

European Commission
Rue de la Loi / Wetstraat 200
1049 Brussels
Belgium

Ms Ursula von der Leyen
President of the European Commission

Cc. Ms Kadri Simson,
Commissioner for Energy

Cc. Gert Jan Koopman
Director-General of DG NEAR

20th October 2023

Subject: Open letter of Montenegrin NGOs over the announcement by the European Commission on building an LNG terminal in Montenegro

Dear President von der Leyen,

We are writing as a group of Montenegrin civil society organisations and regional partners, to express our deep concerns about [the recent announcement](#) by the European Union's Enlargement Commissioner Olivér Várhelyi about the EU's readiness to build a liquified natural gas (LNG) terminal in Montenegro, specifically at the Adriatic port of Bar.

Our hope is that Mr. Várhelyi's statement is not the EU's official position on the development of the Montenegrin energy sector. These types of public statements send a wrong signal to the Montenegrin government and to the other countries in the region concerning their Green Agenda commitment to work towards the 2050 target of a carbon-neutral continent together with the EU by mainstreaming a strict climate policy and may hamper the already delayed transition of the region from fossil fuels. Furthermore, use of the limited EU public funds available to finance a new LNG terminal in Montenegro is unacceptable.

This LNG terminal, if built, would create a carbon lock-in for Montenegro, that the country would not be able to resolve before the 2050s. It is not realistic to expect that Montenegro, based on its size, limited institutional capacity and empty state coffers, would be able to make another transition from gas towards renewables by 2050.

Montenegro hardly uses any gas at all, the country is not connected to international gas networks, nor does it have a gas distribution network. LNG terminal construction takes a lot of time-- between 5 to 10 years, from the terminal inception phase to first gas delivery, especially since there is no previous infrastructure present to shorten the construction period. This would mean that the terminal could start operating at the earliest in the 2030s when the EU -- by this time hopefully including Montenegro -- should already cut its gas consumption by 30-50%.

LNG terminal construction is a long-term investment: to be economically viable it needs to operate for at least 20 years, which means that the terminal would be operating up to early 2050s when the country should already be climate neutral. That would mean also that Montenegro and the rest of the region need to create significant additional gas demand which does not exist now, and it would probably require the construction of a distribution network, new gas power plants and interconnectors with neighbouring countries to create that additional demand.

By building an LNG terminal and supporting infrastructure, Montenegro's counterintuitive pivot toward creating gas demand could introduce new economic and energy security risks for the country's energy transition. A fleet of new gas-fired power plants planned in Podgorica, Bar and Pljevlja would dramatically boost the country's dependence on gas for electricity and heating. Moreover, no cost-benefit or environmental assessments have been publicly disclosed or consulted for the LNG project.

We therefore ask whether Commissioner Várhelyi's statement accurately reflects the plans of the European Commission regarding the LNG terminal in Bar? If so, what form is the support from the EU likely to take?

We also request that the European Commission refrain from promoting the LNG terminal or other new gas infrastructure in Montenegro, whether in public statements or in its investments. Instead, we ask the Commission to redouble its efforts to encourage genuinely transformative investments which are receiving insufficient attention, such as:

- Deep renovation of buildings
- Increased use of heat pumps
- Development of utility-scale solar, rooftop solar photovoltaics and solar thermal
- Tackling electricity distribution losses, which are extremely high in Montenegro, amounting to around 10 per cent of gross consumption in 2021 and 2022
- Increased support for innovative heating technologies such as heat storage

Thank you for your attention to this important matter. We look forward to hearing from you soon.

Sincerely,

Signatories:

1. NGO ŠkArt
2. NF Građanska alijansa
3. YIHR Inicijativa mladih za ljudska prava
4. NGO Eco-team
5. Nekazano Bar
6. Our Action/Nasa Akcija
7. Women's Rights Centre
8. NGO Punctum
9. Center for Protection and Research of Birds
10. Ray&Jules Balkan DOO
11. COSV - Italian NGO operating in WB and Montenegro-team
12. Akcija za socijalnu pravdu, Crna Gora/Action for Social Justice, Montenegro
13. Centre for Multimedia Production/CEZAM
14. Agencija za lokalnu demokratiju
15. Mediterranean Center For Environmental Monitoring (MedCem)
16. Da zaživi selo
17. NU Zrcalo
18. Expeditio
19. NGO Brda
20. NGO Nesvrstani
21. Parkovi Dinarida

22. Dr Martin Schneider-Jacoby (MSJA)
23. NGO Zero Waste Montenegro
24. NGO MANS
25. NGO Association of young ecologists of Niksic
26. NGO Women's Alliance for Development
27. CEE Bankwatch Network