic goals of transformation with significant potential for sustainable and climate-friendly development. The application of hydrogen energy is expected also in the metal industry and transportation. Montenegro will strive to attract funds from Europe, which strongly supports the hydrogenation of energy.



For more information on the North Macedonian market please contact

Igor Aleksandrovski
aleksandrovski@businesslaw.mk

–

The energy crisis and the war in Ukraine brought new challenges to North Macedonia.

Inflation (particularly the price of food and energy) is raising the cost of living, disproportionately hurting the poor. The medium-term outlook remains positive, but downside risks are elevated. Prolonged supply chain disruptions, rising inflationary and minimum wage pressures, weak political stability, and the energy crisis continue to weigh on the outlook. Delayed EU accession negotiations may weaken the reform efforts that are needed to boost potential growth and consolidate public finances.

In the medium term, the country needs to set public finances back on a sustainable path and shift its focus to resolving structural challenges, including low human capital, weak competition policy, and the fragile rule of law.



For more information on the Romanian market please contact

Adrian Roseti
aroseti@drakopoulos-law.com

–

For 2024, GDP growth is expected to pick up to 3.1%, following last year's 2.2% growth, and further accelerate gradually in 2025, reaching 3.4%. The main drivers of growth are expected to be private consumption and public investment, boosted by the inflow of EU funds under the Recovery and Resilience Facility (RRF) and the Multiannual Financial Framework (MFF).

The government has committed to reduce the deficit to 3% of GDP by 2026, in line with the Excessive Deficit Procedure (EDP) that the EU launched against Romania in 2020. The fiscal consolidation package includes measures such as increasing the VAT rate from 19% to 21%, reducing some tax exemptions and deductions, freezing public sector wages and pensions, and reforming the public administration and the state-owned enterprises.

Romania has made progress in its bid to join the Schengen area, after the EU Council agreed in December 2023 to lift the air and maritime internal border controls with Bulgaria and Romania from March 2024. This decision came after 13 years of negotiations and was welcomed by the Romanian authorities as a major achievement. However, the lifting of the land border controls still requires a further decision by the Council, which will depend on the evaluation of the security and technical criteria. Romania intends to complete the Schengen accession process by the end of 2024 but faces some resistance from some EU member states.

The international rating agency S&P has affirmed Romania's sovereign rating at BBB, with a stable outlook, in October 2023. The rating reflects the balance between the modest stock of external and government debt and the incoming EU transfers, on the one hand, and the high twin deficits and the economic risks from the Russia-Ukraine conflict, on the other hand.



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

Uroš Popović
uros.popovic@bd2p.com

–

The end of 2023 was marked by halved inflation, expensive loans, and economic growth. Serbia entered 2024 with increased salaries in the public sector, pensions, and the minimum wage, as well as announcements of anticipated new investments.

Since January, many citizens will have higher incomes. Pensions will increase by 14.8%, salaries of public sector employees will rise by 10%, and the minimum wage by 17.8%.

Economic growth is projected to accelerate to 3.1% in 2024 and 3.7% in 2025, mostly on the back of accelerating private consumption growth, helped by lower inflation, and a pick-up of investment.

On the production side, all sectors are set to contribute positively to annual growth, with substantial contributions from agriculture and construction due to base effects from the drought and low construction activity in 2022. After the substantial positive effect in 2023, the contribution of net exports to growth is expected to be broadly neutral in 2024 and 2025, helped by increased export performance supported by recent foreign direct investment in the tradable sector.

As for the unemployment rate, the European Commission forecasts that it is expected to return to a moderately declining path in 2024 and 2025, in line with some pickup in employment growth reflecting the economic recovery.



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

Andrej Kirm
andrej.kirm@k-p.si

–

Most short-term economic indicators for Slovenia improved by the end of last year but generally did not reach levels from a year ago.

Year-on-year inflation fell to 4.2% by the end of the year, more than halving compared to December 2022, primarily due to lower food and energy prices influenced by government measures. Year-on-year growth in service prices moderated, and employment growth slowed.

In November, the average gross wage increased by 9.8% (nominal) and 10.9% (real) compared to October, largely driven by higher exceptional payments (13th salaries and Christmas bonuses). Private sector wages grew most in industries with severe labor shortages.

Household consumption rebounded in the last quarter, especially in spending on foreign tourist services and personal vehicle sales.

