

Business/Economy

Declaration on PEOP Pipeline Adopted

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Tuesday evening HRTV Dnevnik

Representatives from Serbia, Romania, Slovenia, Italy and Croatia signed the declaration on the Pan-European Oil Pipeline (PEOP) at a SEECP meeting in Zagreb. This project will cost between USD 2.6 billion and 4 billion, and has the full support of the EU. 25 percent of the pipeline will pass through Croatian territory.

□ The declaration on the Pan-European Oil Pipeline (**PEOP**) was signed at a meeting of the Southeast European Cooperation Process (**SEECP**) in Zagreb. Representatives from Serbia, Romania, Slovenia, Italy, and the European Commission as well as Croatian representatives attended the meeting.

The pipeline, of which almost 25 percent will be on Croatian territory, will transport American oil from US oil wells in the Caspian region to Trieste where it will be transported further into Europe. This project will cost between USD 2.6 billion and 4 billion depending on the quantity of oil to transport.

“Our experts have already determined that we will benefit directly economically meaning somewhere from 1.3 to 2.5 billion dollars,” said Prime Minister **Sanader**. *“I repeat that this will depend on the capacity while it is being built.”* He also added that this would reduce the numbers of tankers entering the Adriatic and in this way help preserve our greatest natural treasure said HRTV.

The EU supports the project and emphasizes that safety and reliability should be integral to it. *“This is an extremely important project that will secure oil to the markets that need it,”* said **Andris Piebalgs** EU Commissioner for energy. *“I wish this [project] all the success of other similar projects.”*

It is still not known who will build the pipeline and other projects were discussed at the meeting.

*“We talked to our Croatian colleagues about possible alterations of the **DružbAdria** project and that the oil could possibly go to Trieste and not Omisalj,”* said Deputy Minister of industry and energy of the Russian Federation **Ivan Matevar**. He added that they would discuss this with their partners in Slovenia and Italy.

“This means that the two projects are complementary, meaning they do not cancel each other out but rather build on each other,” said Economy Minister **Branko Vukelic**. *“In fact, we have numerous directions for supply from different areas and I think that this will be in the interest of Croatia, the whole EU and I think that it can and should be in the interest of the Russian Federation.”*