



MEDIA RELEASE  
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## **Government of Albania and TAP finalise Host Government Agreement**

**Tirana, Albania.** The Albanian Ministry of Economy, Trade and Energy and the Trans Adriatic Pipeline (TAP) project have today signed the Host Government Agreement (HGA), formally agreeing the terms of engagement for the Southern Gas Corridor pipeline's future delivery.

The HGA sets out the regulations by which the project will be realised and operated on Albanian territory. This includes processes on land easement and acquisition, the implementation of technical, safety environmental and social standards and permitting regulations. Upon ratification by the national parliament in the coming weeks, the HGA will become a fully binding law.

TAP is one of the largest sources of foreign investment in Albania, which would provide a major source of revenue to the country. During construction TAP will stimulate employment in a range of direct and indirect industries including manufacturing and utilities, transport, communications and financial and business services. It will also contribute to the development of Albanian roads and other infrastructure.

Furthermore, the project will play a major role in developing Albania's energy market and facilitating the Government's objective of becoming a gas hub for South East Europe. Planned exit points in the country and a reverse flow facility will help to ensure security of supply, while there is also an option to develop natural gas storage facilities in Fier.

**Kjetil Tungland, TAP's Managing Director,** stated: "Today is another important milestone in the Trans Adriatic Pipeline project's delivery, demonstrating again our readiness to meet the Shah Deniz Consortium's timetable."

As one of the largest sources of foreign investment into Albania to date, TAP will create any number of direct and indirect benefits including significant investment into the country and in the creation of jobs.

“We would like to thank the Albanian Government for their continuing support in realising today’s agreement and look forward to working closely with them in realizing TAP, and all of the benefits it will bring for Albania.”

TAP will enhance Europe’s energy security and diversity by providing a new source of gas. The pipeline will transport natural gas from the giant Shah Deniz II development in Azerbaijan, through Greece and Albania to Italy, from where it can be transported further into Western Europe.

The Albanian section of the pipeline will start at Bilisht Qendër in the Korçë a region at the Albanian-Greek border, and will stretch some 209km to the coastal area north of Fier where it will join the Adriatic. The Albanian offshore section will be 60km in length. Baar, Switzerland.

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### **About TAP**

TAP will transport natural gas from the giant Shah Deniz II field in Azerbaijan to the most attractive markets in Europe.

The pipeline will interconnect with the Trans Anatolian Pipeline (TANAP) near the Turkish-Greek border, cross Greece and Albania and the Adriatic Sea coming ashore in Southern Italy. TAP’s routing can facilitate gas supply to several South Eastern European countries including Bulgaria, Albania, Bosnia and Herzegovina, Montenegro, Croatia and others. TAP’s landfall in Italy, the third largest gas market in Europe, provides multiple opportunities for further transport of Caspian natural gas to some of the largest European markets such as Germany, France, the UK, Switzerland and Austria.

Designed to expand the capacity from 10 to 20 bcm per year, TAP will open up the so-called Southern Gas Corridor, which will enhance Europe's energy security by contributing to the diversification of the region's gas supplies.

TAP’s shareholders are Axpo of Switzerland (42.5%), Norway’s Statoil (42.5%) and E.ON Ruhrgas of Germany (15%).

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

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