

BiH-Croatia gas link is financially viable project

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The Energy Community (EnC) Secretariat said that the EU-funded study showed that the project for the construction of gas interconnection between Bosnia and Herzegovina (BiH) and Croatia is financially viable.

The statement from the EnC said that this confirmation is an important step towards the implementation of gas interconnection, which aims to establish a new supply route for BiH resulting in diversified and reliable natural gas supply and to guarantee the security of supply of the Federation of the Bosnia and Herzegovina (FBiH). The project, which received the status of Energy Community Project of Mutual Interest (PMI) in 2016, is planned to be commissioned by 2023.

Last May, Bosnian gas company BH-Gas and Croatian natural gas transmission system operator Plinacro have signed a Memorandum of Understanding and Cooperation which, among other things, envisages the construction of gas interconnection between the two countries. The representatives of BH-Gas said on the occasion that environmental and financial studies related to this project should be completed within the next 12 months, after which, the expropriation of land should begin. A 160 kilometers long gas pipeline, which is a part of the European Community Gas Ring project, will be financed by the European Bank for Reconstruction and Development (EBRD).

The crucial reason for the construction of this interconnection is the fact that FBiH currently depends on just one point of entry of natural gas in the entity (at Zvornik from the Republic of Srpska) and frequent issues with gas transport due to poor maintenance of Zvornik-Kladanj gas pipeline.