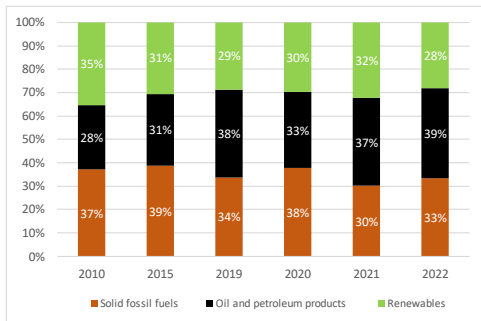




# Energy fiche - Montenegro

## Key energy figures

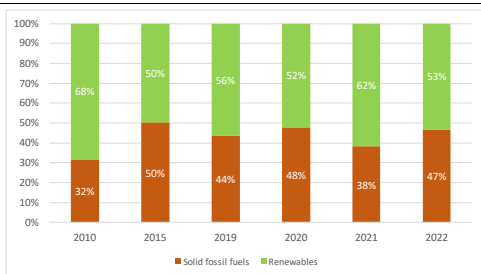
Graph 1: Energy mix



Source: Eurostat

- Montenegro is **highly dependent on fossil fuels**, accounting for 72% (in 2022) of the country's energy mix. The country is particularly reliant on coal, and to a lesser extent oil and oil products.

Graph 2: Electricity mix



Source: Eurostat

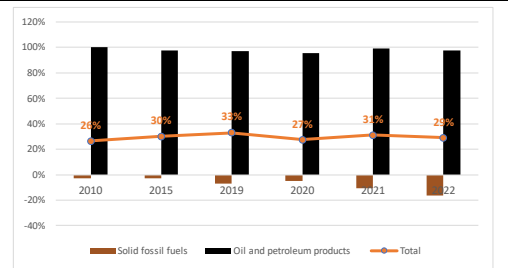
- Coal-fired power plant Pljevlja** has an important role in the country's electricity sector and accounts for almost half (47%) of the total electricity production in 2022. **Coal** (lignite) has been traditionally sourced domestically. Montenegro aims to phase out coal by 2035.

- Still, most of the electricity production comes from **renewable sources** (53% in 2022). Hydro power plants alone account for 44%, while wind power plants the remaining 10%.
- Montenegro has seen a limited uptake in deployment of new renewable electricity generation facilities in recent years. According to International Renewable Energy Agency, the capacity of installed solar PVs rose from **22 MW** in 2022 to **42 MW** in 2023. There has not been an increase in deployment of wind power plants since 2019, and the installed capacity stands at **118 MW** <sup>(1)</sup>.

## Energy security

### 1. DIVERSIFICATION OF ENERGY SOURCES AND REDUCTION OF IMPORT DEPENDENCY

Graph 3: Import dependency on fossil fuels



- Combustible renewables and electricity are excluded
- The total amount takes into consideration the energy mix of the country

Source: Eurostat

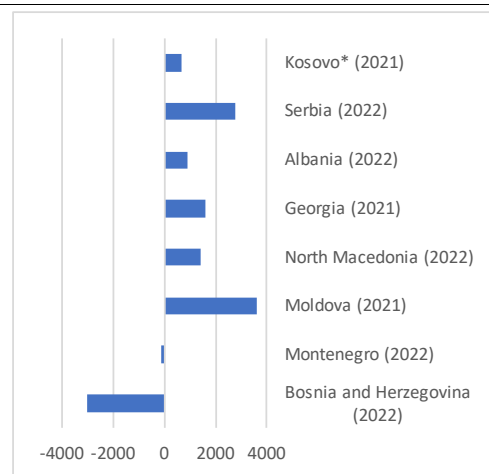
<sup>(1)</sup> International Renewable Energy Agency (2024). Renewable capacity statistics 2024

# Integrated energy market

## 1. ELECTRICITY

- In 2022, the annual gross electricity production in Montenegro stood at 3,322 GWh. The country was a **net electricity exporter** in 2022, with 135 GWh exported more than imported.
- Process of market integration with the EU is ongoing under the **Electricity Integration Package**, adopted in the Energy Community in 2022. Due to the delay in transposition, an infringement procedure has been opened under the Energy Community Treaty.

Graph 4: **Net electricity imports (GWh)**



(1) Net electricity imports are calculated as electricity imports minus exports.

