

SrbijaGas CEO Bajatovic: The construction of South Stream Pipeline to begin by the end of the year

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Managing Director of Srbijagas, Dusan Bajatovic, stated that the construction of South Stream in Serbia will begin by the end of the year.

Design project for South Stream will be finished by the end of March, the main project by the end of June and the first construction will begin by the end of year, he précised on Kopaonik Business Forum.

“There will be a job for domestic companies in amount of 600 to 800 million EUR that would work as partners and performers. According to the agreement with Russians, domestic performers will be engaged in all business on South Stream they are capable of”, Bajatovic said.

The part of pipeline through Serbia is 1,7 million EUR worth and this project will be realized by the company “Juzni tok Srbija” where Russian Gasprom owns 51% and Srbijagas 49% of the company. South Stream will transport Russian gas through pipes under Black Sea to buyers in South East Europe and EU.

Managing Director of Srbijagas said that other national companies use energy as a tool for politics development while Serbia use it most as a social politics instrument.

“I want this policy to be changed completely”, Bajatovic emphasized. He added that Serbia has one of the best gas prices in Europe and it suppose to decide in which amount it is capable to take advantage of it, not only for social peace, but also for social development.

According to available information, Serbia will pay about 370 dollars for 1000 cubic meters of

Russian gas, with the reference to the new long-term contract.

Bajatovic said that South Stream and development of gas infrastructure in Serbia will enable improvement of energy efficiency, decrease of carbon-dioxide emission and consumption of renewable energy sources.

“Current investment in natural gas makes platform for future without limitation of the final structure. Therefore, natural gas is energy option with zero risk”, he estimated.

Bajatovic said that Serbia is formally and essentially involved in crucial international energy projects constructing its own competitive advantage and new geostrategic positions in region this way.

Source Serbia Energy/Agencies