

Croatian and Polish natural gas transmission system operators Plinacro and Gaz System have signed a Memorandum of Understanding (MoU) in Warsaw, which was attended by the countries' Presidents Kolinda Grabar-Kitarovic and Andrzej Duda.

The document envisages cooperation in areas such as liquefied natural gas (LNG) market connectivity, LNG related technologies and the initiative of central and eastern European countries within the European network of gas transmission system operators (ENTSO) and it will be realized through joint projects, exchange of information and experience and mutual technical support.

CEO of Plinacro Ivica Arar said on the occasion that the signing of this MoU is another confirmation of good cooperation between the two operators and the foundation for even stronger and better future cooperation, adding that Plinacro and Gaz System have a lot in common, especially the connection of Polish and future Croatian LNG terminals.

Currently, Croatian LNG terminal project is in the stage of seeking for the strategic partners and it is expected that the floating LNG terminal should be completed by the end of 2019. The total value of the project is 363 million euros. The grant approved by the EU through the Connecting Europe Facility (CEF) fund provides 747,000 euros for the development of the feasibility study, which covers half the price, and 101.4 million euros for the construction of LNG terminal, which covers some 28 % of the total price. Instead of the original plan to build land terminal with the capacity of 6 billion cubic meters of gas per year, Croatia opted for an intermediate solution with the floating terminal with the annual capacity between 1.5 and 2 billion cubic meters, which could be operational in year and a half or two, because only minor procedures to the gas transportation system is needed due to its smaller capacity and could be leased for about 50 million euros per year.