

Croatian oil company INA has contracted consulting firm Deloitte in order to find and analyse options for the sustainable operation of its Sisak oil refinery.

The statement from Ina said that the project will be carried out in close cooperation with the company's experts and consultation with trade unions at the refinery. The objective of the project is to establish the most effective concept of a new business model, taking into account current market condition and future trends.

The statement said that all relevant investment options will be considered and evaluated according to several criteria: the needs of local community, job preservation, the plant's cost-effectiveness, environmental impact, financial indicators and the alignment with INA's strategic goals.

The analysis is expected to be completed by the end of March.

There has been a lot of speculations in recent years, whether the Sisak refinery will be closed or not. According to media reports, INA's Management Board considered a scenario for 2017 which envisages the termination of oil processing in Sisak refinery in that year. This proposal reportedly includes a provision that, in 2018, a severance pay for some 600 employees in the refinery will be made, ranging from 33,000 to 40,000 euros. The official response from the company is that no decision on the closure of Sisak refinery has been made.

In early October 2016, the transportation of crude oil from Sisak to Rijeka refinery started, which was seen as a move towards closure of Sisak oil refinery. The statement from INA said that the reason for this transport is testing of the system of transportation of crude oil by rail, while the test consisted of transporting 600 tons of crude oil from storage near Sisak to Rijeka oil refinery, adding that this step is in accordance with INA's aim to ensure oil supply security in Croatia.