

The board of the European Investment Bank has approved a EUR 45 million (USD 53 million) loan to the municipality of Sofia for the construction of a combined heat and electric power plant. Once built, the plant will operate as part of the Bulgarian capital's central heating network, local media reported, quoting an EIB statement.

The plant will use processed waste from a waste management facility in Sofia for fuel and will provide electricity for the national power grid and heat energy for the city's Toplofikacia, the EIB said.

The project description said that the new CHP plant will partly replace heat generation from existing natural gas powered facilities. The construction of the new power plant is part of the final stage of construction of the integrated Sofia Municipal Waste project.

The European Investment Bank said that the estimated total investment in the CHP plant will stand at EUR 135 million. The bank said the project will be co-financed under the Operational Program Environment 2014-2020.

The project to build the CHP plant in Sofia is the latest in a series of funding drives by the Bank in decentralized energy initiatives. The EIB board also lent its support to financing proposals for projects aimed at upgrading and reducing energy use in district heating in Krakow, a 400kV electricity inter-connector between Romania and the Moldovan capital Chisinau and a new scheme to support energy and water efficiency investment by private householders in Portugal.

The European Investment Bank opened its new Group Office for Bulgaria late in October in line with its policy to open offices in all European Union member states. The new EIB Group Office, headed by Andreas Beikos, will strengthen and increase EIB Group activities in Bulgaria. The first thing the new office did was to sign a loan agreement with Bulgaria's leading sunflower oil and grain trading firm Oliva AD.

Source: balkangreenenergynews