

## PRESS RELEASE

### **THE JOINT EUROPEAN COMMISSION DG TREN – EUROGAS CONFERENCE “THE EUROPEAN SINGLE MARKET IN THE GLOBAL DIMENSION” TOOK PLACE THURSDAY 22<sup>ND</sup> SEPTEMBER IN BRUSSELS**

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**Eurogas organized on 22 September in Brussels its annual conference in joint cooperation with the European Commission's directorate of Transport and Energy.**

Under the headlines of the internal market of natural gas, the conference has been opened by EU Energy Commissioner Andris Pieblags followed by the President of Eurogas Willy Bosmans.

In his speech, the Commissioner underlined the need *“to further develop and reinforce relations with energy partners outside the European Union and to fully develop the internal market for energy”*, while as the Eurogas President stressed that *“Sustainable supplies and market liquidity will require huge long-term investments.”*

The conference opened a wide debate on the global dimension of natural gas. Senior managers from the natural gas industry, high level officials from the European Commission and representatives from the political and academic world came to present views in this open debate.

Setting the scene of the challenges of the natural gas industry and possible responses was the first theme to be addressed. Professor Chevalier, University of Paris Dauphine and Cambridge Energy Research Associates (CERA), brought an update on key facts and figures, economic trends and business in this field. Aspects on how companies adapt in increasing competitive and regulated markets were presented by Eurogas Vice President, Burckhard Bergmann, E.ON Ruhrgas who mentioned that real challenges facing the gas supply industry in Europe are *“growing imports dependency”*, *“increasing regulation”* which can affect investment decisions and finally *“competition within the gas market”*. LNG as part of the solution for security of supply by Herb Vogel, BP, and promotion of investments in infrastructures for ensuring this security by Jean Abiteboul, Gaz de France, were also part of the discussion.

The panel on the dialogue with the major producing and transit areas moderated by Commission director Christian Cleutinx first gave the floor to E.N. Zayashnikov, representative from the Russian State Duma and Geert Greving from Gasunie. They launched a large economic and political debate on the Russian strategic partnership and cooperation with Europe. Enrico Cingolani from the International Egyptian Oil Company presented information on the latest developments of the Egyptian gas production, liquefaction, related costs and exports. In addition, David M. Sweet, from the United States Energy association added some views from the US perspective and spoke about the latest economic developments and evolutions of energy policy on the other side of the Atlantic.

The first afternoon session dedicated to the European single market started by summarizing the headlines of the second legislative package of liberalization and underlined the importance of the 2005 Progress Report on the internal gas and electricity markets. These topics were presented by Commission head of unit Ana Arana-Antelo. This was followed by aspects on EU gas market regulation, by Jorge Vasconcelos from CEER. The implementation of the EU single market in a new Member state was illustrated by the example of Hungary presented by György Hatvani, State Secretary.

The last session gave some important remarks on the situation of the EU gas market by Otto Musilek, OMV, Austria. The necessary developments of new infrastructure was presented by

Antonio Gonzales-Adalid from Enagas. A company perspective for building markets was presented by Jake Ulrich from Centrica, who pointed out the barriers preventing wholesale liquidity and competition, proposing solutions like *"support at government and EU level for implementing the existing directives"*.

EU competition aspects in general and the gas and electricity sector inquiry launched early summer by the DG COMPETITION were presented by Geurtz Drauz, Deputy Director General while he stressed the close cooperation of the DG TREN and DG COMP in this matter. Finally, the role of gas in helping to reach the Kyoto protocol targets was presented by Fabrizio d'Adda, senior Vice President HSE dept. ENI and chairman of the industrial affairs committee of UNICE.

The conference ended with a wrap up session by the session chairmen of this event, Jean-Marie Devos, Secretary General Eurogas and Dominique Ristori, Director DG TREN, and also by MEP Jerzy Buzek, former Polish Prime Minister who joined in as a guest speaker. *"The natural gas and energy industry should fully benefit from the Lisbon process including better regulation"*, mentioned the Secretary General in his conclusions.

The conference was well attended with an audience reaching almost 200 participants. It gave the occasion to all participants to listen to diversified high level views on key questions on gas but also to share experience and exchange ideas on the global aspects of the gas market including economic, legal, regulatory and security of supply perspectives.

Available proceedings of this conference can be consulted on our website at [www.eurogas.org](http://www.eurogas.org)

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