

Macedonia: Concordia Italy & Aksa Energy Turkey to start gasification construction project

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Macedonia will begin building of a national gas pipeline this month, which is the first phase of gasification of the country. The second phase of the project envisages the construction of local gas network in municipalities.

Most of the national gas pipeline will be built by Italian company Concordia, to which belong the second and third regions, while this company will compete with Turkish Aksa Energy for the Skopje region.

It will also hold a tender for the selection of companies that will build a distribution network throughout the country. The first route of the pipeline will be built on the route of Kleckovce to Stip and it will begin, according to the announcements, already this month. Skopje region includes 17 municipalities, and construction of a distribution network in the region will cost 98.4 MEUR.

The second region includes eastern Macedonia and Prilep. Gasification investment of the region is estimated at 27 MEUR.

The third region is the Western Macedonia, where the pipeline construction with the distribution network will cost 22 MEUR. Thus the total investment for the construction of 650 km network in Macedonia will amount to 150 MEUR.

The gasification will be carried out under a public-private partnership, under which the companies will build the transmission network and pumping gas to the consumer. For this it will have the status of concessionaires in the next 20 years, and the state will pay compensation in the amount of one percent of their profits.

It is expected that gasification would reduce energy costs to households and companies by one third, and it is planned that connection to the gas network for an apartment of 80 square meters would be about 100 EUR.