

In the past year, [Western Balkan](#) governments have announced a series of new gas pipelines, terminals and power plants, supposedly to steer the region **away from Russia**. These plans — many of which are receiving financial and political support from the **EU and US** — if implemented, will hamper the region's [transition to renewables](#), while aggravating economic and security risks, including those involving Russia.

Western Balkan governments haven't learned much from the last year in which the EU's dependence on [fossil fuels](#) imports, primarily gas, became a major source of instability, with global repercussions. But they are not the only ones.

While it has yet to be seen how successful the EU is in weaning itself off **Russian gas**, its leaders are exporting its mistakes to a region that in 2021 consumed only four percent as much gas as Germany and is not nearly as dependent as the EU on it.

EU Commission president Ursula von der Leyen, energy commissioner Kadri Simson and enlargement commissioner Olivér Várhelyi regularly meet with the Azerbaijan regime to promote increased gas supplies to the EU and Western Balkans.

And the European Investment Bank and European Bank for Reconstruction and Development look set to finance the Greece-North Macedonia gas interconnector, which — despite claims of diversification — would actually greatly expand North Macedonia's gas imports.

The Western Balkans' gas consumption is below four billion cubic metres per year, mostly related to heating and industry, with Serbia making up around 60 percent of it, while a large part of the region — Albania, Montenegro and Kosovo — is currently not even connected to the international gas network.

According to new research by Global Energy Monitor and Bankwatch, the announced gas projects are worth more than **€3.5bn, and include the region's first two LNG import terminals in Montenegro and Albania**, and a fleet of new gas-fired power plants that would dramatically increase the region's dependency on gas for electricity.

Gas infrastructure would in most cases have to be built from scratch, which would be costly and take years, thus locking in the region for decades to come. This diverts resources from investing in energy efficiency and sustainable renewables.

Solar and wind lagging

The region's lagging solar and wind development so far shows that it is not realistic to expect that the countries will make another transition from gas towards renewables by 2050. The depleted budgets of these countries and the lack of regulatory and institutional capacity won't allow it.

New gas demand will increase the Western Balkans' exposure to volatile gas prices. Given

the extent of energy poverty and the political sensitivity of high utility bills in the region, consumers will not be willing or able to absorb high prices for gas. This may well lead to stranded assets.

But even if gas is used, it is likely that governments will have to subsidise it during periods of high prices, putting additional strain on the countries' limited public budgets. They may even turn towards Russia, as Russia is able and willing, if it serves its geopolitical interests, to offer cheaper gas than Azerbaijan or LNG imports.

This all happens at a time when it is clear that there is simply no space for new fossil gas infrastructure.

The latest Intergovernmental Panel on Climate Change (IPCC) report reiterates that there is no room for new fossil fuel infrastructure globally, as the projected CO₂ emissions from existing infrastructure, without additional abatement, would take us beyond 1.5 C temperature increase by the end of the century.

According to the IPCC, "rapid and deep and, in most cases, immediate greenhouse gas emissions reductions in all sectors this decade" are needed in order to **limit warming to 1.5°C**. Gas buildout in the Western Balkans is not compatible with this goal, nor with the countries' commitments to reach net zero by 2050 as part of their EU accession process. Several of the proposed pipelines are accompanied by unsupported claims that they can supply [renewable hydrogen](#) in the future, without providing any evidence on potential sources or economic feasibility. The efficiency benefits of direct electrification in heating — rather than hydrogen use — and the low likelihood that so much renewable hydrogen will be available in the coming decades, render this claim unconvincing.

Instead of funding the creation of largely new gas demand in the region, the EU and US would be better off doubling down on the [Western Balkans' energy transition](#). The best way to achieve energy security in the region, meaning the uninterrupted availability of energy sources at an affordable price, while keeping Russia away from the region, is not Azeri gas, nor LNG or any other gas, it is an **energy-efficient economy** based on sustainable forms of renewable energy and the electrification of the heating and transport sectors.

Source: euobserver