

Serbia: Gas utility company Srbijagas to shift EBRD loan from storage construction to Bulgaria gas connection project

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Date : July 31, 2013

Gas power utility company Srbijagas has around 100 million EUR of unused assets from the European Bank for Reconstruction and Development (EBRD). Total amount of this credit is 150 million EUR.

There are several reasons because of which assets are not used and the main reason is that Srbijagas asked for change of this credit's intention.

One of the reasons is that level of the debt company has is exceeding approved limits- it is explained in this company. As it is stated, Srbijagas asked repurposing of the credit in accordance with prescribed protocol for construction of interconnection between Bulgaria and Serbia.

Instead of construction of new warehouse in Itebej, interconnection with Bulgaria i.e. connection of gas transmission systems of two countries will be constructed- it is said in Srbijagas and they added that Government needs to make a decision for transformation model of Srbijagas before issuance of final approval from EBRD so that project carrier can be determined.

Srbijagas realized important investment projects from other credits at the moment and the most important project is "South Stream" pipeline.

The rest of the credit is mostly intended for liquidity of the company what is recognizable in Serbian budget- it is said in this company.

Source; Srbijagas/Serbia Energy