

Russian Ambassador to Serbia Alexander Botsan- Kharchenko said that Russia interested in providing full support to the development of energy infrastructure in Serbia, especially the construction of the gas interconnection with Bosnia and Herzegovina and the Republic of Srpska, the new oil pipeline to Hungary, but also the reconstruction of energy facilities in which Russian companies have already taken part.

At meeting with Serbian Minister of Mining and Energy Dubravka Djedovic-Negre, Russian Ambassador discussed the cooperation of the two countries in the field of energy, the potential construction of oil pipeline to Hungary and its connection to Druzhba oil pipeline which carries Russian crude oil to eastern and central Europe.

Minister Djedovic-Negre said that Russia is an important partner of Serbia, adding that the construction of the Balkan Stream gas pipeline (the extension of TurkStream pipeline to the Balkans) has greatly contributed to country's energy stability and security. She also reminded that CHPP Pancevo, a project realized by GazpromNeft, was commissioned earlier this week.

In early October, the Western Balkans has not been exempted from the latest package of EU energy sanctions against Russia, due to Serbia's close ties to Moscow. The EU member states agreed that Serbia should not profit from the derogation, because its has not introduced sanctions against Russia. Therefore, Serbia will not be able to import Russian crude oil through Croatian JANAF oil pipeline.

The Ministry of Mining and Energy announced that it is looking into all the options of securing the diversification of crude oil supply. The statement from the Ministry said that, in order for Serbia to have security in the supply of crude oil which is processed at the Pancevo refinery and meets the need of the local market, it is necessary to have the option of getting oil from several directions.

The diversification plan entails the construction of new oil pipelines, in addition to the existing JANAF, primarily the connection to Druzhba pipeline in Hungary.

There are two options for connecting to the Druzhba oil pipeline. The first is to build a pipeline to Szeged in Hungary. The route of that pipeline, which would secure a partial capacity for the supply of the Pancevo refinery, would be around 128 kilometers long, of which 104 kilometers would be in the territory of Serbia, and the estimated value of the investment is 83 million euros, of which 64 million for the construction in the Serbian territory.

The second option for connecting to the Druzhba pipeline near Budapest is to build a 400 kilometers long pipeline to Novi Sad from Szazhalombatta, with the estimated value of the investment is around 240 million euros.