

## **Serbia: Gazprom and Srbijagas signed MoU on Banatski Dvor gas storage expansion**

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Russian and Serbian gas companies Gazprom and Srbijagas have signed a Memorandum of Understanding (MoU) on the project for the capacity ex-pansion of Banatski Dvor underground gas storage by 300 million cubic meters to a total of 750 million cubic meters with the maximum daily with-drawal capacity of up to 10 million cubic meters.

Gazprom said in a statement that this MoU sets the main parameters of the planned expansion and enshrines the agreement between the two companies on the joint implementation of the project. It also said that during 2018, natural gas deliveries to Serbia rose by 1.2 % compared to the previous year to a total of 2.15 billion cubic meters.

Director of Srbijagas Dusan Bajatovic said earlier that the works on the expansion of Banatski Dvor gas storage should start by the end of the second quarter of 2019. Upon the completion of the expansion, in case of gas deliveries are restricted or stopped, Serbia would have enough natural gas for 75 days. Bajatovic also said that, with the expansion of the storage, transport costs would be cut, the terms of purchase would be better, the gas would be cheaper and the competitiveness and cost optimization would be higher. Gazprom is the majority owner of Banatski Dvor underground gas storage with 51 % stake, while the remaining 49 % is owned by Srbijagas.