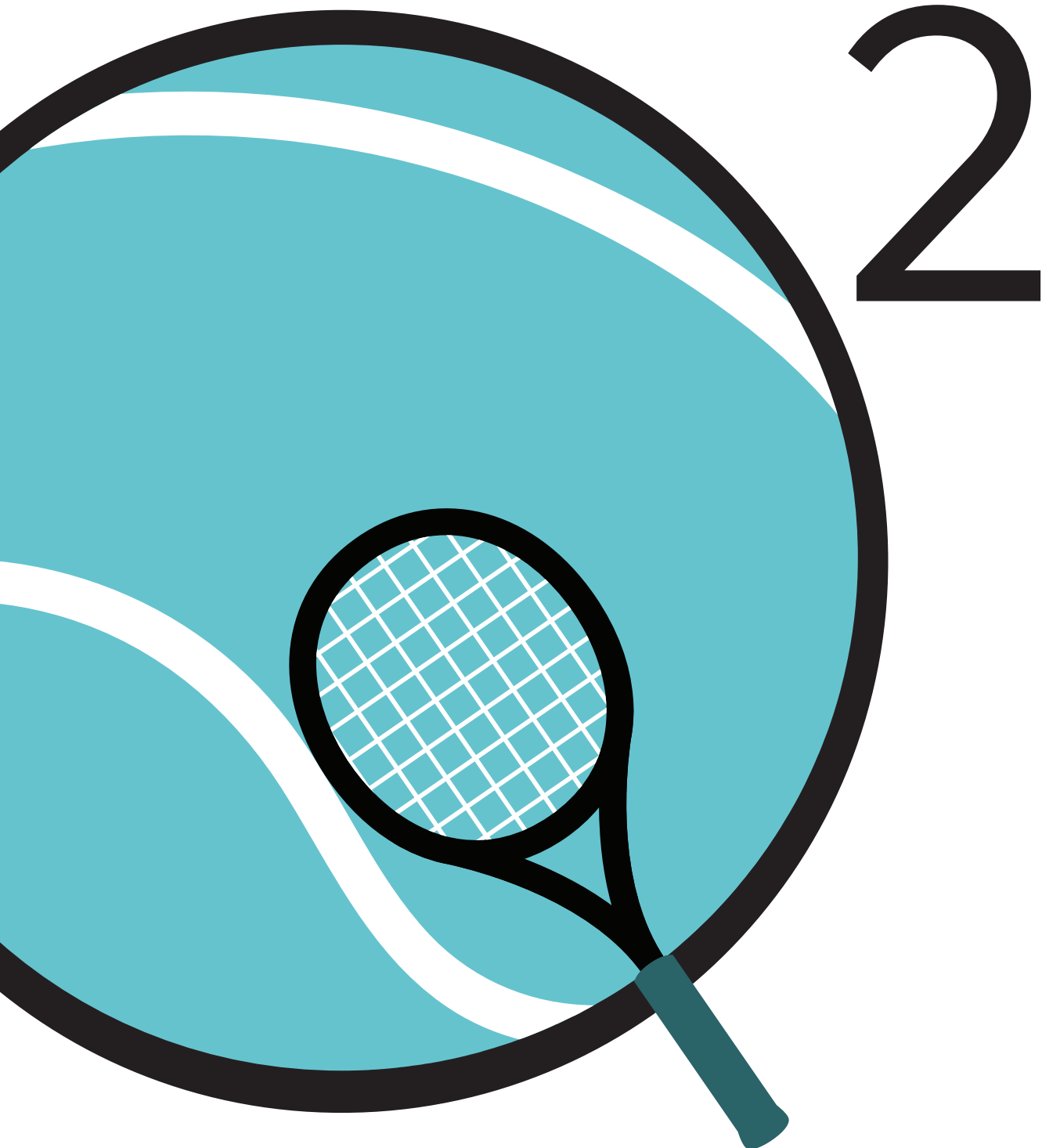


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**SEE Market Snippets
2024Q2**

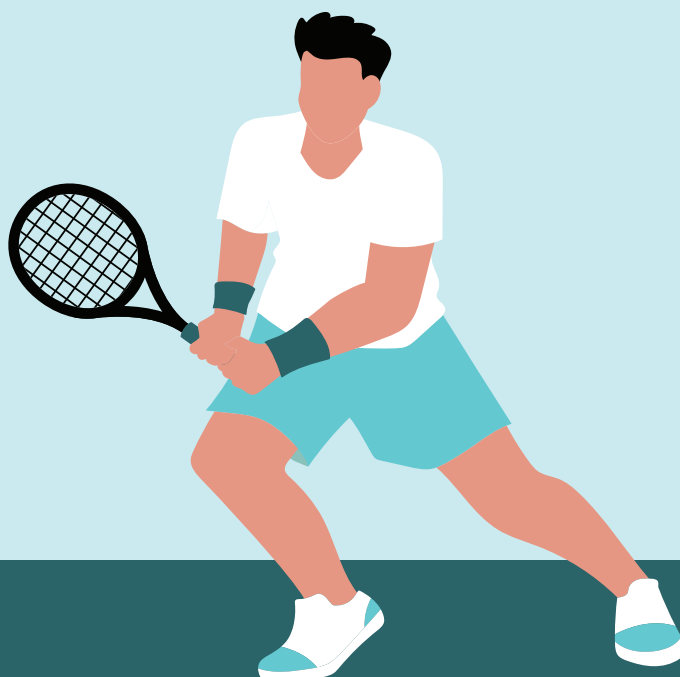




Business opportunities in SEE

SEE Market Snippets - 2024Q2

SELA - South East Legal Alliance
June 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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SELA LAWYER SPOTLIGHT