A public opinion survey revealed that 93% of Slovenians are satisfied with their lives, ranking the country among the EU's most content. Despite this overall contentment and decreased concerns about the rising prices, costs of living and energy supply issues, the rising prices remain a top concern at both individual and national levels.



By Industry

POTENTIAL DEALS



AL

MERGERS & ACQUISITIONS

OPPORTUNITY FOR A RESIDENTIAL DEVELOPMENT IN LJUBLJANA – ROŽNA DOLINA

Market/jurisdiction: Slovenia

Sector: Housing

Deal Category: Investment – Project

Deal value: EUR 10.8 million

SDH (Slovenian Sovereign Holding) is selling a building land plot in one of Ljubljana's most popular residential areas. Under the local government spatial plan, the land has been zoned as predominantly for multi-apartment buildings, with the maximum building size of ground floor plus two storey plus terrace and is being sold in its entirety of 16.669 m².

Rožna dolina is accessible by public transport, it is conveniently situated near the ring road and motorway, with the city center also in the vicinity. Within the neighbourhood there are schools, daycare centers, healthcare facilities, libraries and a diverse range of services. The area also provides opportunities to escape to nature with Ljubljana Zoo, Rožnik and hiking trails nearby.

AGRICULTURAL SECTOR RESTRUCTURING

Market/jurisdiction: Croatia

Sector: Agriculture

Deal Category: M&A

Deal value: n/a

In addition to Fortenova Group selling off one of its three key sectors - agricultural production, with three major companies to be included in the sale (Belje, Vupik, and PIK Vinkovci), Rabo, the largest Croatian producer of apples, was sold to the Hungarian Mészáros Group.

These announcements and sales indicate the start of a new trend, with many more companies expected to participate in future M&A deals.

Investors are advised to keep a close watch for potential deals. These deals, in addition to the expiration of the moratorium on the sale of agricultural land, could result in a major restructuring in the Croatian agricultural sector.

HOTEL JUGOSLAVIJA PUT UP FOR SALE

Market/jurisdiction: Serbia

Sector: Tourism

Deal Category: Public Procurement

Deal value: EUR 27.1 million

The Bankruptcy Supervision Agency has advertised the sale of the company Danube Riverside as a legal entity. Among the most important property of this company is Hotel Jugoslavija at the Zemun Wharf.

Hotel Jugoslavija is being sold as a business space and a single unit, with a basement, ground floor, mezzanine, and eight upper floors, and over 45,000 m² of building land is also up for sale. Also, as part of the property, artworks protected by the state – chandeliers, a bust and a sculpture, a work by Aleksandar Zarin, are up for sale.

The value of the property has been estimated at EUR 54.2 million, and the initial price is EUR 27.1 million.

On the land, a joint property of Danube Riverside in bankruptcy and MV Investment from Belgrade has been established.

The public bidding will be held on 22 March 2024.

INITIAL PUBLIC OFFERING

Market/jurisdiction: Greece

Sector: Gaming - Gambling

Deal Category: Bond loan

Deal value: EUR 130 million (EUR 1,000 per bond)

INTRALOT S.A. – INTEGRATED LOTTERY SYSTEMS AND SERVICES, a leading gaming solutions supplier and operator active in 39 regulated jurisdictions worldwide, has issued a common, interest-bearing, bond loan of a total nominal amount of up to EUR 130 million (bond coverage at least EUR 120 million) with a five-year duration. The bonds (i.e., 130 million dematerialized, common, registered bonds with a nominal value of EUR 1,000 each) will be offered for subscription through public offering to investors within the Greek territory through the Electronic Book Building (EBB) service offered by the Athens Stock Exchange.

PUBLIC TENDER

Market/jurisdiction: North Macedonia

Sector: Construction – Energy

Deal Category: Public Procurement

Deal value: EUR 2.4 million

NOMAGAS JSC Skopje – published a contract notice in an open procurement procedure for supervision services and support management services. The selected bidder will have to fulfil all duties of the Engineer in accordance with the FIDIC Conditions of Contract for Construction ("Red Book" – First Edition, 1999). The supervision services will be conducted over the construction of the bidirectional gas interconnector Negotino – Evzoni on the territory of North Macedonia.

AUCTION OF BUSINESS PREMISES

Market/jurisdiction: Slovenia

Sector: Business

Deal Category: Investment – Project

Deal value: EUR 2.1 million

A strategically located business property at Petrina 11, 1336 Kostel, a unique blend of pristine nature by the Kolpa river and excellent transport links, just 12 km from Delnice's highway and railway and 56 km from Rijeka's port is available for sale.

