Open Letter from Civil Society

To:

Milojko Spajić, Prime Minister of Montenegro

Admir Šahmanović, Ministry of Energy and Mining

Dear Sirs,

This letter is an urgent appeal from Montenegrin and international non-governmental organisations, independent experts, and citizens. We call on you to immediately halt the signing of the memorandum of understanding between the Government of Montenegro and Japanese energy company JERA. The memorandum, due to be signed between 9 and 12 September 2025 at the upcoming Gastech conference in Milan, concerns cooperation in the energy sector, specifically the development, procurement, construction, management, maintenance, and financing of a comprehensive feasibility study for a liquefied natural gas (LNG) terminal and an accompanying gas-fired power plant in Montenegro.

We wish to remind the Minister and the Government that the Spatial Plan of Montenegro until 2040 already incorporated the concerns of Bar's municipality, institutions, professional teams and non-governmental organisations, and specifically excluded the LNG terminal from the Plan. By proceeding with this agreement, the Government would be in direct violation of this key spatial planning document. We intend to inform the relevant EU institutions of this serious breach. The residents of Bar, along with representatives from its municipal assembly, have already expressed their strong, unified opposition to the construction of the LNG terminal. This project not only lacks community consensus but also poses a serious threat to safety, the environment, and public health. The local community has made it clear that it will not permit its construction, and proceeding with planning activities against the will of the people could have severe social consequences.

Furthermore, the public commenting period for the national energy and climate plan, currently underway, has received numerous negative comments regarding the development of gas infrastructure. Under its current commitments, the Government is obliged to postpone and reconsider any project plans that would significantly hinder Montenegro's goal of achieving decarbonisation by 2050.

The Government's official proposal for concluding the memorandum claims that the project would have strategic value because it would ensure security of supply, representing a transitional solution. It also states that Montenegro would receive strong support for the development of its energy sector, strengthening the resilience of its electricity system and <u>fulfilling the country's decarbonisation and climate neutrality goals</u>.

After years of intensive EU efforts to reduce dependence on fossil gas, it is absolutely inappropriate to claim that gas is in any way useful for ensuring Montenegro's energy security today. Montenegro has no developed gas infrastructure, which is a major advantage over other countries in the region. This is a unique opportunity to transition to sustainable renewable energy sources. Instead, this plan would incur debts of over EUR 1 billion for gas-fired power plants and storage facilities, which would create a permanent dependence on gas imports from third countries like Azerbaijan and Russia. The example of Serbia clearly demonstrates the dangers involved: in 2023, the entire district heating sector recorded losses of EUR 10 million and accumulated an additional EUR 36.4 million in debt, precisely because of unstable gas prices and volatile investments.

As a country committed to EU membership, Montenegro has a clear obligation to align with European decarbonisation goals in accordance with the Energy Community Treaty and the Sofia Declaration. In July 2025, the European Commission presented a target to reduce greenhouse gas emissions by 90%

by 2040 compared to 1990 levels. Any investment in new gas-fired power plants, combined facilities, and associated infrastructure – which would take at least 5 to 10 years to build – would be a serious risk and a completely irresponsible move. The operational lifespan of such a plant would be limited to just a few years before full decarbonisation is required in 2050. These projects would create a new dependency on imported gas and burden the country with multi-million-dollar, long-term costs without any real possibility of a return on investment, making them economically unjustifiable. The idea of replacing fossil gas with green hydrogen for electricity and heat production on this scale is unrealistic and misleading, as such quantities of hydrogen will not be available at an acceptable price. The 2017 Gasification Master Plan is already now obsolete, and seven years later, it has shown no progress in implementation. The plan stated back in 2015 that a connection to the Ionian-Adriatic Pipeline (IAP) and Trans Adriatic Pipeline (TAP) would be possible from 2020, which never happened. The IAP was not built even when the EU was ready to finance it, making any assumption that the project could be revived completely unrealistic today. It is therefore essential to officially abandon all gasification projects and instead focus efforts on increasing energy efficiency and developing sustainable renewable energy sources. It is too late to start building new fossil fuel infrastructure, and European financial institutions such as the European Bank for Reconstruction and Development and the European Investment Bank have already made it clear that they will not support gas projects.