(2) The values for Bosnia and Herzegovina, Montenegro, North Macedonia, Albania and Serbia are from 2022. The 2022 values for Moldova, Georgia and Kosovo\* are still not available, so 2021 data was used. Ukraine was not covered in the overview, as the latest available data was from 2020.

**Source:** Eurostat

## 2. NATURAL GAS

- Montenegro has no **national gas market** and has no access to natural gas pipelines. There are no gas power plants in Montenegro.
- Montenegro is not importing gas for domestic consumption and there plans for connecting the country to the regional gas market are currently on hold.
- The **Ionian Adriatic Pipeline (IAP)** is a proposed natural gas project that could introduce natural gas into the energy mix of

Montenegro. However, the project has not been further developed in recent years.

## 3. ENERGY INFRASTRUCTURE

Map 1: **Electricity infrastructure including cross-border interconnections**



**Source:** ENTSO-E

- The implementation of two sections of the **Trans-Balkan (TB) Electricity Corridor** are underway in Montenegro. The section 6 Pljevlja – Lastva (400 kV transmission line) is under construction to be finished by 2024, 93% of the project has been implemented while a small part is still missing because of unresolved property legal relations and environmental concerns. The section 4 (2x400 kV OHL Bajina Basta – Visegrad in Bosnia and Herzegovina/Pljevlja in Montenegro) is scheduled to go into operation in 2027, depending on financing. The corridor is a priority initiative in the CESEC High-Level Group.
- The corridor would be further linked to the European Union via the **Italy – Montenegro submarine cable**, including the second link which would increase its capacity from 600 MW to 1200 MW in 2030.
- The project of increasing the transmission capacity of the existing OHL 220 kV Trebinje (Bosnia and Herzegovina) – Perucica (Montenegro) is being developed, with prefeasibility study completed. The next phase will be the feasibility study. The project is planned to be commissioned until 2028.

## 4. ENERGY POVERTY

Table 1: Energy poverty

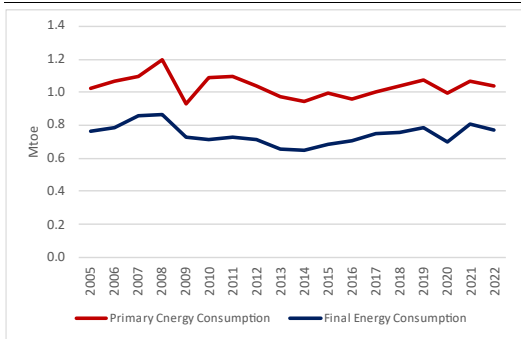
	Montenegro			EU		
	2020	2021	2022	2020	2021	2022
Arrears on utility bills (households %)	31.5%	30.7%	30.3%	6.5%	6.4%	6.9%
Inability to keep home adequately warm (household %)	13.2%	18.0%	13.9%	7.5%	6.9%	9.3%
Population living in dwelling with presence of lead, damp and rot (population %)	22.4%	-	-	14.8%	-	-

Source: Eurostat

## Energy efficiency

### 1. ENERGY EFFICIENCY

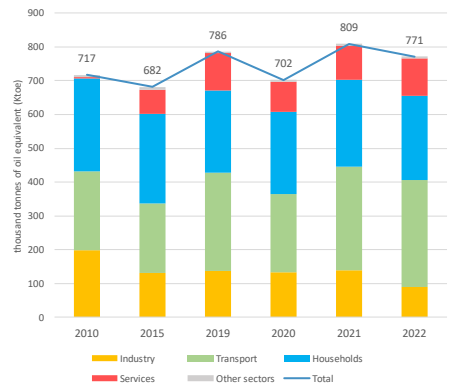
Graph 5: Primary and final energy consumption



Source: Eurostat

- Montenegro has not yet submitted a draft NECP to the Energy Community Secretariat and there are no nationally adopted 2030 targets on energy efficiency.
- The energy efficiency target for the planned total maximum level of final energy consumption by 2030 set by the 2022 Energy Community Ministerial Council Decision is at **0.73 Mtoe**, and for Primary Energy consumption is at **0.92 Mtoe**.

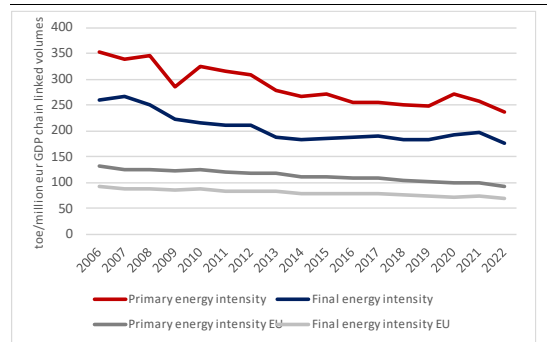
Graph 6: Final energy consumption by sector



(1) Final energy consumption excludes consumption of the energy sector (including transformation and distribution losses) and non-use of energy carriers.

