

Croatia: EBRD is considering to provide loan for CHPP Zagreb upgrade

Categories : [SEE Energy News](#)

Date : October 14, 2016

The European Bank for Reconstruction and Development (EBRD) announced that it is considering arranging an A/B loan of 126 million euros to Croatian state-owned power utility HEP. The EBRD's portion of the proposed syndicated loan will be up to 65 million euros.

The loan will be used to finance the construction of a new gas-fired combined heat and power (CHP) unit on the site of the existing combined-cycle power plant in Zagreb. The new unit will be in line with the requirements promoted by the EU Industrial Emissions Directive and the EBRD's energy strategy. The new unit will partially replace old and inefficient units of the existing plant, which also have poor environmental performance and are not in line with the abovementioned directive.

The new unit will be built under an engineering procurement construction contract with a qualified contractor and equipment supplier. The existing plant is crucial provider of district heating in Zagreb and the construction of the new CHP unit will ensure the security of electricity, district heating and industrial steam supply for a significant part of the country's capital.

The new CHP plant will use the best available technique, satisfying the highest energy efficiency, resource efficiency and environmental standards. Overall carbon emissions will be reduced significantly by more than 150,000 tons CO₂ per year while emissions of NO_x will be lowered by a factor of 5. Emissions of particles and SO_x will become negligible.