

***13th UNECE Gas Centre High Level
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and processing
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***Gas Supply Issues for Europe
– a Eurogas Perspective***

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THE EUROPEAN UNION OF THE NATURAL GAS INDUSTRY

44 members from 24 countries:

31 companies

12 federations

1 international organisation



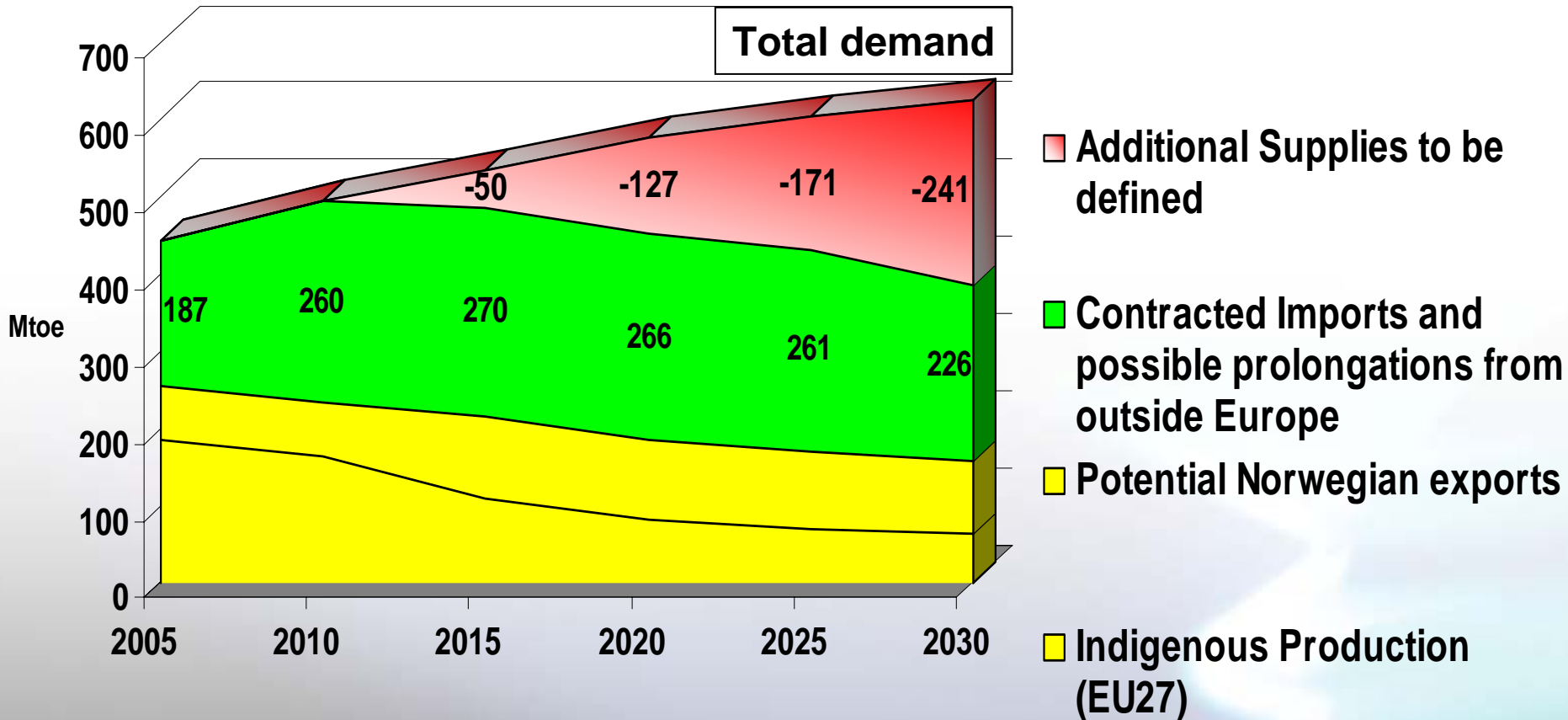
Eurogas is currently working on input to the European Commission's Strategic Energy Review 2.

