
Kremikovtzi closure to help expansion of Sophia city

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It is reported that Bulgarian capital Sofia is set to expand to the north with the almost certain liquidation of the Kremikovtzi steel maker.

Mr Petar Dikov chief architect of Sofia said that he expected that the liquidation of the troubled steel making giant Kremikovtzi would be confirmed by the court as its bondholders had rejected the capitalization of its debts and the recovery plan.

He added that "As far as I know, the state has also given up on that. So on November 12th 2009, two days after the historic date of November 10th 2009, the post communist transition will be over for Kremikovtzi, this dear child of the Bulgarian Soviet friendship."

In his words, the Bulgarian capital is not going to lose anything from the liquidation of the factory but stands to gain clean air and a lot of new space for expansion and urban development.

He explained that "Since you have many foreign readers, I want to mention that after the insolvency procedure is completed, Kremikovtzi will be declared for sale in full, not as a plant in operation but as one in liquidation. I am convinced that the smart investors are going to consider whether to buy it even in today's time of crisis. This is 15,000 decares of land with several hundred thousand tons of scrap worth about EUR 400 million. This will prove to be a very rare deal."

He predicted that whoever might acquire the assets of Kremikovtzi would preserve at least temporary its smelting furnaces in order to smelt the hundreds of thousands of tonnes of scrap remaining there, a process which could take about four years.

(Sourced from www.novinite.com)

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