Source: Eurostat

Graph 7: Primary and final energy intensity



Source: Eurostat

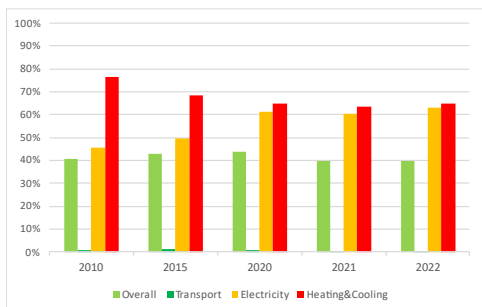
### 2. ENERGY SAVINGS IN BUILDINGS

- To update rulebooks from 2015, Montenegro improved cost-optimality calculations and introduced a new software for energy performance calculations and certification of buildings. While the updated rulebooks were adopted in May 2024, application of energy performance certification is still pending (planned to start from 1st August 2024).
- Montenegro is preparing its **long-term building renovation strategy**, as well as adoption of the finalised comprehensive assessment and the action plan for heating and cooling.

# Decarbonisation

## 1. SECTORAL SHARE OF RENEWABLE ENERGY

Graph 8: Share of renewable energy sources

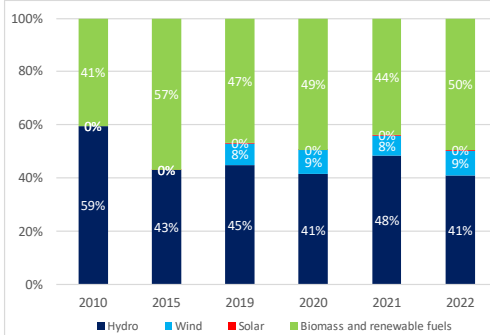


(1) In % of gross final consumption of energy.

Source: Eurostat

- In **2022**, Montenegro recorded a share of renewable energy in gross final energy consumption of **39.9%**, which is above its 2020 target of 33%.
- Montenegro has not yet submitted a draft NECP to the Energy Community Secretariat and there is no nationally adopted 2030 target for share of energy from renewable sources
- The 2030 target for the share of energy from renewable sources set by the 2022 Energy Community Ministerial Council Decision is 50%.

Graph 9: Renewable energy mix



(1) In % of gross final consumption of energy.

Source: Eurostat

## Enlargement

- Montenegro applied for EU membership in **December 2008** and was granted EU candidate status in **December 2010**.
- The EU-Montenegro accession negotiations began in **June 2012**.
- By **June 2020** all 33 screened chapters have been opened for negotiations, of which 3 are provisionally closed.
- As regards the green agenda and sustainable connectivity<sup>(2)</sup> (cluster 4), Montenegro has some level of preparation in **environment and climate change** (chapter 27), it is between moderate to good level of preparedness in the areas of **transport** (chapter 14) and **trans-European networks** (chapter 21) and has good level in **energy** (chapter 15)<sup>(3)</sup>.

## Energy partnerships

- Montenegro is engaged in a number of regional cooperation initiatives and organizations, such as the **Energy Community, Transport Community, Central European Free Trade Agreement (CEFTA), CESEC, Union for the Mediterranean, the South East European Cooperation Process (SEECP), EU macro-**

<sup>(2)</sup> Following the introduction of the revised methodology for the accession negotiations in February 2020, negotiating chapters are now divided in six thematic clusters.

<sup>(3)</sup> European Commission (2023), Montenegro 2023 Report, SWD(2023) 694 final

**regional Strategy for the Adriatic and Ionian Region** (EUSAIR), and the **Danube Region** (EUSDR) as well as the **Regional Cooperation Council** (RCC).

- Montenegro is also a member of the **IRENA**, **IAEA** and **Energy Charter**.

## National Energy and Climate Plan (NECP)

- There is no date foreseen for the submission of the draft NECP by Montenegro to the Energy Community Secretariat for assessment.
- The Energy Community Contracting Parties were due to adopt their final NECPs by 30 June 2024 taking into consideration Recommendations from the Energy Community Secretariat.