Featuring Marko K. Bohacek

[Read more →](#)

OVERVIEW

Country-by-Country



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–
In April 2024 Moody's affirmed Albania's B1 long-term foreign and local currency issuer ratings and the B1 foreign currency senior unsecured debt rating, and also changed the outlook from stable to a positive outlook.

Moody's affirmed that Albania's B1 ratings reflects moderate fiscal, economic and institutional strength balanced by elevated susceptibility to event risks driven by government liquidity and banking sector risks.

The local currency country ceiling remains unchanged at Baa3. The four-notch gap with the sovereign rating reflects predictable institutions, a contained government footprint in the economy and financial system, manageable political risk, and moderate external imbalances.

The foreign currency country ceiling remains unchanged at Ba2. The two-notch gap to the local currency ceiling reflects relatively weak, albeit improving, policy effectiveness and moderate external indebtedness.



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–

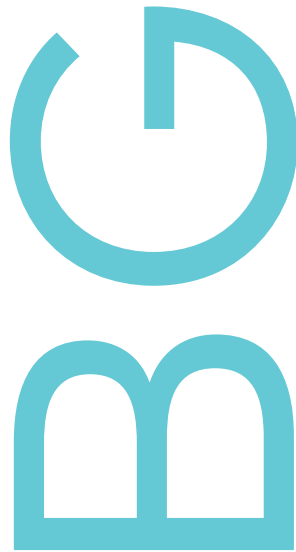
Bosnia & Herzegovina has a complex multi-level government structure. It is composed of the Federation of Bosnia & Herzegovina and the Republic of Srpska, collectively referred to as the "Entities". The Entities have significant legislative powers in economy and foreign investments.

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.



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–

The highly anticipated rotation of Prime Minister figure in the former governing coalition which was due in early March 2024 crashed quite unexpectedly and slipped the country to another care-taker government and new early elections. Those are to be the 6st parliamentary elections in last three years. The local parliamentary elections will be held simultaneously with the European Parliament elections on 9 June 2024. The unstable pre-election political environment combined with the uncertainty whether the pro-liberal and pro-European political forces would be able to reach a stable majority and form a regular government after the elections put the national goals of adopting the euro in January 2025 and joining the Schengen zone by land as soon as possible into a rather vague perspective. Although as per the constitutional amendments of December 2023 the Parliament is not officially dismissed until the new members are elected, it is safe to say that all reforming efforts in the field of judiciary reform are put on hold.

Despite the political turmoil, the country continues its stable economic development in 2024's first half. Recently shared by the European Commission ("EC") data shows that EC expects Bulgarian economy, to grow by 1.9% in 2024. For next year, the Commission expects GDP growth to accelerate significantly to 2.9%. Bulgaria is also very close to finally fulfilling the last euro area entry criterion with inflation in of 3.1% on an annual basis as of March 2024, compared to the euro area average of 2.4%. In order to meet the criteria, inflation should be average compared to the three countries with the least appreciation in the eurozone.



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–

According to World Bank, Croatia's economic outlook for 2024 remains cautiously optimistic, with moderate growth expected.

The GDP is projected to grow modestly, supported by a strong tourism sector and EU funds, which are helping Croatia's GDP per capita approach 75% of the EU average. However, inflation remains a significant challenge, driven by both demand and supply factors. The central bank has responded with interest rate hikes to manage inflation, though this approach may impact investment and consumer spending.

Household financial health is improving, thanks to a strong labour market and higher remittances, which contribute to a cautiously optimistic consumer outlook. Nevertheless, global economic uncertainties and potential fluctuations in the job market could affect consumer confidence. Business investment is also facing challenges from inflation and tighter monetary policies. To sustain growth, it is crucial to enhance the institutional framework and business environment.

Overall, while Croatia is making economic progress, it must navigate inflationary pressures and external economic risks to maintain its growth trajectory.



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

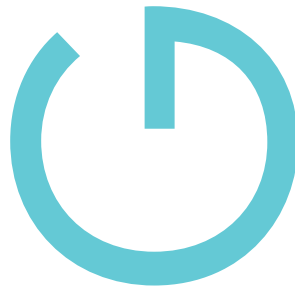
Panagiotis Drakopoulos
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–

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.



