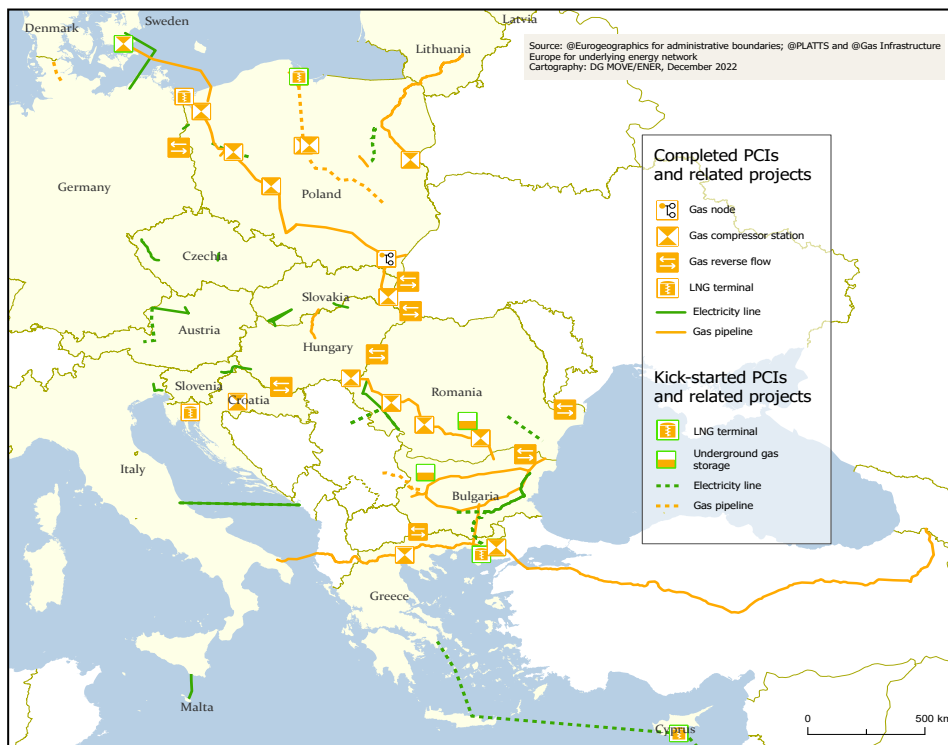


# Projects of Common Interest in energy infrastructure in the Central and South-Eastern region

DECEMBER 2022



## In 2009:

- The gas supply crisis showed that Member States from Central-Eastern and South-Eastern Europe were fully **dependent on gas imports from Russia** due to lack of interconnections and reverse flows and **no access to global LNG market**.

## Today:

- Thanks to the TEN-E policy and financial support through the Connecting Europe Facility, cohesion funds, and other instruments, several **new gas pipelines, interconnectors and LNG terminals** in Central-Eastern and South-Eastern Europe have come online;
- The EU has successfully supported enabling **reverse flows** on most of the existing interconnections in the region, including on those with Ukraine and Moldova;
- **The region is no longer isolated**, as the new infrastructure opened access to new regional supply sources (such as **direct access to pipeline gas from the Caspian region** and **access to the global LNG market** from the Świnoujście LNG terminal and the Krk FSRU, and shortly from Alexandroupolis FSRU), **increased market integration**, and enhanced **risk preparedness** and **resilience** even in extreme demand conditions.

## Achievements in gas infrastructure:

- Together with TANAP and South-Caucasus Pipeline, the **Trans-Adriatic Pipeline** (EBRD loans of 1 billion EUR and EIB loans of 700 million EUR under the European Fund for Strategic Investments) connecting Greece and Italy through Albania is a crucial element of the **Southern Gas Corridor** providing direct access to gas from Azerbaijan. The inauguration of **IGB**, the **Interconnector between Greece and Bulgaria** (EEPR grant of 45 million EUR and 39 million EUR from structural funds) opened a key route to carry gas from TAP and Greece to Bulgaria and neighbouring countries. **The rehabilitation, modernisation, and expansion of the transmission system in Bulgaria** (CEF grant of 28 million EUR) was also finalised, improving the flexibility of the Bulgarian transmission network, which is a crucial transit system for the security of supply in the South-European region;
- The successful completion of **BRUA phase 1 project** (CEF grant of 150 million EUR) established a corridor between Bulgaria, Romania, and Hungary, and enabled **bi-directional gas flows between Romania and Hungary**. Its next development phase will provide a significant alternative supply route for landlocked countries such as Hungary, Slovakia, Czechia, and Austria;
- The **Krk LNG terminal** (CEF grant of 123 million EUR), has made **Croatia independent from a single supplier**, enhanced the regional security of supply by enabling gas imports from the terminal to Hungary, and further neighbouring countries. Its planned expansion and enhancement of the Croatian transmission network will allow to import and then transport larger gas volumes for the benefit of the entire region;
- The completion of the **Poland-Slovakia gas interconnector** (CEF grant of 100 million EUR) has opened access to new supply sources for Central and South-Eastern Europe, facilitating the market development between Northern and Southern Europe, and increasing integration and coordination of regional gas markets.

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## Achievements in electricity infrastructure:

- Several cross-border transmission **infrastructure projects in Bulgaria** have been completed, as well as an **interconnection between Slovenia, Hungary, and Croatia**. **Two new interconnectors between Slovakia and Hungary** have also been completed;
- **Sincro.Grid** (CEF grant of 42 million EUR), a smart grid project between Slovenia and Croatia, has successfully introduced innovative control tools and organization models on top of infrastructure investments enabling cross-sector integration and consumer engagement;
- These achievements have prepared the infrastructure in the region to **integrate significant volumes of renewable energy generation** for which there is plenty of potential.

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## Way forward:

- The remaining priority infrastructure investments in the region, which are set to be finalised in 2023, are the **IBS, gas interconnector between Serbia and Bulgaria** (CEF grant of 27,6 million EUR and Pre-Accession Assistance of 49,6 million EUR) and the construction of the **Alexandroupolis FSRU** and **FSRU terminal in Vassiliko**, Cyprus. The latter will effectively end gas isolation of Cyprus, allowing the country to connect to global LNG market and diversify its imported energy sources and fuels;
- The planned expansion of several **underground gas storage facilities in Chiren, Bulgaria** (CEF grant of 79 million EUR), as well as in **Bilciuresti, Romania** (CEF grant of 38 million EUR), and **Greece** is expected to significantly contribute to enhancing the security of supply and market integration in South-East Europe.
- More electricity interconnections are being developed and finalised. For instance, after having finalized the **Bulgarian section of the Greece – Bulgaria electricity interconnector** (CEF grant of 28 million EUR), the project is expected in operation in 2023;
- Other key electricity interconnector projects are expected to be completed in the coming years, notably the **Trans-Balkan Electricity Corridor**, the Romanian section of the **Black Sea Corridor** between Romania and Bulgaria, or the **Mid Continental East Corridor** between Romania and Serbia as well as EuroAsia, undersea cable from Israel to Crete via Cyprus.

Total funding under the **Connecting Europe Facility (CEF)** for the region: **2.86 billion EUR**

Total funding under the **European Energy Programme for Recovery (EEPR)** for the region: **234 million EUR**