Key points concern

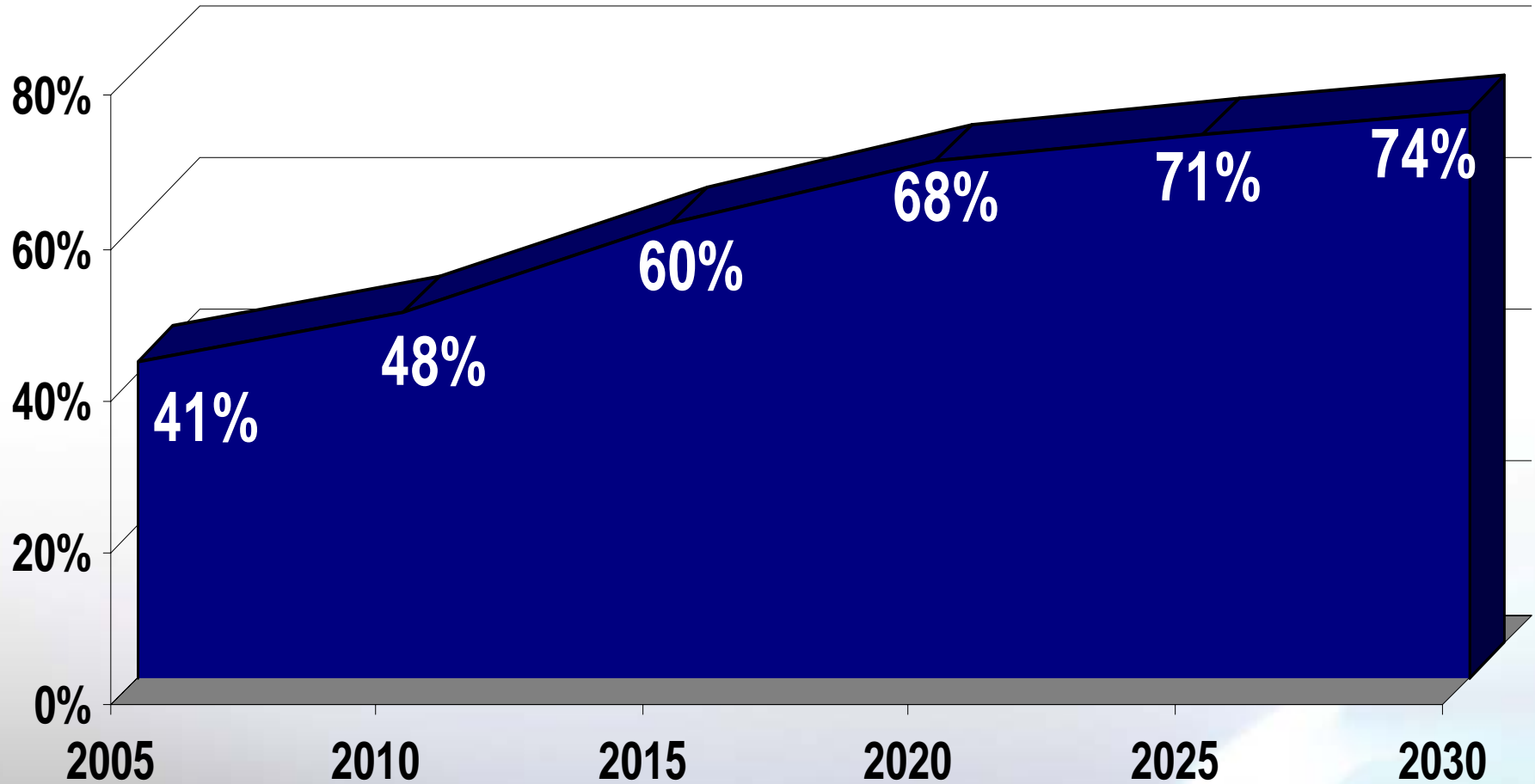
- supply/demand forecasts – data analysis
- LNG market
- European solidarity

EU27 Supply/Demand Outlook

Additional supplies are needed in the long run



EU27 import dependency from outside Europe*



LNG share in the market will rise – could be as much as 25% in the long-term, but the exact extent is dependent on a number of factors that are difficult to product.

- Regional energy needs and price differences become main drivers for short-term cargoes. Supply will focus on most lucrative markets.
- Increasing costs in the LNG chain leading to possible lack of liquefaction capacity.

Solidarity issue

Generally, Eurogas considers that preference has to be given to delivering solidarity through a well-functioning internal market.

- investments
- availability of commodity and capacity
- diversification of supply

Co-operation and exchange of information among Member States will further enhance security of supply.

Key Messages

We need a policy framework to

- ensure that Europe is an attractive market that will be able to compete for gas supplies in an increasingly competitive global market
- is conducive to the necessary investment to meet supply needs, pipelines, terminals, storage)
- facilitates the necessary interoperability and interconnections between Member States
- recognizes the need for multi-lateral dialogues between producing and consuming countries – promoting mutual interest