This 3,365.10 m² two-floor building, constructed in 1994 and renovated in 2014, boasts offices, an industrial section, and a modern eatery. All essential utilities are installed, and large parking is available directly off the main road. The entire plot spans 10.014 m².

TIVAT IS GETTING AN OLIVE CENTER

Market/jurisdiction: Montenegro

Sector: Agriculture

Deal Category: Project

Deal value: n/a

Tivat will soon receive the Olive Center for Mediterranean and Beekeeping, which will be built on municipal land in Grabovac area of Krtoli.

The center will have a large nursery and space for beehives in the open area, while the building itself, with a minimal area of several hundred square meters, will include a laboratory sector

with accompanying technical rooms, a tasting room for product sampling, a processing area for olives and Mediterranean crops with production process facilities, a multimedia room for education and presentations, and more. The future center will be built on a plot of land measuring 22,019 m² owned by the municipality.

It is planned to plant olive trees of different varieties and other Mediterranean crops on the free areas around the facility, in addition to the nursery. The new center's apiary is expected to have at least 100 beehives. The accompanying documentation states that the construction of the facility aims to develop rural areas, eco and agritourism, and that the Center's construction will contribute to the "preservation of the tradition and cultural identity of the Tivat area," sustainable development of the local community, and the establishment of a partnership between the municipality and local agricultural producers, olive growers, and beekeepers.

It is noted that new funds have become available to Montenegro from European funds. It is also reminded that, at the initiative of the Olive Society Boka, Tivat was the first in Montenegro to be declared the City of Olives and a signatory to the Founding Statute of the Network of Mediterranean Olive Cities signed in November 2011.

INFRASTRUCTURE

ATHENS INTERNATIONAL AIRPORT SHARES COMMENCED TRADING

Market/jurisdiction: Greece

Sector: Airport Operation Services

Deal Category: Shares

Deal value: n/a

On 7 February 2024, Athens International Airport S.A. ("AIA") and Hellenic Republic Asset Development Fund S.A. commenced the trading of all 300,000,000 ordinary shares of AIA on the regulated securities market of the Athens Exchange following an IPO which involved the offering of 90 million AIA shares to retail and institutional investors in Greece and to institutional investors outside Greece. Said IPO attracted strong demand by domestic and foreign investors, thus the commencement trading price of AIA shares was EUR 8.20 per share (the upper end of the price range).

DESIGN AND CONSTRUCTION OF THE WESTERN BELT ROAD OF TIMISOARA (WESTERN ROMANIA)

Market/jurisdiction: Romania

Sector: Infrastructure – Roads

Deal Category: Project

Deal value: Approx. EUR 401 million (VAT excluded)

The Timisoara Regional Directorate for Roads and Bridges (DRDP) has announced the launch of the tender for the design and construction of the western belt road of Timisoara (western Romania). The deadline for submitting bids is 29 March 2024.

SALE OF NAMA'S DEPARTMENT STORE LOCATIONS

Market/jurisdiction: Croatia

Sector: Infrastructure – Real Estate

Deal Category: Project

Deal value: n/a

More than 23 years after the commencement of bankruptcy proceedings against Nama joint stock company in bankruptcy proceedings ("**Nama**"), one of the biggest department store companies in former Yugoslavia, the Commercial Court in Zagreb accepted Croatia Osiguranje's request for protecting the right to a trial within reasonable time. As a consequence, Nama's highly attractive department store locations will be up for sale. After the Financial agency ("**Fina**") opens the auction proceedings by a public announcement on the e-Auctions website, interested persons can submit their bids personally or via a proxy, after the payment of a security deposit.

Croatia Osiguranje, Nama's creditor, requested for protection of its right to a trial within reasonable time in October 2023, due to the fact that the bankruptcy proceedings against Nama were initiated on 23 June 2000. The court ordered Nama's department store iconic locations on Ilica and Kvaternik Square in Zagreb to be sold by September 2024. These locations are Nama's flagship stores which have throughout the years earned a legendary status, with many generations growing up shopping at Nama.

Croatia Osiguranje has the right to settle its

receivables from the value of Nama's real estate, including the aforementioned buildings.

