

The World Bank will draft a comprehensive review of the financial state of Bulgaria's energy sector and identify steps towards full liberalization of the electricity market by the end of the year under a deal signed on Friday.

The Bulgarian Energy Holding (BEH) signed a consultancy services contract with the World Bank in Sofia, under which the World Bank will make a financial analysis of the sector, 3e-news.net reported.

The value of the deal was not disclosed.

World Bank experts will analyse in particular the financial state of the state-run National Electricity Company NEK, which has been persistently plagued by deficits. The analysis will serve as the basis for choosing a model for a Bulgarian energy exchange, Energy Minister Temenuzhka Petkova explained at a news conference following the signing of the deal.

Finding a compensation mechanism that will prevent the accumulation of deficits at NEK at the opening of the energy exchange will be a key part of the assignment.

By November the government should be ready to introduce changes to the Energy Law that will provide the legal basis for the complete liberalization of the electricity market. A target date for the liberalization to take place is early 2016, Petkova said.

Looking ahead, BEH CEO Jacklen Cohen commented they have the ambition to achieve the liberalization of the market in a very short time span.

"The next step after the liberalization will be to connect our market to the already existing markets," Cohen said, according to BGNES.

source: m.novinite.com