

Project of Energy Community Interest: Serbia (Nis) - Bulgaria Gas Interconnector

Project Financing

WBIF	Grant	WB4-SER-ENE-04	€ 1,000,000
EIB	Loan		€ 25,000,000
EU IPA 2017/040-500.6	External Grant		€ 49,600,000
National Contribution	Own Contribution		€ 15,350,905
EU CONNECTA	External Grant		€ 153,000
Total			€ 91,103,905
Total Grants			€ 1,000,000
Total Loans			€ 25,000,000

Project Description

Natural gas is one of the main energy sources in Serbia. It is supplied from the Russian Federation via the gas pipeline that crosses Ukraine and Hungary and then connects to the Serbian network at Horgos. Natural gas thus originates exclusively from this one entry point. In addition, this source covers more than 80% of current demand, with the remaining capacity provided for by local resources. Such exclusive arrangements make Serbia vulnerable to fuel price shocks and/or concrete capacity issues.

This project concerns the construction of approximately 108 kilometers of a bi-directional gas pipeline between Nis and Dimitrovgrad as well as from Dimitrovgrad to the border with Bulgaria. The new development will cater for about 2 billion cubic meters per year and will thus contribute to the diversification of energy sources to Serbia and the wider Western Balkan region, as well as to the creation of trans-European energy networks.

The WBIF has provided grant support for the preparation of the feasibility study. Subsequently, the EU has provided a further €49.6 million grant under the 2017 Connectivity Agenda package (National IPA) to further support the preparation of the project as well as its construction. The project is now at detailed environmental and social impact assessment as well as the preliminary design stage. Land acquisition and construction permitting are expected to start in the second half of 2018 while tendering for works is scheduled for mid-2019.

The project has been endorsed by Serbia and Bulgaria and ranks high on the infrastructure agendas of both countries.

Links

[EU Support to Construction of the Gas Interconnector Serbia - Bulgaria](#)

- **Countries:** Serbia
- **Code:** PRJ-SRB-ENE-002
- **Sector:** Energy

- **Lead IFI:** EIB
- **Status:** Completed
- **Beneficiary:**