

An approval was granted to the transmission system operator Bulgartransgaz for the acquisition of 20 % stake in Gastrade, an operator of the future liquefied natural gas (LNG) terminal in Alexandroupoli in northern Greece, said Bulgarian Commission for the Protection of Competition (CPC).

The statement from the regulator said that, given the fact that Bulgartransgaz and the other participants in the transaction, including Gastrade, operate on different geographic markets, the result of the concentration cannot be expected to change the market position of the companies and therefore it will not lead to changes in the structure of any of the respective markets in Bulgaria.

Last August, Bulgartransgaz has completed the acquisition of 20 % stake in the project for the construction of LNG terminal in Alexandroupoli by signing an agreement with Gastrade. Previously in March, Bulgarian Government announced that Bulgargaz will book a capacity of 500 million cubic meters of natural gas per year for a ten-year period at the future LNG terminal. In the meantime, Bulgartransgaz secured a total of 455 million euros under eight loan agreements with ING Bank, Citibank Europe, Raiffeisenbank Bulgaria, UniCredit Bulbank, the International Bank for Economic Cooperation, Eurobank Bulgaria, DSK Bank, and a consortium comprising state-owned Bulgarian Development Bank and the International Investment Bank. The proceeds will be used for the construction of Balkan Stream gas pipeline and the participation in LNG terminal project. The Alexandroupoli LNG project, for which Gastrade has obtained a license in 2011, envisages the construction of LNG storage facility with the capacity of 170,000 cubic meters, which could supply 17 million cubic meters of gas per day to Greek gas network. With the construction of gas interconnection between Greece and Bulgaria, the investors are considering options to supply natural gas to the entire Balkan region. However, the project has been removed from the list of EU Projects of Common Interest (PCI) for 2017. In October 2019, Gastrade launched a market test for Alexandroupoli LNG terminal and the tender for the procurement of the Floating Regasification Storage Unit (FSRU) vessel. More than ten domestic and foreign companies have expressed interest in the tender for the procurement of vessel, as well as the terminal's market test. The consortium for the construction of the terminal should comprise of Gastrade (20 %), Gaslog (20 %), Greek Public Gas Corporation DEPA (20 %), now through DEPA Trade, Greek natural gas transmission system operator DESFA (20 %) and Bulgarian Energy Holding BEH (20 %).