As all necessary changes have been implemented in the land registry, the properties are expected to be put on sale very soon, with potential investors already showing interest.

SALE OF METELKOVA PARKING GARAGE

Market/jurisdiction: Slovenia
Sector: Infrastructure
Deal Category: Investment - Project
Deal value: EUR 3.553 million + tax

SDH (Slovenian Sovereign Holding) is in the process of collecting non-binding offers for the sale of 209 parking spaces in the first basement of the Metelkova parking garage.

Built in 2000, the garage is located near the city center, in the immediate vicinity of the main bus and train stations as well as a health center and autonomous cultural center, Metelkova town.

There is a large number of residential properties above the garage which offers, in combination with the favourable location and ever-increasing demand for renting parking spaces, a great potential for the future.

IMPROVING PUBLIC PASSENGER TRANSPORT IN THE MUNICIPALITY OF TIMIȘOARA

Market/jurisdiction: Romania
Sector: Transportation
Deal Category: Project
Deal value: Approx. EUR 21.7 million (VAT excluded)

Acquisition of less polluting means of transport (trolleybuses) necessary for improving public passenger transport in the Municipality of Timișoara (2 stages) financed through RRF 2020-2026.

PORT OF VOLOS – PUBLIC TENDER OFFER

Market/jurisdiction: Greece
Sector: Infrastructure
Deal Category: n/a
Deal value: EUR 51 million

Thessaloniki Port Authority SA, being the highest bidder in the public tender for the development of the port of Volos, acquired 67% of the share capital of Volos Port Authority (VPA) SA. Said acquisition is expected to facilitate and increase sea imports and exports between the countries of Middle East, the Balkans and Central Europe.

CRAIOVA EMERGENCY REGIONAL HOSPITAL

Market/jurisdiction: Romania
Sector: Medical Infrastructure
Deal Category: Project
Deal value: Approx. EUR 401 million (VAT excluded)

An opportunity for a tender for construction works, supply and installation of medical equipment respectively: bringing the excavation to the final level of the hospital building site, execution of all other construction and installation works provided in the technical execution documentation for the „Craiova Emergency Regional Hospital" (including the heavy medical equipment).

CONSTRUCTION OF THE PART OF CORRIDOR 5C – MOSTAR SJEVER – MOSTAR JUG

Market/jurisdiction: Bosnia & Herzegovina

Sector: Infrastructure – Roads

Deal Category: Project

Deal value: Approx. EUR 350 million

This part of Corridor Vc will be 14.2 km long. Project will be funded by European Bank for Reconstruction and Development. Across this 14.2 km there will be 5 tunnels with overall length of about 6 km and 10 bridges stretching almost 2 km.

DURRES – PRISTINA RAILWAY

Market/jurisdiction: Albania

Sector: Infrastructure – Railway

Deal Category: EU – funded program

Deal value: Approx. EUR 2 million

It has been signed the contract on the feasibility study for Durres-Pristina Railway. The Albanian Railway Company awarded in December 2023 a 2 million EUR feasibility study on Durres-Pristina railway to the Joint Venture of companies "ILF Consulting Engineers Austria GmbH & ABKONS SH.P.K."

The feasibility study will evaluate among at least two route alternatives for the Albanian side:

- The construction of Mjete – Qafë Morinë Border – Kramovik railway;
- The construction of Milot – Vernica Border – Landovice railway;
- Other alternative to be assessed by the Joint – Venture

The construction of this railway is of a threefold importance: i) lower transport costs and larger transport capacities as regards the exchange in the transport of goods and merchandise between Albania, Kosovo and the region; ii) development of rail transport of passengers becoming more attractive and beneficial for both Albania and Kosovo; and iii) this railway line offers the best and most favorable alternative for the shortest connection between Albania railway network of Albania, namely the railway corridor VIII (eight) with the railway corridor X (ten).

VORA – HANI I HOTIT RAILWAY

Market/jurisdiction: Albania

Sector: Infrastructure – Railway

Deal Category: Project

Deal value: Approx. EUR 356 million

It has been launched the first phase of the bid on the drafting of the design, review of the design, procurement support and monitoring for 120 km rail of Vora-Hani I Hotit railway. This procedure will be conducted in two phases; the first one regarding expressions of interest is opened until January 31st 2024. The project is part of an extension to the TEN-T main Western Balkans railway network that shall connect Albania with the national and European railway networks through the pan-European corridor. The railway crosses Albania/Monte-Negro border, at Hani I Hotit (KM 140), and crosses through seven Albanian municipalities.

