

The Croatian LNG project will help central and eastern Europe to become an integral part of this global market. Furthermore, Croatian LNG imports will help MET Group link most of its downstream markets both from pipeline gas and from an LNG perspective as well. MET Croatia Energy Trade, local subsidiary of Swiss-based MET Group, has submitted a binding offer to book capacities in the future liquefied natural gas (LNG) terminal on the Krk island for a three-year period, amounting to 1.3 billion cubic meters. The statement from the company said that significant changes on the international energy markets are spearheaded by the rapid growth of global LNG trade, a development that the company welcomes. Last February, Croatian Government adopted a decision on the financing of the first phase of the project for the construction of LNG terminal on the island of Krk. For this purpose, the European Commission (EC) has approved 101.4 million euros in grants, while the state will provide additional 100 million euros from the budget. Up to 50 million euros will be provided during this year or by January 2020 at the latest, while the remaining 50 million will be provided by the end of 2020. These funds will be used for the purchase of a Floating Storage and Regasification Unit (FSRU) vessel and the construction of auxiliary facilities and a high-pressure pipeline. The remaining 32.6 million euros will be secured by state-owned power utility HEP and natural gas transmission system operator Plinacro, which should be provided by the end of February. It is expected that the LNG terminal will be put in operation on 1 January 2021. Total capacity of the FSRU will be 2.6 billion cubic meters. A year ago, Hungarian Minister of Foreign Affairs and Trade Peter Szijjarto announced that the Hungarian Government has made an offer for the purchase of 25 % stake in Croatian LNG project. He said it is in Hungary's strategic interest that the terminal should be built and that it should offer natural gas to Hungary at a competitive price, adding that the decision and the plans for the terminal have been in place for some time, but there has been no progress in the physical implementation.