

# **South East Europe Energy Outlook 2025/2026 - Natural Gas -**

*Aleksandar Kovacevic*

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# Gas transit corridors:

From Mediterranean to North, Western and Central Europe

From East (Central Asia or Mid East) toward Europe: Southern Corridor

From seaborne to continental markets

From traded market at the open sea to regulated inland markets

Regulated interface points

Dominated by pipelines

Neglecting other forms of inland transport

River Danube? River Dniepr?

LNG to the customer?

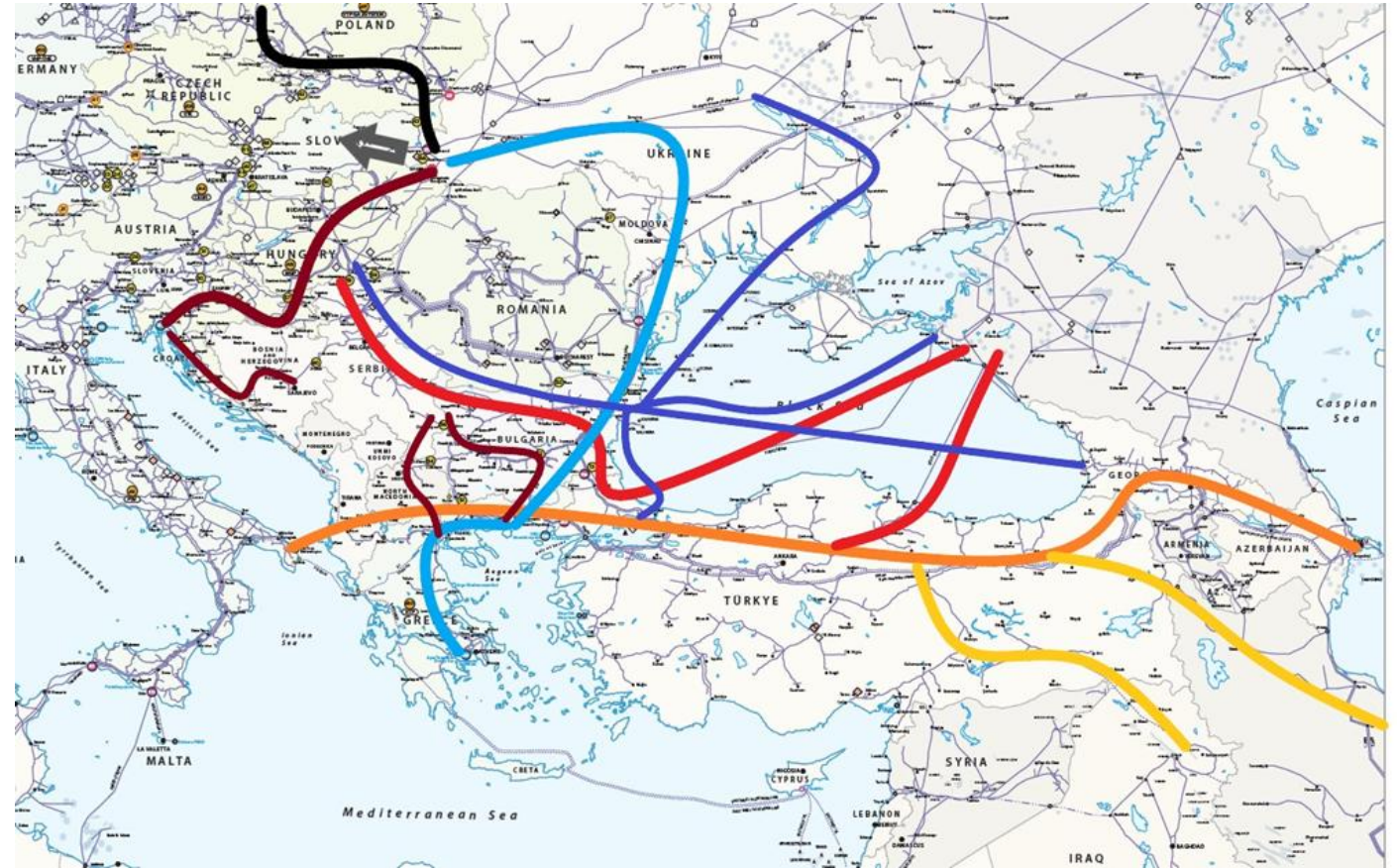


Figure 21: Overview of the gas pipeline projects in the wider region

# Table A: Comparative density of GDP per unit of land area between gas import, gas transit and gas export countries

Gas import countries		Gas transit countries		Gas export countries	
Country	GDP Per Land Area (million USD per sq. km.)	Country	GDP Per Land Area (million USD per sq. km.)	Country	GDP Per Land Area (million USD per sq. km.)
Germany	11.300	Greece	1.691	Azerbaijan	0.568
Italy	7.085	Croatia	1.090	Iraq	0.517
European Union	4.428	Romania	1.041	Russia	0.101
Austria	5.517	Türkiye	1.002	Turkmenistan	0.087
Euro area	5.094	Bulgaria	0.600	Kazakhstan	0.066
Czech Republic	3.176	Serbia	0.579	Iran	No data
		Albania	0.551	Algeria	0.073
		North Macedonia	0.502		
		Montenegro	0.409		
		Bosnia and Herzegovina	0.394		
Ukraine	0.226	Moldova	0.348	World	0.675

Eventual new pipeline infrastructure: geopolitics beyond economics ?

Accumulation of strategic risks.

Extracted from: <https://ritijain.com/2018/07/30/gdp-per-unit-land-area.html>

# Highlights

- Considerable ambitions for energy (particularly, gas) transit
- Limited liquidity, investment potential and indigenous economic potential. High WACC. Limited real long term off-take opportunities.
- Use of gas actually directed to less economic options. There are interesting and growing commercial opportunities for gas beyond current use patterns
- Eventual dependence on imported natural gas for power generation and district heating, detrimental for optimal use of critical hydropower resources from Western Balkans. May grow to threat to European electricity grid flexibility and security as well as impediment for deployment of intermittent renewable energy.
- Imported gas is not viable replacement for domestic lignite in Western Balkans but offers interesting commercial opportunities by displacing imported crude and supporting strategic decarbonization process
- Intra-region gas and low-carbon gas is evolution to watch
- Repurposing of infrastructure to more economic use is slowly taking pace