It is also worth noting that claims of commercial gas exploitation from Montenegro's seabed are unrealistic and misleading, <u>as there is currently no active exploitation</u>. In mature basins like the North Sea, the average time from discovery to production for offshore fields is around 17 years, or <u>12 to 16</u> <u>years from discovery to commissioning</u>. This shows that any hope for quick commercial exploitation in Montenegro is not based on empirical data but on pure illusion.

Fossil gas cannot serve as a temporary solution in 2025. It would require building an entire gas pipeline through difficult terrain, investing hundreds of millions of euros in thermal power plants, and creating a permanent addiction to expensive imported gas. Such infrastructure is not built temporarily; once constructed, it remains in operation for at least 40 years or more. Montenegro no longer has time to invest in projects that will tie us to fossil fuels and move us further away from our decarbonisation goals.

Montenegro must direct its resources and policies towards the accelerated development of sustainable renewable energy sources — solar, wind, and geothermal — as well as towards measures for energy efficiency and efficient energy storage technologies for both electricity and heat, including the electrification of heating and cooling systems. Any further credit debt and investment in fossil fuel infrastructure will directly move us away from a clean energy transition and increase both financial and climate risks.

For these reasons, we urge the Government of Montenegro to officially abandon the signing of this agreement, which would commit it to a gasification project. Instead, we call on you to focus on sustainable investments that will ensure true long-term energy security, reduce costs for citizens, and align with EU climate policies. Any further delay in this decision represents a serious oversight with profound consequences for the future of our country.

Sincerely,

Organisations and signatories:

- 1. Milica Kankaraš Berber, activist
- 2. Martin Schneider–Jacoby Association
- 3. Optimists
- 4. Zero Waste Montenegro
- 5. KANA
- 6. CEE Bankwatch Network

- 7. Centre for New Initiatives
- 8. Fidelity Consulting
- 9. MANS
- 10. Eco-Team
- 11. Equitas
- 12. Coalition for Sustainable Development
- 13. Montenegrin Ecologists' Society
- 14. Action for Social Justice
- 15. Ozon
- 16. Unkažano (Bar)
- 17. Čedo Dragović Theatre
- 18. FK Sloga Stari Bar
- 19. Info Sport CG (Bar)
- 20. SKI Club (Bar)
- 21. Theatre Play (Bar)
- 22. Zupci (Bar)
- 23. Vesna Čejović, lawyer
- 24. Sonja Čejović, lawyer (in her personal capacity and as representative of more than a hundred citizens of Bar in public addresses and procedures opposing the construction of LNG terminals and gas-fired power plants in Bar)
- 25. Mios Šušter, former President of the Executive Council of Bar Municipality during postearthquake reconstruction
- 26. Zoran Vojvodić, Open Society Club (Bar)
- 27. KUD Jedinstvo (Bar)
- 28. Ivan Pekić, security studies expert
- 29. Drazen Aleksić, economist (Bar)
- 30. Neđeljko Đurović, professor (Bar)
- 31. Nikola Pavlićević, pilot (Bar)
- 32. Vladimir Milošević, lawyer (Bar)
- 33. Dragoslav Bojović, largest individual shareholder of Energoprojekt (Belgrade)
- 34. SUBNOR Montenegro
- 35. Zoran Marka Rašović, mechanical engineer
- 36. Željko Ivanović, member of team that drafted the Spatial Plan of Montenegro
- 37. Srećko Vujović, academic at DANU, translator, president of PEN Montenegro
- 38. Ilija Vukotić, professor (Bar)
- 39. Dušan Raičević, citizen (Bar)
- 40. Sinan Duraković, professor (Bar)

The above list is supplemented by other non-governmental organisations, the Municipal Assembly of Bar, together with intellectuals, activists and citizens, who have also voiced their opposition to the construction of gas power plants and LNG terminals.

Podgorica, 9 September 2025