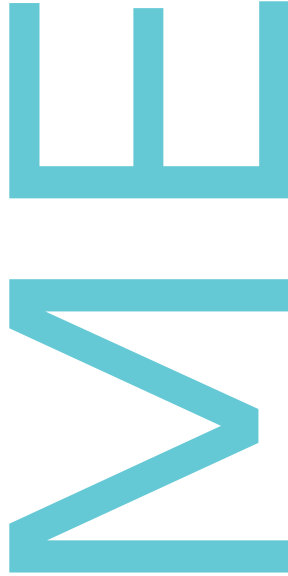
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After a strong rebound in 2022, Greek economy continued to show positive, albeit decelerating, growth rates in 2023 and stood out among other countries in the eurozone. According to the latest OECD Economic Outlook for Greece (May 2024), Greek economy remains resilient and its growth "is projected to continue at 2.0% in 2024 before picking up to 2.5% in 2025". Investment growth, supported by the disbursement of the EU Recovery and Resilience Fund and by the continuous improvement of banks' health is expected to reach circa 9% by 2025. As regards consumption growth, OECD forecasts that it "will pick up in 2024 as real wage increases, employment gains and strong tourism inflows support incomes and spending".

Further, according to the latest Financial Stability Review of the Bank of Greece (April 2024), inflation will decline gradually, reaching 2.2% in 2025. The risks surrounding BoG's forecast relate *inter alia* to any deterioration in the growth rate of the eurozone in conjunction with the geopolitical crises in Ukraine and the Middle East and their impact on the international economic environment as well as any potential natural disasters linked to the effects of the climate crisis.



For more information on the Montenegrin market please contact

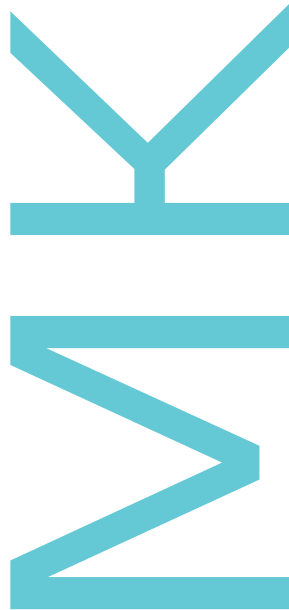
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–

The Montenegrin economy growth is expected to moderate to 3.7% in 2024 and ease further to about 3% over the medium term. Barring fresh shocks to international commodity prices and sizable policy induced domestic wage increases, the differential between the Montenegrin and the Euro Area inflation, currently at 1.7%, is expected to narrow further. The current account deficit is expected to return to historical average levels of about 13.5% of GDP.

The latest data from Statistical Office of Montenegro reveals that in April, the prices of goods and services for personal consumption, were on average 5,4% higher compared to the same period last year. In the period from January to April, consumer prices showed an average increase of 4,9% compared to the corresponding period in the previous year.

While system-wide indicators of financial stability are healthy, the Central Bank of Montenegro needs to remain vigilant regarding lingering pockets of vulnerability. To better inform policy judgements, trends in domestic leverage, as well as the banking sector's growing exposure to foreign securities need to be closely monitored. Digitalization, crypto and other fintech initiatives at the central bank and the private sector need to be accompanied by adequate laws, regulations, and supervision capacity. In this context, strengthening the AML/CFT framework takes on added significance.



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–

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.



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–

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.



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–

In recent years, Serbia has pursued a strategy of diversifying its foreign investments, particularly through significant greenfield investments. This strategy has proven beneficial for the country's industry and broader economy especially amidst geopolitical uncertainties and the eurozone crisis.

Experts' analysis comes ahead of Chinese President Xi Jinping's visit to Belgrade. They examine the hypothesis that Chinese investments have played a decisive role in maintaining Serbia's dynamic industrial production growth. Despite external challenges and geopolitical restrictions, Serbia's industry has shown resilience, attributed in part to fundamental transformations since 2015, including technologies upgrades and improved quality standards.

The results for first quarter of 2024 further support the hypothesis, with the companies contributing 6,2% to the country's 4,6 real growth in economic activity. Chinese companies continued to dominate, with significant production increases record. The economic growth of Serbia in 2024 would be around 3.5% and in the next year is expected to be 4-5%.



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Economic sentiment in Slovenia improved in the first quarter of 2024. It generally did not reach levels from a year ago, it was, however, better than at the end of 2023. Short-term indicators all show a continuation of the recovery – except in construction (the industry is still facing a major labour shortage).

