Greece inches closer to sales of Hellenic Petroleum and Depa

Greece has crossed a key hurdle to the sale of a controlling stake in ELPE (Hellenic Petroleum) as it rushes to meet its privatization pledge after emerging from its third and final bailout.

In a Bloomberg interview, energy minister Giorgos Stathakis said Greece has reached an accord with potential buyers of the ELPE stake – valued at the current market price of 1.16 billion euros and seen as a flagship privatization – over the control of its wholly owned unit, ELPE Upstream. Under the accord, the state will own 50.1 percent of ELPE Upstream, which holds Hellenic Petroleum's hydrocarbon exploration and concession rights.

"Talks with the potential buyers of the 50.1 percent stake in Hellenic Petroleum over Elpe Upstream have finished and all issues have been resolved," Stathakis said in the interview in

Athens.

The push to see the sale through comes after Greece, in August, ended its final international bailout following its decade-long financial crisis. Privatizations, a cornerstone of the bailout program’s rebound plan, haven’t been popular with the leftist government of Prime Minister Alexis Tsipras. Once famous for dragging its feet, the government is now interested in “stepping up the privatization drive,” Grigoris Stergioulis, chairman of Enterprise Greece, the nation’s trade and investment promotion agency, said in August.

Assets in addition to Hellenic Petroleum being prepared for sale include parts of DEPA, Greece’s natural gas supplier, and plants owned by PPC, the country’s state-controlled and largest electricity provider.

Binding offers

Greece’s state-asset sale fund qualified in July two investors for the controlling stake in Hellenic Petroleum – Glencore Energy UK Ltd and Vitol Holding BV – allowing them to continue with the process. The stake is being sold by Paneuropean Oil & Industrial Holdings SA and the Hellenic Republic Asset Development Fund, the refiner’s first and second-largest shareholders.

“While some details remain for the shareholders’ agreement, we expect binding offers on Jan. 28,” Stathakis said. The two companies have concluded their separate ventures for making bids, he said.

On DEPA, Greece is preparing a draft law to split the natural gas supplier into two parts to pave the way for the sale of the company, Stathakis said. The law to create DEPA Infrastructure and DEPA Commercial will be presented to parliament by the end of January, he said.

US foray

Greece will sell the majority of DEPA Commercial, retaining a 15 percent stake. DEPA Infrastructure will comprise the country’s gas network and international projects, including major investments in pipelines, and this part will remain under state control. Greece will invite investors to show interest in the sale during the first half. The state currently controls a 65 percent stake in DEPA while Hellenic Petroleum owns the remaining 35 percent.

DEPA’s purchase in December of the first cargo from Cheniere Energy Inc.’s Corpus Christi liquefied natural gas export terminal, the newest such outlet in the US, opens the way for the regular supply of US LNG to Greece, the minister said.

“Discussions have begun concerning amounts and price and the outcome is a matter of months,” Stathakis said.

Meanwhile, PPC has approved an agreement for investors to buy its lignite coal-fired plants in Meliti and Megalopoli, Stathakis said. The sale is part of an effort to meet the demands of Greece’s creditors for the company to reduce its dominance in the country’s electricity market. Binding offers are due shortly, Stathakis said. *(Bloomberg)*

Germany wobbles on Russian gas pipeline as tensions mount

Bloomberg/Berlin

Support in German Chancellor Angela Merkel's coalition for a major new Russian gas pipeline is slipping as frustration with the Kremlin's brinkmanship grows and pressure from US President Donald Trump starts to bite.
Nord Stream 2, an $11bn project that will double the natural gas supply under the Baltic Sea to Germany, faces growing scepticism among German officials who had previously defended it against criticism from Trump and some European Union allies, according to senior lawmakers. The shift could translate into pressure on Merkel's government to back down on the controversial pipeline and possibly delay its implementation.
Social Democratic lawmaker Nils Schmid, whose party has been a reliable supporter of the project, said too many decision-makers in Berlin had been slow to factor in Nord Stream's geopolitical significance. It will reduce the volume of gas pumped through Ukraine as Russia attempts to stifle its neighbour's economy by depriving it of lucrative transit fees.
"The debate in Germany has become more critical," Schmid, the junior coalition party's point man on foreign policy, said in an interview, adding that the project shouldn't go forward

until Russia and Ukraine reach a transit accord. “It would have been better to take this political dimension into account.”

The 1,200-km (750-mile) undersea pipeline – being constructed by Russia’s Gazprom PJSC to bolster German supplies as Norwegian, Dutch and domestic sources dry up – has been pilloried by some of the country’s allies, who say it bolsters Europe’s reliance on Russian energy and bypasses key partners such as Ukraine. Trump has blasted the project as holding Germany “captive” to Russia.

The ground is shifting, with an ever more fraught relationship with Russian President Vladimir Putin, particularly since the November seizure of two dozen Ukrainian sailors near the Sea of Azov. Merkel, who has sparred with Putin since the 2014 annexation of Crimea from Ukraine, is demanding the release of the naval personnel.

