

The Ministry of Energy and Transgaz signed funding contracts in amount of EUR 93 million

Sebastian-Ioan Burduja, the Minister of Energy and Ion Sterian, Transgaz' Director-General signed the funding contracts for two investment projects: Natural Gas Transmission Pipeline Black Sea – Podișor and Natural Gas Transmission Pipeline Ghercești-Jitaru (including power supply, cathodic protection and fibre optics).

Based on EC Decision no. C(2023) 3643 final of 30.05.2023, funding was provided under the Modernisation Fund for the two projects, as grants, amounting to EUR 93,582,770:

- Natural gas transmission pipeline Black Sea – Podișor - EUR 85,544,422,
- Natural gas transmission pipeline Ghercești-Jitaru (including power supply, cathodic protection and fibre optics) – EUR 8,038,348

The benefits of having these investment projects funded and implemented are the following:

- Ensuring energy security at the European and national level by strengthening the natural gas transmission infrastructure, providing additional transmission volumes, and diversifying energy sources by taking over Black Sea natural gas;
- The supply of natural gas to the territorial administrative units along the route that the new infrastructure crosses, implicitly increasing the welfare of the Romanian citizens;
- Supporting the economic environment by creating the infrastructure necessary for the development of new capacities for the production of power from natural gas which generates both new jobs and economic growth at national and regional level.

Sebastian Burduja, the Minister of Energy: *„In the geo-politic context we are facing, it is crucial for the gas transmission infrastructure reinforcement projects (hydrogen ready) to obtain the funding allocated to Romania. I have stated ever since I took over my mandate that I have three priorities: investments, investments, investments. These contracts funded under the Modernisation Fund represent another step towards the achievement of the declared priorities. The funding contracts signed today are vital for the future transportation of Neptune Deep gas which will not only shape Romania's status as an energy independent country, but also as the EU's main natural gas producer. I will be supporting Transgaz from now on as well in its actions for obtaining grants and other types of funding for the investment projects envisaged by the company.”*

Ion Sterian, Director General of SNTGN Transgaz SA: *"By signing the two funding contracts under the Modernisation Fund, namely the investment projects - Natural gas transmission pipeline Black Sea - Podișor and the Natural gas transmission pipeline Ghercești-Jitaru, even if they ensure only 11% of the investment value, SNTGN Transgaz SA reaffirms its strong commitment to continue the actions to obtain grants in order to implement the natural gas transmission energy infrastructure development program, so as to safeguard and increase national and European energy security, boost the welfare of the Romanian citizens and develop Romania's economy"*.

SNTGN Transgaz SA submitted, through the Ministry of Energy, a number of 12 projects for the expansion and upgrading of the natural gas transmission infrastructure.

The Modernisation Fund (MF) is made up of the revenues obtained by the market auctioning of 2% of the greenhouse gas emission (GHG) certificates at EU level, for the period 2021-2030, with Romania having allocated a percentage of 11.98%, which represents a budget of over EUR 15 billion that can be used until 2030.