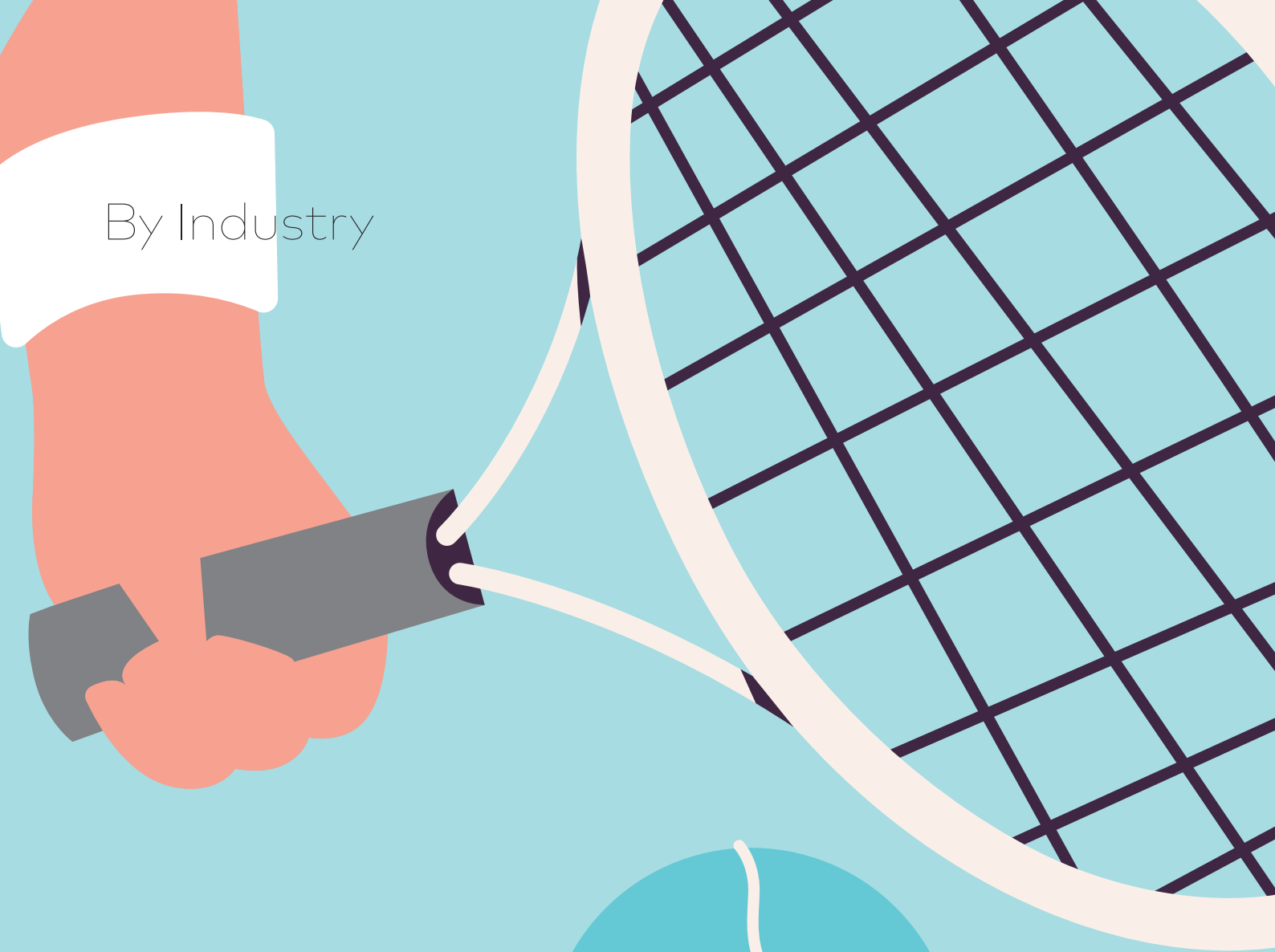
Year-on-year inflation increased slightly in March, to 3.6%, primarily due to a higher increase in services prices, while compared to a year earlier, inflation fell by almost 7 percentage points.

The number of persons in employment continued to rise. Growth was mainly due to a change in the definition of persons in employment. There was a higher number of employed foreign nationals (especially in construction, transportation, and storage), while the number of employed Slovenian citizens fell.

Private consumption is still strengthening. In the first quarter of 2024 households spent more on tourist services, durable and semi-durable goods as well as food. At the same time, exports and imports increased, but remained lower than a year ago.

Despite favourable economic forecast, some uncertainty arises due to the geopolitical and economic situation in the international environment, while the risks domestically are related mostly to the impact of deteriorating competitiveness of the export-oriented sectors of the economy and country's capacity to sustain a high level of investment activities.

By Industry



P TE DEALS



NTIAL



M&A AND INVESTMENTS

OPORTUNITY 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 storeys 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.

FORTENOVA GROUP – THE POTENTIAL SALE OF AGRICULTURAL BUSINESS DIVISION

Market/jurisdiction: Croatia

Sector: Agriculture

Deal Category: M&A

Deal value: n/a

Fortenova Group has officially commenced the process of potential sale of its agricultural business division, which includes, among others, the agriculture, meat and dairy processing company Belje, as well as PIK Vinkovci, and Vupik, companies focusing on pig breeding, meat processing and agriculture. The agricultural division of Fortenova Group has great importance in the total agricultural production in Croatia, cultivating approximately 2.5% of the total arable land in the Republic of Croatia.

Also, Fortenova Group has made significant investments in the agricultural sector in recent years, thereby increasing the overall value of this business division. One of the major recent investments was the renewal of agricultural machinery valued at over 60 million euros.

Following the receipt of non-binding offers, few short-listed potential bidders have been elected to continue with the sale process and proceed onto the due diligence phase, which is still ongoing.

