



# “Update on the course of Southeastern Europe towards becoming a regional gas market”

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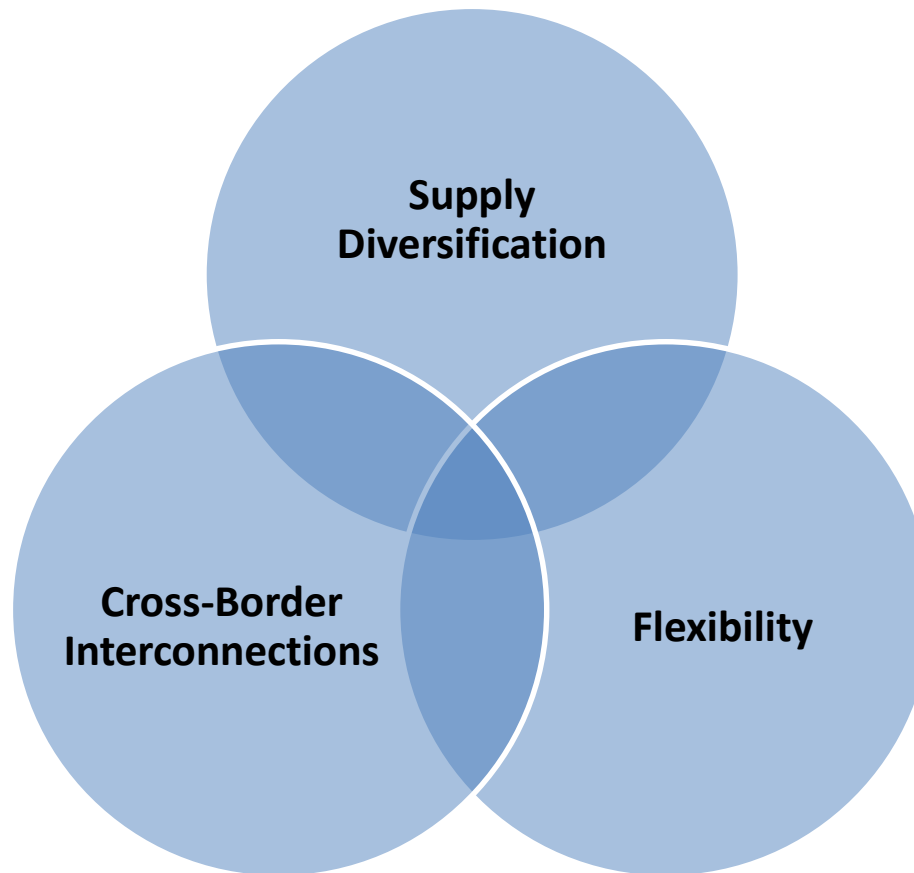
# The role of Greek Energy Forum

- An **international energy think tank** of Greek energy professionals holding corporate posts abroad and whose expertise spans across the energy industry spectrum (network of approximately 10,000 professionals today)
- Founded and headquartered in **London since 2013** and currently featuring branch offices in **Brussels, Athens, Nicosia, Dubai and Washington DC**.
- Our mission is:
  - To establish an **international platform of ideas and dialogue** amongst energy professionals to enable Change in the energy setting of SE Europe/East Med
  - To **inform investors and public opinion** on latest energy developments and “best practice” examples successfully applied abroad respectively
  - To propose and communicate **energy policy proposals and reforms** to governments and decision makers

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# The 3 Pillars of an efficient regional SEE Gas Market