CONSTRUCTION OF FISHING PORT IN ULCINJ

Market/jurisdiction: Montenegro

Sector: Construction – Fishing port

Deal Category: Project

Deal value: EUR 15 million

The construction of the fishing port in Ulcinj will begin after the summer season of 2025, and it will last for two years. Fishing ports are also planned in Herceg Novi and at the location of Marina Bar.

The preparation of the project task for engaging experts to prepare the main project and tender documentation for construction works is currently underway. It is expected to be announced by the end of the Q1 2024, in order to start the tender process immediately after signing the loan agreement with the World Bank. The Environmental Protection Agency recently approved the Environmental Impact Assessment Report for the fishing port. The port will have mixed purposes, including space for fishing, tourist, and recreational boats, a hall for storing and packaging fish. It will accommodate 79 boats with a maximum length of 20 m, with a total area of 35,000 m² and 67 parking spaces.

INVITATION FOR PREQUALIFICATION

Market/jurisdiction: North Macedonia

Sector: Construction – Motorway

Deal Category: Project

Deal value: EUR 167.6 million

The Public Enterprise for State Roads of North Macedonia published an Invitation for prequalification for works for the Project for construction of a 10.5 km long sub-section of the TEN-T Route 6 Motorway. The Project is financed by the EBRD by the loan provided to the Public Enterprise for State Roads and the procurement policies and rules of the EBRD will be applicable.

CONSTRUCTION OF BIO4 CAMPUS

Market/jurisdiction: Serbia

Sector: Infrastructure – Health

Deal Category: Project

Deal value: Approx. EUR 413 million

The construction of the multidisciplinary complex of buildings called the BIO4 campus has begun in Belgrade, near Torlak Institute, which will give Serbia the status of a recognizable bioeconomic centre in Europe.

The BIO4 project is expected to harness Serbian scientific expertise and private partners from among the world's biggest pharma, genetics, and healthcare companies.

In September 2023, Serbia signed a borrowing agreement with the Council of Europe Development Bank for EUR 200 million for the construction and equipment of the BIO4 campus. The 2024 national budget also projects loans of up to EUR 65 million from

foreign governments and funds.

The Serbian government has already signed Memorandums of Understanding with pharmaceutical giants Pfizer and AstraZeneca and with China's BGI, one of the world's biggest genome research organisations.

Memorandums are also signed with the companies Roche, Merck Sharp, Dohme, and Takeda.

The park is expected to become the new home for the faculties of biology and pharmacy, the bioengineering arm of the Faculty of Technology and Metallurgy, and – fully or in part – of eight scientific institutes.

The park will also host a national database of genetic resources – a so-called "biobank" – bringing together data from microorganisms and plants through animal to human genes, as a vital resource for biotechnology.

CONSTRUCTION OF LOT 3.2 OF STRUMA HIGHWAY

Market/jurisdiction: Bulgaria

Sector: Infrastructure – Roads

Deal Category: Project

Deal value: Approx. EUR 750 million

The last lot of Struma highway is the most complex going through the Kresna mountains. The Bulgarian government is preparing tender for construction of the lot to be open in early 2024.

TEHNOLOGICAL INDUSTRIAL DEVELOPMENT ZONES AWARDED A CONTRACT ON THE ESTABLISHMENT OF PUBLIC-PRIVATE PARTNERSHIP FOR DESIGN, CONSTRUCTION, OPERATING AND FINANCE OF THE - TDIZ – GEVGELIJA

Market/jurisdiction: North Macedonia

Sector: Investment

Deal Category: PPP

Deal value: Approx. EUR 120 million (for Phase 1)

The allocation of the technological industrial development zone Gevgelija to a Private Partner and through the contract which is awarded as a PPP contract in the form of a public service concession. The subject matter of the planned concession is the design, construction, operation, maintenance, and financing of the Gevgelija technological industrial development zone in two Phases – Phase 1 and Phase 2.

Phase 1 refers to the establishment of the Gevgelija technological industrial development zone by the Private Partner. This phase includes

the construction of infrastructural, industrial, and other facilities with a total surface area of about 270,000 m² per the urban planning requirements and the area's intended uses, on a 50.25 ha building plot.

