

**PRESS RELEASE**  
**THE EUROPEAN GAS MARKET:**  
**EUROGAS VIEWS ON THE WAY FORWARD**

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**Eurogas announces the publication of the report “The European Gas Market – Eurogas Views on the Way Forward” prepared by its Strategy Committee and adopted by its Governing Board. Eurogas perspectives on the long-term gas market development are presented in the context of wider global considerations. Eurogas considers that consumers will be best placed to enjoy the benefits gas brings in a competitive gas market, only if security of supply to the market is assured. The report focuses on the important challenge of attracting diversified gas supplies to Europe and measures needs to improve implementation of the internal market.**

**The objective of the report is to give an overview of the main elements Eurogas considers important to take into account when designing the policy framework in which the European gas industry should develop in the future. It offers a global vision and a contribution to the future Strategic Energy Review which is currently prepared by the European Commission.**

To contribute to the ongoing discussions on energy in 2006 and thereafter, this document reasserts the importance of the gas industry in contributing to a sustainable energy supply for Europe. It reviews the increasing dependency on gas, including for the production of electricity and the changes in the supply structure, which are bringing new significant challenges for the European gas industry.

The report also analyses the impact of liberalisation on the gas industry and raises the issues of the consequences this may have on investment decisions by the companies. It calls for greater transparency and a more coherent approach to regulation to achieve further integration of the European gas market. For Eurogas, timely and correct implementation of the existing legislation remains a priority.

Furthermore it draws attention to the possible diversification routes to enhance security of supply and to the value of European dialogues between consumer countries and producing and transit countries that should be supportive to the entrepreneurial efforts of the European gas industry.

The report evaluates the importance of both long-term take or pay contracts that are for most companies the backbone for ensuring security of supply and the complementary role of liquid markets supported by short term contracts to widen supply options and enhance portfolio optimization.

**“Eurogas Views on the Way Forward” details in five chapters the:**

- Analysis of major trends in the world market
- Analysis of major trends – focus on Europe
- How to achieve the internal gas market
- How to ensure natural gas and natural gas industry bring their full environmental benefits and contribution to a sustainable energy market
- How to deliver security of supply in a competitive single energy market

The report is available in electronic on our homepage [www.eurogas.org](http://www.eurogas.org) and on hard copy upon request.

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