

In an effort to help resolve dispute over the oil pipeline linking Thessaloniki with Skopje, Oil refiner Hellenic Petroleum ELPE has proposed a series of RES investments in North Macedonia as well as a conversion of its OKTA refinery into a petroleum products hub facilitating distribution to Western Balkans.

December will be a crucial month for the negotiations between ELPE and North Macedonia as a verdict is scheduled to be delivered on an ELPE compensation request for 32 million dollars for a breach of contractual obligations concerning minimum supply amounts between 2008 and 2011.

The oil pipeline stopped operating in 2013 after ELPE deemed its OKTA refining activities were no longer feasible. The 213 kilometers long pipeline has a capacity of 350,000 tons. Until 2013, the pipeline was used to transfer crude oil from ELPE's Thessaloniki refinery to the OKTA refinery in Skopje. The North Macedonian oil market is dominated by two Russian companies, Gazprom and Lukoil, both gaining further ground. Gazprom supplies fuel products to North Macedonia via Serbia and Lukoil does so from Bulgaria.

US officials, seeking to reduce the dominance of Russian energy companies in North Macedonia, have intervened to help resolve the country's differences with ELPE.