Phase 2 depends on the successful implementation of Phase 1. In Phase 2, the Private Partner would have the obligation to design, build, operate, maintain, and finance Phase 2 of the Gevgelija technological industrial development zone, which includes the construction of infrastructural, industrial, and other facilities per the applicable urban planning requirements and the area's intended uses, potentially on a building plot of about 70 ha, if the land is available at the time of completion of Phase 1. The Public Partner is under no obligation to make the land available to the Private Partner if the legal, planning, and other conditions, stipulated by the contract concluded with the Private Partner, are not met at the time of fulfilment of the contractual obligations of the Private Partner at the end of the Phase 1 construction period.

NATURAL RESOURCES & ENERGY

DESIGN, CONSTRUCTION, AND MANAGEMENT OF PHOTOVOLTAICS IN TECHNOLOGICAL INDUSTRIAL DEVELOPMENT ZONES

Market/jurisdiction: North Macedonia

Sector: Energy

Deal Category: PPP

Deal value: n/a

The Directorate for Technological Industrial Development Zones of North Macedonia adopted a decision to initiate a procedure for awarding a public-private partnership contract ("PPP Contract") for the design, construction, financing, management, and transfer of photovoltaic power plants in several technological industrial development zones ("TIDZ") in North Macedonia.

60.60 hectares of land in total, will be given to the selected private partner and the private partner will also be able to conclude contracts with investors who are users of a TIDZ for installing photovoltaics on the roofs of factories.

Contract Duration: 25 years.

NATURAL GAS PRODUCTION

Market/jurisdiction: Cyprus

Sector: Energy

Deal Category: Project

Deal value: n/a

Cyprus will commence natural gas production for the first time by 2026 and plans to engage in a high-capacity electricity transmission project using cables that will link the eastern Mediterranean to mainland Europe. The project is anticipated to contain around 2.5 trillion cubic feet (tcf) of natural gas. Numerous energy companies have shown interest in exploiting the gas reserves within the designated blocks. The substantial interest expressed aligns with the requirements for this significant geostrategic project.

TENDER FOR PODGORICA BIOENERGY PLANT FEASIBILITY STUDY IN THE PIPELINE

Market/jurisdiction: Montenegro
Sector: Construction
Deal Category: Public Procurement
Deal value: EUR 1 million

The Podgorica-based company Deponija will soon announce a tender for feasibility study for a bioenergy plant project in the capital, and a project for the construction of an incinerator is also in preparation. The incinerator could address the issue of municipal waste throughout Montenegro while simultaneously generating significant amount of electrical energy.

THE LARGEST RENEWABLE ENERGY PLATFORM IN MONTENEGRO

Market/jurisdiction: Montenegro
Sector: Energy
Deal Category: Project Development
Deal value: USD 200 million

A leading renewable energy investor Alcazar Energy has acquired the rights to a 118 MW wind farm project in Montenegro as part of its strategy to build the largest renewable energy platform in the Western Balkans.

Alcazar Energy is entering into a partnership with Simes Engineering and Sistem MNE who were the original greenfield developers of the project. This project will be built at a cost of around USD 200 million, becoming one of the largest wind farms in the Western Balkans and doubling Montenegro's installed wind capacity.

Financial close is expected in Q1 2025, with construction commencing in early 2025.

CHINESE INVESTMENTS IN RES

Market/jurisdiction: Serbia

Sector: Energy

Deal Category: Project

Deal value: EUR 2 billion

Planned investments of EUR 2 billion for the development and construction of wind farms and solar farms, energy storage for hydrogen production, and hydrogen fuel cell technology – are positioning Serbia significantly in Europe as a hydrogen producer and a future exporter of these energy source.

Two Chinese companies expressed interest in investing in Serbia: Zijin Mining Group which already signed memorandum of understanding, and Shanghai Fengling Renewables. Both companies are interested in investing in the production and storage capacity of renewable energy sources (RES) in Serbia, especially green hydrogen, which represents the future of global energy.

They are considering the construction of a hybrid facility, a solar and wind farm that would produce green energy.

CONSTRUCTION OF 4 GW PV POWER PLANT IN MARITSA EAST MINES

Market/jurisdiction: Bulgaria

Sector: Energy

Deal Category: PPP

Deal value: EUR 2.4 billion

The management of Maritsa East mines, Bulgarian Energy Holding and Electricity System Operator signed memorandum planning to invest and build 4 GW of PV power plants in the area of the used Maritsa East mines. The plan is to launch the first 300 MW by 2030. Tender procedures and development are pending.