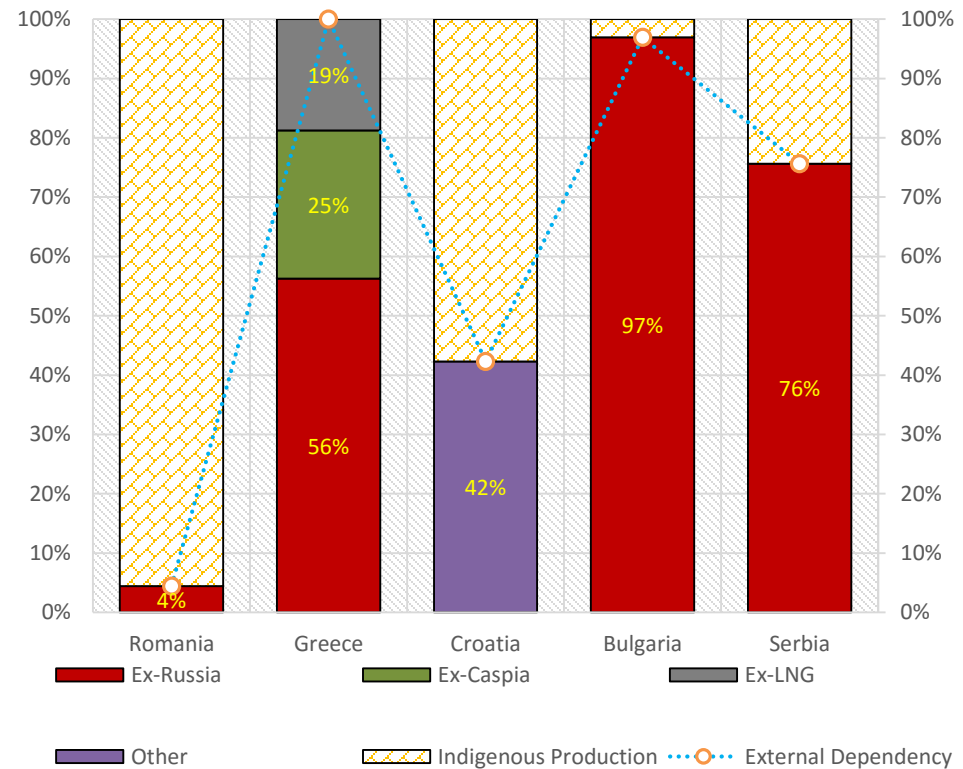
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# Supply Diversification (=Security of Supply)

Existing active sources:

- **Russia** (via Gazprom Export)
- **Azerbaijan** (via SOCAR and BOTAS)
- **Indigenous production** (Romania, Croatia, Serbia, Bulgaria)
- **LNG** (only arriving in Greece at the moment)
- **Imports from Central Europe** (Hungary, Slovenia)

Gas Sources in Main SEE Markets



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## Supply Diversification (=Security of Supply)

Prospective/possible new volumes originating from:

- **Caspian Sea** (Shah Deniz II)
- **USA** (LNG – planned import terminals Gastrade (GR), Krk Island (CRO), Vassilikos (CYP), AGRI (ROM), Eagle (ALB))
- **New indigenous fields** (Black Sea, Croatia, Albania, Greece)
- **East Med** (Israel, Cyprus, Egypt)
- **Russia** (“New South Stream”)
- **Italy** (via reverse flow capability of TAP)



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# Flexibility

- Essential for:
  - security of supply
  - seasonal swing
  - trading optimisation
- Region is **short of physical flexibility**
- Some markets rely fully on **“virtual” flex** (typical 20% annual flex in typical supply contract)
- **LNG storage** (existing/planned) can help but region needs underground storage projects

