

The position of the Republic of Serbia as a candidate for EU membership on the one hand and cooperation with Russia on the other allows this country to position itself as an intermediary between the two sides, between the East and the West. The re-export of Russian gas to other countries is exactly such an opportunity. While Russia is under EU sanctions and while the official Union policy reduces dependence on Russian gas (despite obvious contradictions like North Stream 2), Russia cannot sell gas to the EU under free market conditions. Serbia, as a still non-member of the Union, does not oblige to follow the same rules. The specific position in which Serbia is located allows this country to use it for its economic progress.

After the Kremlin summit at the end of December last year, there were rumors that Russia will begin to change Russia's natural gas supply agreement to Serbia, and allow this country to sell Russian gas to other countries, and now we are closer to realizing that plan. The Russian newsletter announced that Moscow will put an end to the agreement that stipulates that Russian natural gas can only be sold on the Serbian market. The agreement covers the period from 2012 to 2021 and envisages the delivery of up to five billion cubic meters per year.

In order for this to be possible, Serbia will have to build new pipelines. At present, its pipes are connected only to Bosnia and Herzegovina, but since December, construction of a special branch of the gas pipeline from Dimitrovgrad to Niš has begun. At the same time, Serbia will be in charge of building a gas pipeline from its side to the Bulgarian border, and Bulgaria from the Black Sea to the border with Serbia. The pipeline will be two-way on the Bulgaria-Serbia route. Since Russia plans to abolish gas pipelines via Ukraine in 2019, this is one of several alternative routes for bringing Russian gas to the region of Southeast Europe. For Serbia, this is, for now, an excellent geopolitical position. The existing infrastructure planned for the South Stream will only be adapted to the new project, so the company called South Stream, which was supposed to design the construction, changed its name to Serbian Stream and continues to work "according to plan". The project will be financed by Srbijagas through a short-term loan of 15 million euros, while the entire project will cost 100 million euros. This gas pipeline should be 150 kilometers long and carry around 1.8 billion cubic meters of gas annually. Bulgaria received EUR 45 million from the EU for the construction of this pipeline, and Serbia EUR 49.7 million.