AUCTION OF PHOTOVOLTAIC (PV) PLANTS FOR UP TO 1 GW

Market/jurisdiction: Albania

Sector: Energy

Deal Category: Project

Deal value: n/a

The Albanian Ministry of Infrastructure and Energy (MIE) has announced its intention to launch auction procedures for the award of PV projects for to 1 GW of installed capacity, through at least 3 separate competitive procedures.

The projects will be awarded in relation to sites independently selected and secured by the bidders. MIE will publish areas unsuitable / non-eligible for developing new wind projects defined as "constraints" or "no go areas".

The first of this series of auctions will be for 300 MW installed capacity, and is expected to be launched by November 2023, with a deadline for the proposals during February 2024. Apart from the qualification based on technical and financial capabilities of bidders, the key criterion for the award is the lowest price offered for the sale of energy.

PHOTOVOLTAIC PLANT IN THE SELINE LOCATION

Market/jurisdiction: Bosnia & Herzegovina

Sector: Energy

Deal Category: Project

Deal value: n/a

The Government of Herceg-Bosnia Canton has adopted a decision establishing that the construction of a photovoltaic plant in the municipality of Tomislavgrad, the locality of Seline, with a total power of 100 MW is in the interest of Herceg-Bosnia County.

EU TO BUILD A LIQUEFIED NATURAL GAS TERMINAL IN BAR TOGETHER WITH MONTENEGRO

Market/jurisdiction: Montenegro

Sector: Energy

Deal Category: Project

Deal value: n/a

The European Union is ready to build a liquefied natural gas (LNG) terminal in Montenegro in partnership with Montenegro.

The construction of a gas terminal in Bar would be of great importance for Montenegro and the region, bearing in mind the energy crisis caused by Russia-Ukraine situation. With its construction, Montenegro would become a hub for other countries in the region when it comes to liquefied gas.

A memorandum on the project has already been signed. The document envisages two energy infrastructure projects: 1. The construction and installation of a fixed terminal for the import of LNG in Montenegro, as well as its storage, regasification and transportation; 2. A greenfield investment in the installation of a gas-fired power plant, which would be supplied with fuel from the future LNG terminal.

NEW RULES FOSTERING THE DEVELOPMENT OF AGROVOLTAICS AND SOLAR POWER PLANTS

Market/jurisdiction: Croatia

Sector: Energy

Deal Category: Energy markets – Projects

Deal value: n/a

Recent changes to building regulations in Croatia now allow for the construction of agrovoltaic power plants up to 10 MW without the need for a construction permit. Agrovoltaic power plants are restricted to agricultural land registered in ARKOD as a permanent plantation, promoting sustainability and integrating the energy sector with agriculture.

Investors now only require an approval for the main project, with the energy approval, issued by the Ministry of Economy and Sustainable Development, no longer needed for solar power plants under 10 MW.

Experts anticipate that these changes will simplify the documentation process, reducing financial expenses by 10 to 15%.

CONSTRUCTION OF PHOTOVOLTAIC PLANT „FNE EPHZHB 1“

Market/jurisdiction: Bosnia & Herzegovina

Sector: Energy

Deal Category: Project

Deal value: n/a

This photovoltaic plant will be constructed in Municipality of Stolac. Overall power of the object will be 150 MW. Federal Ministry of energy, mining and industry stated that this project will be beneficial to the local and regional community.

CONSTRUCTION OF SOLAR PHOTOVOLTAIC PLANT "SOKOLAC 100 MW"

Market/jurisdiction: Bosnia & Herzegovina

Sector: Energy

Deal Category: Investment

Deal value: Approx. EUR 87 million

"Sokolac 100 MW" will be built in Municipality of Sokolac on the 137 ha of land. Estimated annual production of electricity will be around 142 GWh. Construction of "Sokolac 100 MW" will start at the end of 2023 and will be finished in 2025.

LEISURE

RIVIERA TOWER – THE ELLINIKON

Market/jurisdiction: Greece

Sector: Leisure - Infrastructure - Energy

Deal Category: n/a

Deal value: n/a

LAMDA Development S.A., listed on the Main Market of the Athens Exchange (ATHEX), is a holding company specializing in the development, investment and management of real estate properties. At the end of October 2023, said company "proceeded to the pivotal step for the completion of the foundation of Riviera Tower" by installing 111 piles, 1.5 m in diameter, at a depth of 50 m. The Riviera Tower shall be the largest green, coastal residential tower in the Mediterranean and follows the standards of designs and constructions of some of the tallest buildings in the world, such as Burj Khalifa and Petronas Towers. The project is expected to be completed by 2026.

