

Pursuant to Article 4.2, 4.7 and 7 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina (Official Gazette of BIH 7/02, 13/03, 76/09 and 1/11), Article 36 of the Rule of practice and procedure of the State Electricity Regulatory Commission (Official Gazette of BIH, 2/05) and Article 16 the Licensing Rule – Consolidated Version (Official Gazette of BIH, 63/16), deciding upon the application of the legal person “EFT HE Ulog” d.o.o., Kalinovik, of 29 June 2026, the State Electricity Regulatory Commission, at its session held on 26 August 2026 passed a

DECISION

ON ISSUANCE OF TEMPORARY LICENCE FOR THE INTERNATIONAL ELECTRICITY TRADING ACTIVITY

1. The temporary licence for performance of the international electricity trading activity shall be issued to the legal person “EFT HE Ulog” d.o.o., Kalinovik.
2. The temporary licence referred to in Item 1 of this decision shall be issued for the period from 10 September 2026 to 9 September 2028 and used pursuant to the Standard licence conditions for performance of the international electricity trading activity (Official Gazette of BIH, 14/16).
3. The temporary licence for performance of the international electricity trading activity is an integral part of this decision.
4. The holder of the temporary licence is obligated to pay a regulatory fee during the term of the licence under the terms and conditions as defined in a separate act.
5. This decision shall come into force on the day of adoption and the operative part thereof shall be published in the *Official Gazette of BIH* and the official gazettes of the Entities.

Statement of Rationale

The legal person “EFT HE Ulog” d.o.o., Kalinovik (hereinafter: the applicant), filed with the State Electricity Regulatory Commission (hereinafter: SERC) the application for the issuance of the licence for performance of the international electricity trading activity registered under number 05-28-12-198-1/26 of 29 June 2026.

Pursuant to Article 7 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina (Official Gazette of BIH, 7/02, 13/03, 76/09 and 1/11), the SERC licence is required for the international electricity trading activity and the applicant is obligated to fulfil the conditions and criteria for the issuance of the licence as determined by SERC rules and regulations.

The application was filed in the prescribed application forms with a proof of previously paid application fee and the relevant documents which enabled SERC to understand, consider and render a decision upon the application filed, of which SERC informed the applicant accordingly by its act number 05-28-12-198-3/26 of 8 July 2026.

Having reviewed and checked all the formal elements of the application, first of all on 9 July 2026 SERC published a short public notice in daily newspapers and on its web site, summarising the application and determining the deadline for submission of public comments on the filed licence application until 17 July 2026.

SERC concluded that the public had not submitted any comment on the application filed for issuance of the licence nor had any person expressed the interest to participate in the procedure in the capacity of the intervener upon the SERC public invitation.

SERC verified the data, documents and information enclosed to the application, and established that they provide evidence on technical, legal and financial capacities of the applicant to fulfil all the criteria, conditions and standards prescribed by law and SERC rules and regulations for the issuance of the licence for performance of the international electricity trading activity.

Taking into consideration the fact that the application for the issuance of the licence was filed for the first time, pursuant to Article 5, paragraph 4 of the Licensing Rule – Consolidated Version, SERC decided to issue a temporary licence with a two-year term.

Consequently, a Draft decision on issuance of temporary licence was prepared, which is used pursuant to the Standard licence conditions for performance of the international electricity trading activity. As of 24 July 2026, this document was available to the applicant as well as to any other interested member of the public, and they were also given an opportunity to give their comments at a general public hearing held on 30 July 2026 at the SERC seat in Tuzla, preceded by issuance of the relevant notice in daily newspapers and publication of the document on the SERC web site.

As even on the last occasion, following the SERC communication number 05-28-12-198-14/26 of 3 August 2026, the applicant did not point out any disagreement with any provision of the proposal of the Decision, it was reasonable to conclude that it was considered that the SERC's proposal was prepared in accordance with the Law on Transmission of Electric Power, Regulator and System Operator of BIH and secondary legislation dealing with the matters concerned.

After the expiry of all deadlines for submitting comments or participating in the procedure as an intervener, on 26 August 2026 SERC was contacted by the Federal Ministry of Environment and Tourism, pointing to the activities related to environmental impact assessments of the applicant's generation facility in the electricity generation mode. Although planned, the adoption of the final decision in this procedure was withdrawn from the agenda of the SERC session scheduled for the same day, in order to consider the comments received from the Federal Ministry. However, the argument of the Federal Ministry, included in the submitted documentation on challenging the environmental permit issued to the applicant before the competent courts in Republika Srpska, is legally irrelevant in the process of issuing a SERC licence, because the environmental permit of the Entity Ministries is not a requirement for issuing an international electricity trading licence. In addition, the generation of electricity in the specific generation facility of the applicant, and, thus, the possible negative implications for the environment, do not depend on the SERC licence, since the Regulatory Commission for Energy of Republika Srpska (RERS) issued an electricity generation licence for the operation of this electricity generation facility more than a year ago. One of the requirements for issuing a RERS licence is an environmental permit of the Ministry of Spatial Planning, Construction and Ecology of Republika Srpska, and possible court decisions in the process of contesting the environmental permit are a legally relevant fact for the unhindered use of the electricity generation licence, and not for the procedure for issuing or using an international electricity trading licence. On 2 September 2026, the Federal Ministry was informed about the course of the procedure and the nature of the activity for which the licence is issued by SERC. Even in the communication of the Federal Ministry, which was submitted to SERC on 7 September 2026, not a single relevant argument that could affect the final decision was mentioned.

In accordance with the aforementioned, given that on 5 March 2025 the Regulatory Commission for Energy of Republika Srpska issued to the applicant a five-year electricity generation licence under registration number 01-1515-04-1/123/25, SERC decided as provided in the operative part of this decision.

Pursuant to Article 9.2. of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina, proceedings may be initiated before the Court of Bosnia and Herzegovina against this decision by filing a lawsuit within 60 days of receipt thereof.

Number: 05-28-12-198-19/26

9 September 2026

Tuzla

Chairman of the Commission

DSc Milenko Tomić