MONTENEGRO SEEKS BIDS FOR GVOZD WIND FARM WORKS

Market/jurisdiction: Montenegro

Sector: Energy

Deal Category: Construction

Deal value: EUR 82 million

Montenegro's Green Gvozd, owned by state-controlled power producer Elektroprivreda Crne Gore (EPCG), has launched a tender for part of the works required for the implementation of the planned 55 MW Gvozd wind farm.

Specifically, Green Gvozd is procuring civil balance of plant works, including civil works for foundations, crane pads, temporary storage areas, and the construction of internal roads.

The deadline for submitting bids expires on 5 July.

The EBRD will fully finance the Gvozd wind project by providing an EUR 82 million loan to Green Gvozd.

FIRST PRIVATE BANK SALE

Market/jurisdiction: Bulgaria

Sector: Banking

Deal Category: M&A

Deal value: n/a

The majority shareholders in First Investment Bank have announced they wish to sell the controlling stake in one of the largest retail banks in Bulgaria – First Investment Bank (<https://www.fibank.bg/bg>). Canadian held Eurobank and UniCredit have expressed interest, but sale is pending.

NLB BANK ENTERING THE CROATIAN MARKET

Market/jurisdiction: Croatia

Sector: Banking

Deal Category: M&A

Deal value: n/a

NLB could soon finally enter the Croatian banking market, the only country in the narrow region of the former Yugoslavia where this Slovenian group is not present in its banking operations.

The bank announced their intention to issue a voluntary public offer for the takeover of the Austrian Addiko Bank AG, which also owns the Croatian bank bearing the same name (Addiko Bank d.d.) with around EUR 2.2 billion in assets and a market share of just under 3%.

In recent years, NLB has been expanding its business in the neighbouring countries. With respect to Addiko Group, NLB has shown particular interest for its development as a specialized bank for consumers and small and medium-sized enterprises, convinced that this would significantly complement NLB's universal banking model.

However, the potential acquisition is still at a very early stage, and apart from assuming a significant majority stake in Addiko Bank AG, NLB will have to obtain the approvals of the competent regulatory authorities in Croatia.

SCHOTT FARMA TO OPEN FACTORY IN SERBIA IN 2025

Market/jurisdiction: Serbia
Sector: Pharmacy
Deal Category: Investment
Deal value: n/a

German medical vials manufacturer Schott Pharma plans to open a factory in the city of Jagodina, in central Serbia, by the middle of 2025. The factory will employ 130 workers in the initial phase, with the number to rise to 350 at a later stage.

Schott Pharma, which debuted on the Frankfurt Stock Exchange in September, is a unit of Schott AG.

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.

BUSINESS PREMISES AND ARCHIVE IN NOVA GORICA

Market/jurisdiction: Slovenia
Sector: Business
Deal Category: Investment – Project
Deal value: EUR 2.34 million

The complete business premises of EDA Center, located at the crossroads of the trade, administrative and connecting axis in the center of Nova Gorica, are on sale.

This multi-storey building was constructed in 2010. The business premises on sale measure respectively - 1032,20 m² (on the first floor), 491 m² (on the second floor) and the archive 53 m² (on the third floor) – altogether 1576,2 m².

The business center is an opportunity for business and cultural meetings, shopping and is an information center of the Goriška region.

INFRASTRUCTURE

EXTENSION OF SUBWAY NETWORK IN BUCHAREST

Market/jurisdiction: Romania

Sector: Infrastructure – Subway

Deal Category: Project

Deal value: Approx. EUR 1.9 billion (VAT excluded)

A major extension of the capital's metro system, which is being carried out by the local authorities using non-refundable EU funds.

TENDER FOR THE CONSTRUCTION OF A BRIDGE BETWEEN MONTENEGRO AND BOSNIA AND HERZEGOVINA UNTIL THE END OF JULY

Market/jurisdiction: Montenegro

Sector: Infrastructure – Bridge

Deal Category: Project

Deal value: n/a

By the end of July, a tender will be announced for the selection of contractors for the construction of an interstate bridge over the Tara River, at the intersection of the main road at the Šćepan Polje/Hum location. The construction of this bridge will solve the long-standing problem of the existing bridge connecting the two countries.

This will be a joint project of Bosnia and Herzegovina and Montenegro, with the realization of which the legend of a new road and bridge at this location will finally become a reality. The Bosnian side has undertaken to build a 1km section of the access road, while the Montenegrin side will build a 2.5km section.

The construction of the bridge will be financed with the joint funds of Montenegro and Bosnia and Herzegovina.

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.

MODERNIZATION AND INTEGRATION INTO SCADA OF TRANSFORMER STATIONS MANAGED BY DELGAZ GRID- PIATRA NEAMT

Market/jurisdiction: Romania
Sector: Energy
Deal Category: Project
Deal value: Approx. EUR 36.1 million (VAT excluded)

Design and integration of a new energy solution in Piatra Neamt County, including all documentation and implementation steps.