PAUL GUAGUIN PARK

Market/jurisdiction: Cyprus

Sector: Leisure Infrastructure

Deal Category: Project

Deal value: n/a

In the coming months, Paul Gaugin Park is set to evolve into a focal point of interest for both residents and visitors of Limassol. Currently under construction, it will become the city's second-largest green space, spanning an area of nearly 10,000 m².

The park is designed to provide opportunities for recreation, relaxation, sports, social interactions, and environmental education within an easily accessible and ideal environment. This redevelopment initiative aims to enhance the environmental quality of the area, playing a crucial role in meeting the essential need of citizens for access to green spaces.

BUILDING LAND WITH FULL BUILDING PERMIT IN FIESA, PORTOROŽ IS ON SALE

Market/jurisdiction: Slovenia
Sector: Tourism - Construction
Deal Category: Investment
Deal value: EUR 1.6 million

One of the last large plots for residential construction plots in a unique location on the Slovenian Coast in Fiesa is on sale.

Fiesa is situated along a serene coastal bay with two small lakes, surrounded by lush greenery and stunning views. This tranquil bay is known for its exceptionally clear waters, a verdant environment, and scenic cliffs. The well-kept beach is popular due to the shade provided by pine trees and its shallow pebble bottom. Fiesa Bay is also a favored diving spot, thanks to its clear waters and diverse underwater life.

The land, measuring 3486 m², is positioned on a sunny slope with sea views and views of the surrounding hills. It is conveniently located along the main road from Piran to Fiesa. The quiet, green surroundings are mostly home to residential properties and holiday accommodation.

BUILDING OF SPA COMPLEX SLATINA

Market/jurisdiction: Bosnia & Herzegovina
Sector: Recreation – Tourism
Deal Category: Investment
Deal value: Approx. EUR 150 million

This complex will be built on 100.000 m² with additional 84.000 m² of parks. Complex will consist of sports facilities, hotel with wellness and numerous hospitality shops.

LEISURE SOPOT COUNTRY CLUB

Market/jurisdiction: Bulgaria
Sector: Tourism
Deal Category: Construction
Deal value: Approx. EUR 1.2 million EUR (acquisition) and approx. EUR 20 million (construction)

Located 1.5 hrs from capital Sofia near Sopot Lake, this opportunity is for development of country club with build-up area approx. 23,000 m² with flats, houses, sport fields, restaurants and shops.

SOFIA HOTEL FOR SALE

Market/jurisdiction: Bulgaria
Sector: Tourism – Real Estate
Deal Category: Investment
Deal value: EUR 18 million

Fully renovated spa hotel in top location in Sofia with SPA centre. 100+ rooms fully renovated. Location is in one of the Business office hubs in Sofia where offices of major financial institutions, IT and other companies are located.

CASINO RESORT

Market/jurisdiction: Cyprus
Sector: Leisure – Tourism
Deal Category: Project
Deal value: EUR 600 million

The "City of Dreams Mediterranean" is deemed one of the most substantial tourist projects in Cyprus and currently stands as the largest casino resort in Europe. Situated in Limassol, the project, with a construction cost exceeding EUR 600 million, celebrated its grand opening in July 2024.

Apart from the expansive casino, the resort features a 14-floor hotel with 500 rooms and suites, swimming pools, exclusive shops, restaurants, and a conference hall. This comprehensive facility aims to elevate Cyprus as an appealing destination for high-quality tourism and position it as a central hub for business and conferences.

RESORT MAVROVO STRATEGIC PARTNERSHIP

Market/jurisdiction: North Macedonia
Sector: Tourism and Hospitality
Deal Category: Project
Deal value: EUR 15 million

Opportunity arises for strategic partnership in Resort Mavrovo, placed in the largest National Park in North Macedonia.

This is a Macedonian group of companies that owns 3 hotels, 5 restaurants, a sports center (with sports hall and outdoor facilities) and manages/operates the ski center Mavrovo. An Investment Plan is prepared for a new gondola in the ski center and modernization of the hotels with a total value of EUR 15 million.



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