Gas Development Masterplan

Project Financing

WBIF Grant WB11-ALB-ENE-01 € 1,105,500 **Total** € **1,105,500**Total Grants € 1,105,500

Total Loans € 0

Project Description

The project aims to develop the regional energy market and strengthen energy security in Albania and the wider region. Albania has a small and run-down domestic gas supply network and still remains unconnected to the regional and European gas network while there is no gas market in the country. The diversification of sources and routes of the energy supply is a strategic Government objective of the Government; it includes plans to develop the Trans Adriatic Pipeline (TAP Project) and Ionian Adriatic Pipeline (IAP), which are expected to bring gas to Albania by 2019.

However, there are no concrete plans for the development of gas transmission and distribution systems and gas utilisation within Albanian territory. This project aims to identify priority investment projects that are required to facilitate the gasification of Albania, and to deliver the objectives of cleaner energy supplies with reduced CO2 and greenhouse gas emissions.

A 1,100,000 EU grant was allocated by the WBIF in June 2014 for the purpose of preparing a comprehensive medium term natural gas development master plan for Albania together with the supporting institutional measures. The Gas Master plan will be scoped to include institutional factors relating to tariffs, potential implementation arrangements and the development of transmission and distribution system operators and regulatory competence in Albania.

The study and the Strategic Environmental Assessment of proposed investments were completed by Infrastructure Project Facility 4 in May 2017.

Results and Benefits

- increasing the use of a cleaner energy source and improving energy efficiency in Albania
- providing diversified energy supply to Albania and the region, enhancing energy security
- improving the reliability and sustainability of the energy supply
- providing access to planned Albanian storage capacities, either salt domes or depleted gas fields
- reducing greenhouse gas emissions by fuel-switching
- reducing CO2 emissions in the region and facilitating economic development
- reducing environmental degradation, pollution and health problems by fuel switching
- enable Albania to become a gas hub at the nexus of the IAP and TAP pipelines and establish the preconditions for a gas market to develop in Albania
- support the EC gas ring project, with the potential further development of TPP Vlora or other CCGT

electricity generation in the Vlora / Fier region

• Countries: Albania

• Code: PRJ-ALB-ENE-002

Sector: EnergyLead IFI: EBRDStatus: Completed

• Beneficiary: Ministry of Energy and Industry