

Serbian Prime Minister Aleksandar Vucic on Monday said Serbia will try to expand the capacity of Banatski Dvor, its only gas storage, from 450 million to one billion cubic meters, to increase energy security.

According to Vucic, Serbia faces obstacles in finding different gas supply routes in order to avoid a gas shortage if Russia stops delivering gas through Ukraine in 2019, as Russian officials have announced.

Serbia uses about 2 billion cubic meters of gas a year and only produces about 20 per cent of that amount. The rest is imported from Russia via Ukraine and Hungary, which is currently the only gas supply route for Serbia.

The Prime Minister added that Serbian officials have discussed a potential gas inflow from Azerbaijan, as well as through the Russia-sponsored Turkish Stream pipeline and, finally, the US-backed project for a LNG terminal on the Croatian island of Krk, but no project was close to realization.

Vucic said it was not a question whether Serbia would prefer "Russian or American gas" but if it would be able to secure more gas at all.

"We have discussed 100 ways from where and how to get it. We do not know what will happen with the Ionian Adriatic pipeline or the LNG terminal on Krk or Turkish Stream - where we are going to take gas from," Vucic told a press conference.

Jelica Putnikovic, an energy expert in Belgrade, on Tuesday welcomed the government's intention to expand the storage capacities in Serbia.

"Serbia should not just expand the Banatski Dvor storage, it should build another one in order to increase its energy security. By building another gas storage, Serbia could have a chance to become an energy hub in the region and supply other countries with the gas," Putnikovic told BIRN.

She added that Serbia will not face a gas shortage even if Russian gas supplies through Ukraine are stopped in 2019.

"Russia has built the North Stream pipeline in order to deliver its gas to the EU through Germany. This pipeline has enough capacity to deliver gas to Serbia as well, but the gas would be much more expensive for Belgrade because it would also have to pay taxes to all the states that the pipeline goes through," Putnikovic concluded.

In June, Serbia and Bulgaria signed an agreement on a gas interconnection, which should enable Serbia to connect with two pipelines from Azerbaijan - the Trans-Adriatic Gas Pipeline, TAP, and the Trans-Anatolian Gas Pipeline, TANAP.

Also, at the end of the June, Romania invited Serbia to join the AGRI project, which aims to bring gas from Azerbaijan and so help countries in Europe diversify their gas supply.

But the Serbian authorities are not convinced this will provide Serbia with sufficient gas supplies, which is why the expansion of Banatski Dvor is a priority at the moment.

"This will secure gas supplies through whole winter season in Serbia if deliveries are



Serbia To Expand Gas Storage Capacities

stopped in Ukraine," Vucic said.
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