

Bosnian gas company BH-Gas asked a grant for its western gas interconnection project. The European Western Balkans Joint Fund (WBJF) accepted BH Gas' application for 1.25 million euros grant for technical assistance in the implementation of the project for the construction of so-called western gas interconnection with Croatia.

The funds will be used for a feasibility study for the gas pipeline between Trzac and Bosanska Krupa, including a profit and cost analysis, environmental impact study and design project. WBJF is expected to decide on the grant in December of January 2021, which means that the project could start in mid-2021.

In February, BH-Gas, the European Bank for Reconstruction and Development (EBRD) and the US Agency for International Development (USAID) have signed a grant agreement for the construction of so-called south gas interconnection between BiH and Croatia. BH-Gas said that the agreement would activate funds earmarked for environmental impact and feasibility studies for the interconnection project. At the same time, BH-Gas said signed a contract with a consortium led by Croatian consultancy firm Dvokut-Ecro for the preparation of a feasibility study and an environment impact study for the project. The cost of the feasibility study is 500,000 dollars, which will be financed by a USAID grant of the same amount, while the EBRD will manage how the USAID grant is being spent. In late 2018, The Government of the Federation of Bosnia and Herzegovina (FBiH) declared the project of BH-Gas for the connection with neighboring Croatia via Zagvozd-Posusje-Travnik-Novi Travnik gas pipeline a project of strategic interest and tasked the Ministry of Energy, Mining and Industry to intensify activities on its realization. The project is supported by the United States and USAID which are ready to finance the preparation of technical documentation, feasibility study, preliminary design and environmental impact assessment study.