

Poland to invest 12.5 billion euros in shale gas by 2020

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A drilling rig exploring for shale gas in the eastern Polish village of Grzebowilk in 2011. Poland will invest 50 billion zlotys (15.5 billion euros) in the exploration of shale gas by 2020, said Finance Minister Mikolaj Budzanowski.

Poland will invest 50 billion zlotys (15.5 billion euros) in the exploration of shale gas by 2020, Finance Minister Mikolaj Budzanowski said Saturday.

Investment over the next two years will total five billion zlotys (1.2 billion euros, \$1.6 billion), which includes a 409-million-euro shale gas deal agreed in July by five Polish energy and mining groups, Budzanowski told the press.

"With the Russian gas accord terminating at the end of 2022, we must be well prepared to noticeably boost the exploitation of our own gas fields

three years earlier," he said, adding that state money as well as private investment would be involved.

Poland which has a population of 38 million has extractable shale gas deposits estimated at 1,920 billion cubic metres, according to an official report published in March.

The National Geological Institute (PIG) said Poland's [shale gas](#) deposits are the third largest in Europe after those of Norway and the Netherlands.

Its extraction could make the country independent of Russian imports.

Poland burns 14 billion cubic metres of gas a year, two-thirds of which come from Russia.

The government expects extraction to begin in 2014.

The gas is extracted from rock through [hydraulic fracturing](#) or fracking, the drilling of underground shale [rock formations](#) by injecting chemicals and water to release the trapped natural gas.

Opponents say it causes pollution of the ground water but energy groups say it provides access to considerable [gas reserves](#) and drives down the price.

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