

North Macedonia – Kosovo Gas Interconnection Pipeline

Project Financing

WBIF	Grant	WB21-MKD-ENE-02	€ 653,250
EBRD	Loan		€ 9,900,000
National Contribution	Own Contribution		€ 400,000
Anticipated WBIF TA Grant	Other Sources		€ 1,000,000
Total			€ 11,953,250
Total Grants			€ 653,250
Total Loans			€ 9,900,000

Project Description

The energy sector in North Macedonia relies predominantly on fossil fuels (lignite and natural gas) and hydropower and is dependent on electricity imports. Natural gas is imported from Russia through a single-entry point at the border with Bulgaria. It is mainly used by industrial consumers and three combined heat and power plants, while households have an almost negligible share of total consumption due to limited distribution networks.

This investment project will build 16 km of gas pipeline, from the Skopje – Ki?evo pipeline at the village of Upper Matka (17 km west of Skopje) to the border with Kosovo*. The interconnection has a total length of approximately 86 km: 16 km in North Macedonia and 70 km in Kosovo.

The WBIF supports the feasibility study preparation and environmental and social impact assessment for the gas interconnection. The investments are developed under Flagship 5 – Transition from coal of the Economic and Investment Plan for the Western Balkans.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Results and Benefits

- 16 km of future-proof gas pipeline
- Transition from coal to low emission gas infrastructure in short to medium term and introduction of decarbonised gas in the longer term
- Offer the region a widely available, secure and affordable source of energy that will keep the region competitive while significantly improving air quality and lowering emissions
- Diversification of gas sources to the European market and bring gas to the region to speed-up transition from coal in energy production

- **Countries:** North Macedonia
- **Code:** PRJ-MKD-ENE-016
- **Sector:** Energy
- **Lead IFI:** EBRD
- **Status:** Preparation
- **Beneficiary:** Macedonian Energy Resources; Ministry of Economic Development of Kosovo