DURRES-RROGOZHINA RAILWAY

Market/jurisdiction: Albania
Sector: Infrastructure – Railway
Deal Category: EU-funded program
Deal value: Approx. EUR 1.85 million

The Albanian Railway Company launched the tender procedure for the support and auxiliary services regarding the rehabilitation of Durres-Rrogozhina Railway. The contract will focus on the provision of auxiliary and facilitation services regarding the rehabilitation of Durres-Rrogozhina railway and will include consultancy services related to the reconstruction and electrification of approximately 40 km railway. Durres-Rrogozhina railway will be part of the Corridor VIII, being one among the 10 Pan-European transport corridors. The railway section is part of Durres-Pogradec railway, that upon finalization will connect Albania with North Macedonia.

SMATSA ANNOUNCES MAJOR INFRASTRUCTURE INVESTMENT IN MONTENEGRO'S AVIATION SECTOR

Market/jurisdiction: Montenegro
Sector: Construction – Aviation
Deal Category: Project
Deal value: n/a

The Serbia and Montenegro Air Traffic Services Agency (SMATSA) plans to invest in key infrastructure projects in Montenegro, including the construction of an annex to the terminal building at Podgorica airport and the installation of an secondary radar on Mount Vrsuta.

SMATSA is a crucial player in aviation sector. The number of IFR operations over Montenegro's airspace in the first quarter of these year is 110,440 which is nearly seven and a half thousand more than the same period last year, and 30,991 more than in 2019.

Statistics indicate that the number of take-offs from Podgorica Airport in the first quarter of this year has increased by 13.38% compared to the same period last year, while take-offs from Tivat Airport have increased by 20.78%.

CONSTRUCTION OF 7TH AND 8TH UNIT AT SITE NR 2 OF NPP KOZLODUY

Market/jurisdiction: Bulgaria
Sector: Infrastructure – Nuclear Power Plant
Deal Category: Project
Deal value: Approx. EUR 15 billion

Kozloduy NPP – New Builds PLC published an Invitation for Expression of Interest in pursuance of Decision of the Parliament for taking actions for the construction of 7th and 8th unit at site № 2 of NPP Kozloduy with AP 1000 technology. Westinghouse and Hiyndai are selected as main contractors. Tenders and opportunities for subcontractors are open.

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.

**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

CHINA ENERGY TO COMPLETE NEW SERBIAN REFINERY IN FOUR YEARS

Market/jurisdiction: Serbia

Sector: Energy

Deal Category: Project

Deal value: EUR 2.4 billion

The Serbian government signed the framework agreement with China Energy International Group for the construction of the Smederevo refinery as a greenfield investment earlier this month.

China Energy International Group is expected to build a EUR 2.4 billion (\$2.6 billion) oil and oil derivatives refinery in Serbia's northern city of Smederevo about four years from the day it obtains the first building permit.

The new facility will have a processing capacity of up to 100,000 barrels a day and will produce oil derivatives in accordance with the highest technological, ecological and product quality standards of the European Union. The facility will have 700 permanent workers and will employ further 2,400 workers indirectly.

Serbia currently has one oil refinery in Pančevo, operated by Serbian oil and gas group NIS,

controlled by Russia's Gazprom.

According to the plan, Serbia will build an oil pipeline from Pancevo to the location of the planned Chinese refinery in Smederevo, some 45 km to the southeast, in order to supply the future facility with crude oil.

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.

TENDER FOR ACQUISITION OF C. 700 MW PV PROJECTS

Market/jurisdiction: Bulgaria

Sector: Energy

Deal Category: Project

Deal value: Approx. EUR 84 million

Private tender for c. 700 MW of PV Projects opened by Austrian-based fund Energy for sale of part of its PV portfolio in Bulgaria.

CONSTRUCTION OF PHOTOVOLTAIC SOLAR POWER PLANT "OUR SUN"

Market/jurisdiction: Bosnia & Herzegovina

Sector: Energy

Deal Category: Investment

Deal value: n/a

The Government of Canton Livno signed a concession agreement with the company "Solar Park - Livno" Ltd. Livno for the construction of a photovoltaic solar power plant "Our Sun" in the area of the city of Livno. The annual concession fee will be calculated at a rate of 2 percent of the total gross revenue generated from electricity production, announced by the Government of Canton 10.

CHINESE FIRM INTERESTED IN MONTENEGRO'S BERANE COAL MINE

Market/jurisdiction: Montenegro

Sector: Mining

Deal Category: M&A

Deal value: n/a

An unnamed Chinese company is interested in buying the coal mine in Montenegro's northeastern town of Berane, which has been idled for several years. The Berane coal mine, owned by Serbia-registered mining and steel company Metalfer, suspended production in March 2020 due to the outbreak of the coronavirus pandemic. Furthermore, the mine has been left without electricity since November 2022 due to a power substation breakdown.

Restarting production at the Berane coal mine would require new investments and strategic partners. At its heyday, the Berane coal mine employed 150 workers and had a supply chain of 20 smaller firms.

