

PRESS RELEASE

**EUROGAS/BALTIC GAS/BASREC CONFERENCE WITH THE PARTICIPATION OF
EU COMMISSIONER PIEBALGS AND LITHUANIAN PRIME MINISTER BRAZAUSKAS**

Eurogas the European Union of the natural gas industry organized in Vilnius on 8 May in cooperation with the Baltic Gas Association and BASREC, the council of the Baltic Sea States, a conference on security of supply and specific issues arising in the gas market in the Baltic sea region.

The presidents of Baltic Gas, Eurogas, the Lithuanian, Latvian, Estonian and Polish gas companies and representatives from BASREC met to analyse the fundamental developments and new challenges in the Baltic countries and in Poland and to debate the state of implementation of the internal gas market.

In his keynote speech, EU Commissioner Andris Piebalgs addressed the situation of the Baltic countries, both in its external aspects as they are dependent on one gas supplier and also its internal issues. He addressed the issue of interconnection needs with the rest of the Union. The Commissioner also explained the follow-up to the Green paper on Sustainable, Competitive and Secure Energy Policy for Europe and namely his intention to publish by the end of this year the first Strategic Energy Review.

Focusing on the challenges of meeting future demand in energy in the Baltic region, Commissioner Piebalgs referred to the improved dialogue with key suppliers like Russia, the diversification of sources, the increased use of liquefied natural gas (LNG), the expansion of the network and solidarity between Member states. Antero Jannes, Eurogas Vice-President, and President of Baltic Gas, emphasized the importance of investments to interconnect isolated markets in the region and to integrate them in the Pan-European gas pipeline network. Commissioner Piebalgs gave assurance that the European Commission recognized the importance of investments in infrastructure and was ready to evaluate and eventually to support projects.

Lithuanian Prime-Minister Algirdas Brazauskas underlined the point that the integration of the energy systems of the Member states is the main pre-requisite for securing energy supply in the EU and in the Baltic region. Referring to the Baltic countries as "Energy island" which does not yet have physical energy interconnections with the rest of the EU but only with Russia, he appealed to the European Union and to the solidarity of Member states to build an energy bridge to enhance Baltic security of supply.

From a more global point of view, Willy Bosmans, President of Eurogas and Jean-Marie Devos, Secretary General, stressed that in Eurogas's view, Europe needs a balanced long-term energy policy to achieve the objectives of a secure, competitive and sustainable energy. Stable relations with producing and transit countries and a political and regulatory stable framework conducive to investments are key elements to achieve this goal. They underlined Eurogas's commitment to the realisation of these objectives, in particular the achievement of the internal market, and its contribution in the different fora to determine the necessary framework.

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