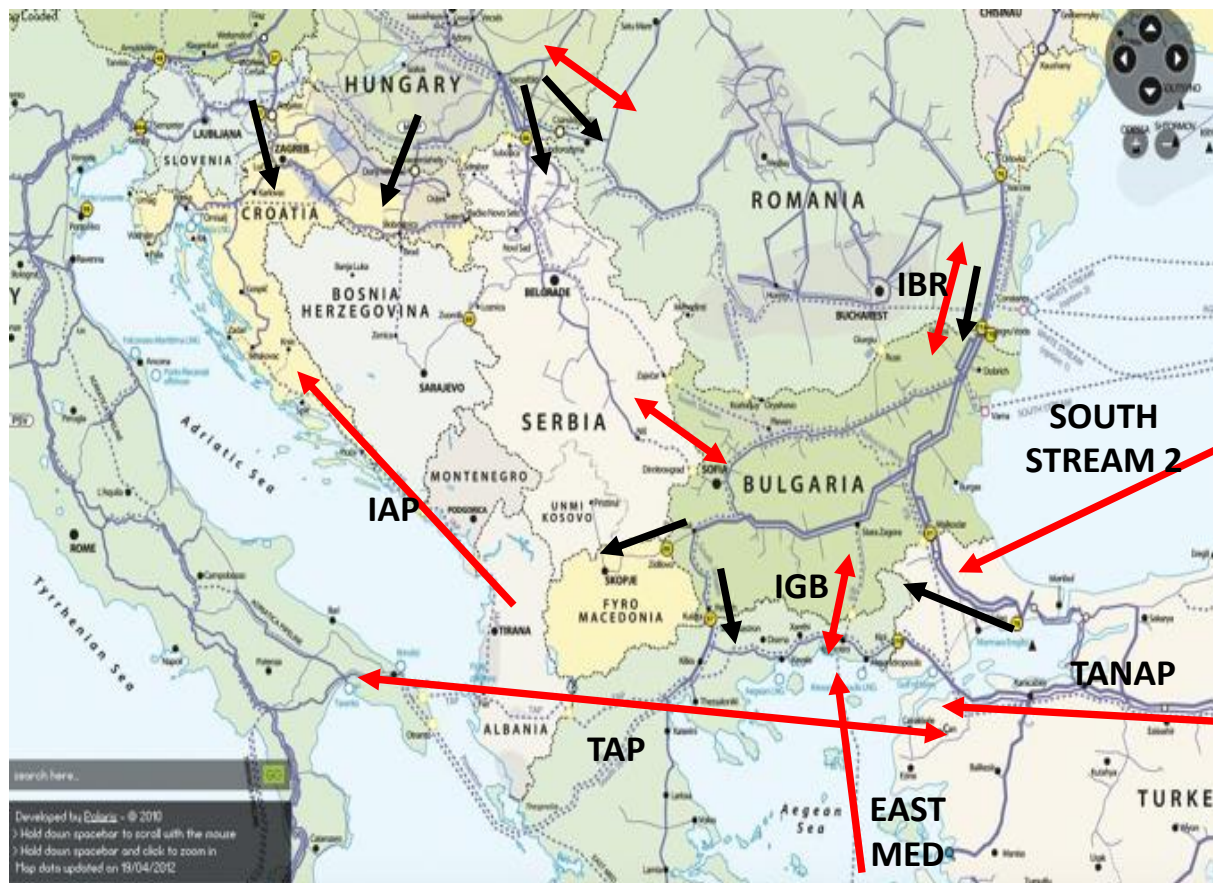
Country	Annual Demand (mcm)	Installed UGS (mcm)	Available Flex
Austria	8,200	4,694	57%
Netherlands	34,200	10,218	30%
Germany	79,900	21,840	27%
Italy	66,200	16,623	25%
SEE	22,300	4,232	19%

SEE additional capacity needed to reach Italian standards:	1,368	6%
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# Cross-Border Interconnections