LNG FACILITY IN ALEXANDROUPOLIS, GREECE

Market/jurisdiction: Greece

Sector: Energy – Floating Storage and Regasification Unit (FSRU)

Deal Category: Commercial operations

Deal value: n/a

The Alexandroupolis FSRU with a capacity of 153,000 cubic meters of LNG is expected to commence commercial operations within the next few weeks, turning the broader area of Northern Greece into an energy hub for the transportation of natural gas to the markets of Greece, Bulgaria and the wider region, from Romania, Serbia and North Macedonia, to Hungary, Moldova and Ukraine. The project has already attracted investors' strong interest as 80% of the terminal's capacity has already been committed on a long-term basis to 13 different companies operating in the region.

EKO ENERGY

Market/jurisdiction: Cyprus

Sector: Energy

Deal Category: Project

Deal value: n/a

Helleniq Energy, a developer of new business activities with a focus on renewable energy and hydrogen, has announced the launch of Eko Energy in Cyprus. Eko Energy will operate as a supplier of green electricity from renewable sources.

The aim is to meet all the energy needs of selected commercial and industrial customers.

This year is a year of development for Helleniq Energy for Cyprus as it has acquired a 25MW photovoltaic plant in Cyprus.

MONTENEGRO'S RENEWABLE ENERGY AMBITIONS: IMPLEMENTING 2,000 GW

Market/jurisdiction: Montenegro

Sector: Energy

Deal Category: Project

Deal value: EUR 1 billion

Montenegro boasts substantial potential in water, wind and solar energy and aims to introduce 200 megawatts of electricity from new sources over the next two years.

Vital components of Montenegro's national energy plan are reducing of the CO₂ emissions and increasing energy productions from renewables. Efforts are underway to ecologically reconstruct the TPP by 2025, leading to improved emission levels.

Montenegro's majority state-owned power utility plans to invest about EUR 1 billion euros over the next five years to boost renewable energy output to 2,000 gigawatt hours (GWh) per year, and eventually become an exporter of green energy.

SOLAR POWER PLANTS IN THE BOSANSKO-PODRINJSKI CANTON

Market/jurisdiction: Bosnia & Herzegovina

Sector: Energy

Deal Category: Investment

Deal value: Approx. 800 million

The Prime Minister of the Bosnian-Podrinje Canton Gorazde and the director of the company "TLG" Ltd. Travnik have signed a concession agreement for a period of 30 years. Solar and wind power plants with a total capacity of 800 MW will be constructed in the Bosnian-Podrinje Canton at the sites of the wind farms "Kacelj," "FNE Jahorina," "FNE Jahorina 1," and "FNE Jahorina 2."

ENERGY UPGRADE PLAN FOR BUSINESS COMPANIES

Market/jurisdiction: Cyprus

Sector: Energy

Deal Category: Project

Deal value: EUR 17 million

The Ministry of Energy, Trade and Industry has announced the call for proposals under the Energy Modernisation and Competitiveness of Large Enterprises Plan for a total amount of €17 million funded by the European Union's (EU) Recovery and Resilience Mechanism.

The aim of the scheme is to support, develop and improve businesses, including their energy modernisation. The financial support consists of the provision of grants for certain eligible costs related to the promotion of energy saving investments in buildings, facilities or even equipment, as well as the transition of business operations to a circular model.

The maximum total amount of support that can be granted to a company is EUR 750,000.

ISRAELI NOFAR ANNOUNCING CONSTRUCTION OF BIGGEST SOLAR POWER PLANT IN SERBIA

Market/jurisdiction: Serbia

Sector: Energy

Deal Category: Project

Deal value: EUR 30 million

The company Nofar Adria, registered in Belgrade, whose majority owner is the Israeli Nofar Energy, presented the project of the construction of a solar power plant in May this year.

As announced, this is the biggest solar power plant in Serbia, with a total power of 26 megawatts.

The investment is worth EUR 30 million, with an estimated annual production of electrical energy of 33,150,000 kWh.

The project encompasses 30 hectares in Ada.

LAUNCHED A 300 MW CAPACITY HYBRID PHOTOVOLTAIC AUCTION

Market/jurisdiction: Albania

Sector: Energy

Deal Category: Project

Deal value: n/a

The Albanian Ministry of Infrastructure and Energy (MIE) launched a 300 MW capacity hybrid photovoltaic auction. The maximum acceptable price of this auction will be Euro 59.97 per MWh. The financial and technical offers are to be submitted until 17 May 2024 and the winner is expected to be announced by 10 July 2024. The first investment shall be in Karavasta region.

THE GEOTHERMAL POTENTIAL INTERACTIVE MAP OF THE PANNONIAN BASIN IN THE REPUBLIC OF CROATIA

Market/jurisdiction: Croatia

Sector: Energy

Deal Category: Investment

Deal value: n/a

The Croatian Hydrocarbon Agency (AZU) has successfully completed the project of creation of a database of deep geothermal energy called "Creation of an interactive map of the geothermal potential of the Pannonian Basin in the Republic of Croatia", financed by grants awarded as part of the "Energy and Climate Change" program of the EEA, and additional funding support of the countries of the Kingdom of Norway, the Principality of Liechtenstein and Iceland.

The unique, interactive, and public platform is available online and contains a display of all exploration areas and exploitation fields of geothermal water for energy purposes, relevant well data and a map of the geothermal gradient.

