

The company "Gazprom" will partly finance the construction of Serbian and Bulgarian section of the pipeline "South Stream" and the financing will be repaid from the funds received for the transit of gas, said the president of the Board of Directors of "Gazprom" Alexey Miller.

"Within the ceremony marking the start of construction of the Serbian section, among others, today are signed the documents granting the Russian loan to Serbian side, since all land sections implement our joint ventures (...) Accordingly, each party assumes responsibility to project funded in equal shares. Regarding Bulgaria and Serbia, it was agreed that we would finance part of our partners, and they will continue to return the loan at the expense of future transit inflows", said Miller .

The head of "Gazprom" added that the loan is approved on favorable terms, far better than the market ones.

Russian agency reminds that Russia and Serbia today marked the start of construction of Serbian section of the South Stream pipeline, with a capacity of 40 billion cubic meters, and the approximate length of 420 kilometers.

From a regional branch is planned branching in Croatia and Republic of Srpska (Bosnia and Herzegovina), a variant of branching is considered way to Macedonia and Kosovo.

Russian agency reminds that earlier Miller made assessment that direct investment in the Serbian section of the pipeline would be 1.5 billion euros.

Source; Serbia Energy