



Trans Adriatic Pipeline



MEDIA RELEASE

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## **TAP and Croatia gas pipeline operator Plinacro sign South East Europe MOUC**

**Baar, Switzerland.** The Trans Adriatic Pipeline AG and Plinacro Ltd., a natural gas transmission system operator in Croatia, today announced the signing of a Memorandum of Understanding and Cooperation (MOUC) aimed at encouraging the development of natural gas markets in South East Europe (SEE).

The three-year agreement will enable both organisations to coordinate their activities and exchange technical information. TAP and Plinacro already individually support the security of supply and diversification of gas resources in the region.

TAP is planning to construct a natural gas pipeline that will connect Greece with Italy, via Albania and the Adriatic Sea. The pipeline is part of the European Union-designated Southern Gas Corridor which will link Caspian gas sources to Europe and provide significant reverse flow capacities. At 520km, TAP is the shortest and most cost efficient of the proposed pipelines in the corridor.

Plinacro operates the Croatian national natural gas pipeline system. It plans to enter new South European markets and is promoting the Ionian Adriatic Pipeline (IAP), which aims to bring major energy security and economic benefits to the region.

Under the terms of the MOUC, a joint working group will be established immediately to further evaluate areas of potential cooperation, ranging from the alignment of overall schedules and sharing of best practice, to facilitating the mutual understanding of each project's technical requirements. This will include capacity needs, new construction and upgrades of existing infrastructure, the coordination of maintenance, and environmental and social impact assessments.

Kjetil Tunglund, Managing Director of the Trans Adriatic Pipeline project, said: "TAP and IAP will both make significant contributions to the future energy supply to Europe and the SEE region. At such a critically important time in the development of each project, it makes sense for us to explore how best to work together. We are delighted to have signed this agreement and look forward to making real progress towards the realisation of our shared goals."

Jerko Jelić-Balta, President of the Board of Plinacro, said: "Improving the reliability and diversification of gas supplies to South East Europe is a major strategic imperative for the region. To realise such an ambition requires mutual understanding, cooperation and support. This MOUC is an important milestone in that process, providing a framework and forum for coordinating our activities and exchanges of information with TAP, to the benefit of both parties."

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Pictures from the MOUC signing ceremony available upon request.



## About Trans Adriatic Pipeline (TAP)

The 520km long pipeline will transport gas via Greece and Albania and across the Adriatic Sea to Italy's southern Puglia region and further to western Europe.

The project is aimed at enhancing security of supply as well as diversification of gas supplies for the European markets. TAP will open a new so-called Southern Gas Corridor to Europe and market outlet for natural gas from the Caspian Sea. TAP's shareholders are Swiss EGL (42.5%), Norwegian Statoil (42.5%) and German E.ON Ruhrgas (15%).

The project is designed to expand transportation capacity from 10 to 20 bcm per year depending on throughput. The TAP project also envisages physical reverse flow of up to 8 bcm and the development of natural gas storage facilities in Albania to further ensure security of supply during operational interruptions of gas deliveries.

The Trans Adriatic Pipeline is supported by the EU as a TEN-E project (Trans European Networks – Energy), in conformance with its energy policy and has been categorized by the EU Commission as an EU Interconnector. Furthermore, the project enjoys political support and is named as part of the Italy-Albania IGA (intergovernmental agreement).

TAP has its headquarters in Baar, Switzerland and branch offices in Athens, Rome, Tirana. TAP is currently in front-end engineering and its schedule is fully aligned with developments upstream.

More about TAP: [www.trans-adriatic-pipeline.com](http://www.trans-adriatic-pipeline.com)

## About Plinacro Ltd.

Plinacro Ltd. is the gas transmission system operator in the Republic of Croatia. Plinacro Ltd. guarantees a safe, reliable and high quality supply of natural gas from the entry point in the gas transmission system on the territory of the Republic of Croatia to off-take measuring-reduction stations of the gas distributors as well as to the final buyers. Plinacro is in charge of the development, construction, maintenance and supervision of the entire gas transmission system as well as all other activities necessary for the technical functioning of the system.

The gas transmission system of Plinacro consists of a 2,360 km long network of high pressure main and regional gas pipelines, with an hourly capacity of 860000 m<sup>3</sup>/h and yearly capacity of 5.4 bcm/y.

Plinacro is a 100-percent state-owned company with 265 employees.

Plinacro is also in charge of the construction of the infrastructural facilities for the national and regional gas pipelines - as well as measuring-reduction stations (MRS).

Plinacro Ltd. is a leader of the regional initiative for connecting with all neighboring countries, and its gas transmission system is conceived and designed in such a way to allow connection to any large project in the region. The most important projects for the actual diversification of supply resources and security of supplying Croatian as well as European consumers with gas are the projects of LNG Terminal construction and the Ionian Adriatic Pipeline (IAP) project.

More about Plinacro: [www.plinacro.hr](http://www.plinacro.hr)



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### **Ionian Adriatic Pipeline (IAP)**

The IAP project intends to connect the existing and the planned gas transmission system of the Republic of Croatia, via Montenegro, and Albania with the TAP system (Trans Adriatic Pipeline). The total gas pipeline length from Split (Croatia) to Fier (Albania) is 516 km. Its 5 bcm/y capacity will provide the natural gas supply for Albania, Montenegro, Bosnia and Herzegovina and Croatia. The implementation of the entire Ionian-Adriatic Pipeline project supports opening of the new energy corridor for the SEE region within the fourth EU transmission corridor, and in order to establish a new natural gas supply direction from the Middle East and the Caspian region. The Ionian-Adriatic Pipeline will be bi-directional, i.e. it will provide SEE region with natural gas also from other sources such as the future LNG Terminal on the island of Krk.