The map should transparently enable all interested parties to see the geothermal potential of the Pannonian Basin in Croatia from the border with Slovenia to Vukovar and encourage the creation of development and investment opportunities.

CONSTRUCTION OF THE NEVESINJE SOLAR PARK

Market/jurisdiction: Bosnia & Herzegovina

Sector: Energy

Deal Category: Joint venture

Deal value: EUR 400 million

The Government of the Republic of Srpska has awarded the company "ETMAX" a concession for the construction and use of the "Nevesinje" solar park. A contract for the "Nevesinje" solar park worth 880 million KM has been signed. The total power of the solar park is 500 MW, consisting of one power plant of 200 MW and six power plants of 50 MW each. The expected period required for the construction of the solar park is estimated to be five to a maximum of ten years.

LEISURE

HOTEL ODISEJ IN NATIONAL PARK ON MLJET ISLAND PUT UP FOR SALE

Market/jurisdiction: Croatia

Sector: Tourism

Deal Category: Investment

Deal value: n/a

Adriatic Luxury Hotels (ALH) has announced the strategic sale of Hotel Odisej, a unique property located within the natural surroundings of the Croatian national park on Mljet Island, which boasts excellent connectivity to Dubrovnik and is accessible by ferry and private vessels.

Hotel Odisej is a 3-star hotel built in 1978 and renovated in 1996 and 2004, offering 155 rooms and 2 luxury apartments over a total surface area of 8,738 m². A wide range of additional facilities to enhance guests' experiences, including a restaurant, bar, children's pool and beach, wellness center, and gym are also available onsite. Hence, it may prove to be a highly attractive investment opportunity for investors seeking such investments in Croatia's coastal areas.

CONSTRUCTION OF 30 TWO-STOREY SEAFRONT VILLAS IN PEYIA

Market/jurisdiction: Cyprus

Sector: Investment

Deal Category: Project / Investment

Deal value: EUR 20 million

The Environmental Authority has issued a positive opinion for the construction of 30 two-storey seafront villas in Peyia, Pafos, with a total area of 15,887sqm. The estimated cost is EUR 20 million, while construction is expected to start in November 2024 and to be completed within 24 months. The complex will include 30 beachfront villas, swimming pool area, bar, children's playground, engine room, store room, changing rooms, sanitary facilities, central biological wastewater treatment plant.

OBSERVATORY IN TROODOS MOUNTAINS

Market/jurisdiction: Cyprus

Sector: Tourism / Leisure

Deal Category: Project

Deal value: EUR 2.7 million

The Troodos Observatory is one of the main projects of "Astroobservation and Natural Environment - an Alternative Product for the Development and Promotion of the Eastern Mediterranean Geoparks".

The creation of this observatory will enhance the attractiveness and tourist product of the Troodos National Forest Park and the Troodos Geopark, enriching the area with a new type of infrastructure and experience for visitors.

Astro tourism is an alternative form of tourism that can significantly enrich the tourist product of a region, strengthen mountain communities and contribute to environmental education and conservation.

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.

THE OLYMPIC CENTER JAHORINA IS ISSUING SHARES

Market/jurisdiction: Bosnia & Herzegovina

Sector: Recreation – Tourism

Deal Category: Investment

Deal value: Approx. EUR 15 million

The Olympic Center (OC) Jahorina is issuing shares worth 15 million EUR with the aim of increasing the company's capital base, restructuring liabilities, and creating conditions for the solvency of this joint-stock company. The funds raised will be used to repay the Issuer's financial obligations - loan liabilities and obligations arising from issued securities.

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.

SELA lawyer spotlight

FEATURING
MARKO K. BOHAČEK



Marko is a partner at BDV Law Firm, specializing in corporate law with a focus on mergers and acquisitions. He has extensive experience in commercial litigation and arbitration, particularly in shareholder disputes. Marko also advises clients on legal matters related to capital markets and investment projects in Croatia. He is highly regarded as a leading lawyer by both clients and independent legal directories.

Besides advising clients, Marko has a great passion for tennis. He spends much of his free time on the court, either practicing his serve or engaging in competitive matches. Marko follows professional tennis closely, analyzing top players' techniques and incorporating their strategies into his own game. Marko competes in local tournaments and enjoys the physical challenge and mental focus tennis demands, finding it a perfect balance in his professional life. Whether on the court or off, tennis remains an integral part of his life, fuelling his competitive spirit and contributing to his overall well-being.

TOP 3 POWERFUL TENNIS TIPS:

- **FOCUS ON FOOTWORK:** Effective footwork is crucial in tennis. Stay light on your feet and always be ready to move quickly in any direction. Practice drills that enhance your agility and ensure you are positioned correctly for each shot.
- **STRENGTHEN YOUR BACKHAND:** Many players have a weaker backhand than their forehand. Focus on strengthening your backhand through practice and drills. Being proficient at both strokes makes you more versatile and unpredictable.
- **ENHANCE YOUR MENTAL GAME:** Tennis is a mental game as well as a physical one. Stay focused, remain positive, and manage your emotions during matches. Practice mindfulness and visualization techniques to enhance your mental toughness.



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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.



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