

Croatian Minister of Environmental Protection and Energy Tomislav Coric said that the purpose of obtaining this loan is the realization of the construction of the main gas pipeline Omisalj-Zlobin, which is a crucial part of the future liquefied natural gas (LNG) terminal with a total capacity of 2.5 billion meters per year, which is one of the key energy projects in Croatia. The Croatian Government gave approval to natural gas transmission system operator Plinacro for a loan of up to 33 million euros from Erste Bank, which will be used to finance the construction of Omisalj-Zlobin gas pipeline.

The loan repayment period is 10 years including a one-year grace period, repayment will be made in 18 semi-annual installments, maturing on 31 January and 31 July. The regular fixed interest rate of the loan is 1.45 % and the effective 1.48 %.

Last week, Plinacro said that the construction of an evacuation pipeline Omisalj-Zlobin for the future LNG terminal is going according to plan despite the pandemic and its should be completed by the end of the year. Construction works, which started in mid-December, are being conducted along the entire gas pipeline route of 17.5 kilometers. So far, almost the entire trench of the pipeline has been dug and some 7.4 kilometers of pipelines have been installed, while works on the two gas junctions are also in progress. After the completion of the construction of the first compressor station in Croatian gas transmission system in Velika Ludina, this is the second largest project of Plinacro's third investment cycle launched in 2018. The project was supported by the European Commission and received a grant of over 16 million euros for the costs of construction. The future LNG terminal on the Adriatic island Krk will have a capacity of 2.6 billion cubic meters of natural gas per year and it should be commissioned in 2021. It will deliver gas to Croatian national transmission gas network, as well as to neighboring countries: Slovenia, Italy, Hungary, Serbia and Montenegro. The completion of gas interconnection with Bosnia and Herzegovina will also enable gas exports to this country.