

Serbian Minister of Mining and Energy Zorana Mihajlovic met with a delegation of Shanghai Electric Group and discussed the realization of the project for the construction of combined head and power (CHP) plant in Pancevo, as well as potential projects of construction of natural gas-fired power plants in Serbia.

Minister Mihajlovic said that Serbia cooperated with companies from China on numerous infrastructure projects and that the value of the joint projects amounted to around 15 billion euros. She stressed that the Ministry expects the contractor to comply with the deadlines, and it is there to help the projects get completed efficiently and successfully.

The Deputy Manager of Shanghai Electric Group Huang Zhengming said that he expects CHPP Pancevo to be ready for the start of trial operation by 1 October and to be handed over to the investor, Gazprom Energoholding, by the end of the year.

In 2015, Serbian oil company NIS, majority owned by Russian GazpromNeft, has signed an agreement with Gazprom Energoholding, a part of Gazprom Group, on the establishment of joint company for the construction of thermal power plant near Pancevo. In October 2017, NIS signed an Engineering, Procurement and Construction (EPC) contract on a turnkey basis worth 180 million euros with Shanghai Electric Group. It was initially expected that the construction of CHPP Pancevo will start in the second half of 2018 and be commissioned by the end of 2019.

The construction of CHPP Pancevo has officially started in March 2019. 200 MW power plant will be built within NIS' oil refinery complex in Pancevo, the project will cost 180 million euros and it is expected to be completed in mid-2020 and fully operational by the end of the year. However, the deadline was later moved to 2021. It should contribute to an increase in the stability of supply of electricity, thanks to directing up to 65 % of the power produced to the energy system of Serbia, while also covering the needs of Pancevo refinery for electricity and steam.