



Prague, Czech Republic - Plans for EUR **3.5 billion of new gas-fired power plants, pipelines, and liquefied natural gas** (LNG) terminals in the Western Balkans would force countries to import far more gas than they have in the past, introducing economic and energy security risks into the region's already challenging energy transition, finds new research from Global Energy Monitor and Bankwatch.

A review of data in the Global Gas Plant Tracker and the Global Gas Infrastructure Tracker show:

2,442 megawatts (MW) of planned gas-fired capacity would dramatically deepen the region's dependency on gas for electricity, nearly tripling the 779 MW of such capacity today;

The region's first two **LNG** import terminals in Montenegro and Albania would increase exposure to a tight, volatile LNG market with over 0.5 billion cubic meters (bcm) of regasification capacity;

2,715 kilometers of new gas pipelines would draw gas into the Western Balkans from Greece, Croatia, and other neighbors.

In 2021, the six countries of the Western Balkans—Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia—consumed a mere 3.7 bcm of gas, or four per cent of what Germany used that same year.

But the proposed expansion to the gas infrastructure network, backed by European Union and U.S. institutions, would expose the region to the volatile price swings and gas shortages experienced by much of Europe last year. Albania, Montenegro and Kosovo are not currently connected to gas networks, so new infrastructure would create entirely new gas dependence.

At the same time, renewed warnings this month from the Intergovernmental Panel on Climate Change that no new **fossil fuel** infrastructure can be built in order to limit planetary warming to 1.5° Celsius mean that the planned gas build-out represents billions of euros in potential stranded assets.

For a region with significant solar and wind energy potential, the plans for new gas infrastructure would also introduce fresh hurdles to **EU** accession efforts, as the move runs counter to provisions of the Energy Community Treaty that seek among others to align the green energy efforts of the region with that of the EU's.

Pippa Gallop, Southeast Europe Energy advisor at Bankwatch, said 'Fossil gas infrastructure built now will be a liability for the **Western Balkans**. Either it will increase import dependence and fossil-fuel lock-in, or it will end up as stranded assets. If the EU and its banks have learnt anything from recent supply problems, they must stop peddling fossil gas



Western Balkans: EUR 3.5 billion gas build-out poses economic, energy security risks and threatens green transition

in the region.'

Robert Rozansky, Research Analyst at Global Energy Monitor, said 'Countries around the world are rethinking their plans to import this volatile, dirty fuel amid the global **energy crisis**. If the Western Balkans forge ahead with new gas infrastructure, it will only make it harder to transition to clean, domestic, and affordable energy.'

Source: Bankwatch Network