

## **Bosnia: Gas interconnection with Croatia to be used only for Brod refinery supply**

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During the recent meeting of Croatian President Kolinda Grabar Kitarovic and Russian Foreign Minister Sergey Lavrov on the sidelines of a security conference in Munich, an agreement on the supply of natural gas to oil refinery in Bosanski Brod has been reached.

This means that gas will be supplied only to the refinery and not to entire Bosnia and Herzegovina (BiH) as it was planned in a seven years old project of Bosnian gas company BH-Gas. The planned interconnection with Croatia includes the construction of gas pipeline from Zenica, over Doboju to Bosanski Brod and the Croatian border. However, after the agreement between Croatia and Russia (since Brod refinery is owned by Zarubezhneft, a branch of the Russian company NefteGazInkor) this whole project falls apart.

State-owned BH-Gas said that the company has been promoting this project as the most cost effective gas project in BiH for more than a decade, for which market analysis and project documentation already exist.

Director of BH-Gas Jasmin Salkic said that BH-Gas has obtained the approval of the Croatian Government on the connection to Croatian gas network back in 2010, the approval which includes entire state and not just one company, He claims that the plans of supplying gas only to Brod refinery are in direct contradiction with the views of the European Union and the Energy Community. Salkic appealed to all competent authorities in BiH to solve this issue at the state level and not in the interest of individual subjects.