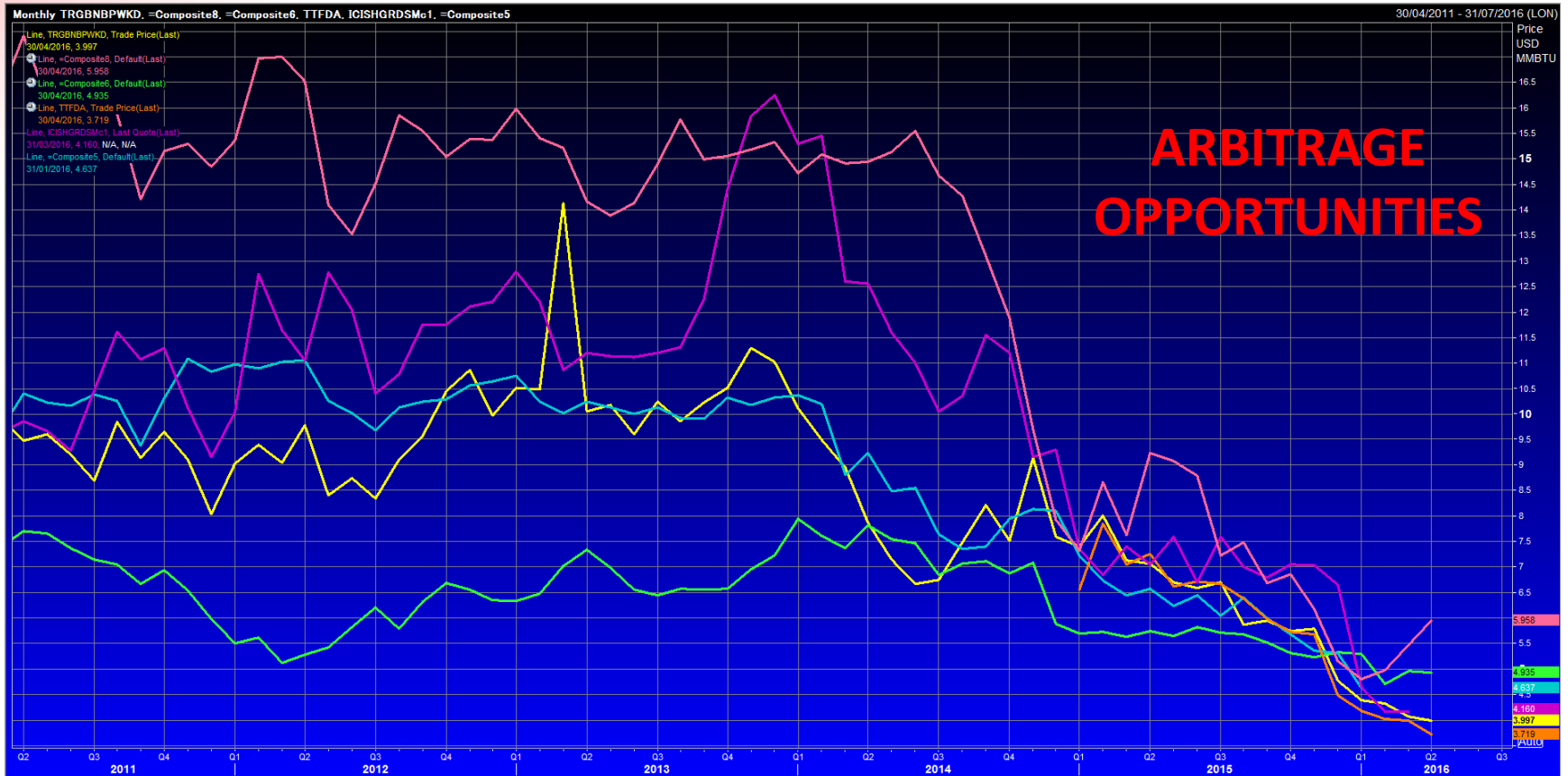
- Existing system designed mainly to facilitate the diffusion of Russian gas arriving via Ukraine
- New pipeline projects to enable new “supply visions”:
  - **Southern Corridor** (TAP, TANAP)
  - **Vertical Corridor** (IGB, IBR, EAST MED)
  - **Ionian Adriatic Pipeline** (IAP)
  - **“New South Stream”**



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# What does the vision look like in the eye's of a trader?



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# The Way Forward

- Promote **regulatory liberalisation** – establishment of virtual trading points
  - Enable **shift of existing delivery points** of supply contracts to VTP
- Support **regional interconnections** and alleviate bottlenecks (PCI Projects)
  - Invest in **storage infrastructure** (including LNG)

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Thank you very much for your attention!

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# Appendix