The Azov incident in the Kerch Strait has soured prospects that Merkel’s diplomacy can scale back the conflict in eastern Ukraine, according Juergen Hardt, a lawmaker in Merkel’s Christian Democratic Union who speaks on foreign affairs.

“The events on the Kerch Strait at least showed me that these are unfulfilled hopes,” Hardt said in an interview. “Russia, in my view, isn’t moving a millimetre from its objectives.”

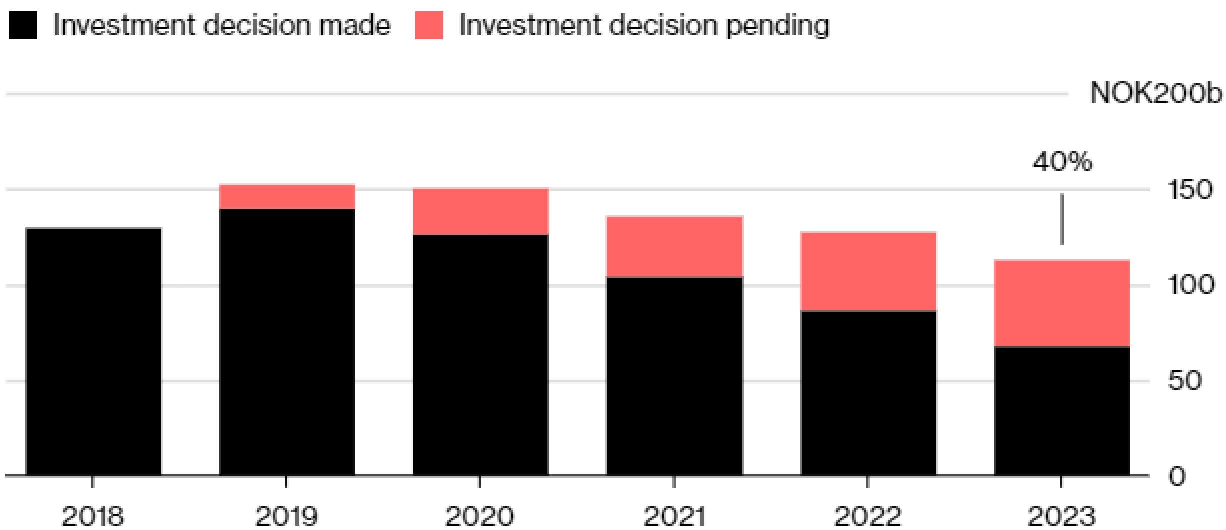
Hardt said Germany’s governing parties need to find consensus with the European Commission on energy diversification and reliance on Russian gas. He also questioned the economic viability of Nord Stream, poking holes in the government’s previous defence of the project.

Merkel shifted her position on Nord Stream last April, acknowledging the political dimensions of the pipeline and departing from her previous insistence that it was solely a business venture by private investors. The project must not weaken Ukraine by disrupting its gas transmission system, she said at the time.

Richard Grenell, the US ambassador to Germany, welcomed the more sceptical view in Berlin, saying the pipeline project undermines the EU’s energy and security objectives.

"There is not only Russian gas coming through the pipeline, but also Russian influence," Grenell said in a statement to Bloomberg News. "Now is not the time to reward Moscow."
The US administration has indicated that sanctions on the pipeline are imminent. Trump brought tensions over Nord Stream into full view at last July's NATO summit, raising the issue as he attacked Merkel over Germany's slack defence spending.

Top Oil Lobbyist Warns of Rising Political Risk in Norway



Norway's oil industry is in full recovery mode, but the country's top petroleum lobbyist is worried about growing opposition ahead.

At the same time as it gave a big boost to investment forecasts for the next five years, the Norwegian Oil and Gas Association sounded one of its starkest warnings yet on the political risk facing the nation's biggest industry. Explorers and producers are finding themselves in the midst of an increasingly heated debate in Norway on the future of fossil fuels, with calls for cuts to incentives, more drilling restrictions and higher taxes.

While Norway’s oil industry is tightly regulated, one of its main selling points has always been a stable framework with support across the political spectrum. That means that investment forecasts could be hit “dramatically” if that is looking shaky, Karl Eirik Schjott-Pedersen, the association’s chief executive, said on Monday.

“I’m raising a flag to say that these investments are vulnerable if such a situation arises,” Schjott-Pedersen, who represents companies including Equinor ASA and Royal Dutch Shell Plc, said in an interview. “It’s important for us to stress that this debate and these proposals for change aren’t cost-free.”

With the share of locked-in spending falling to 60 percent in 2023 from 92 percent in 2019, investment could drop sharply and make this year’s recovery brief, Schjott-Pedersen said.

Political risk is even a bigger concern than the market, where crude prices have tumbled by about 30 percent over the past three months, he said. After the industry cut costs drastically during the downturn from 2014 to 2017, projects are less vulnerable to Brent crude in the $50s than to tax hikes, Schjott-Pedersen said.

The warnings from the former Finance Minister comes as two centrist parties involved in negotiations to broaden Norway’s Conservative-led government have signaled they will seek tougher restrictions on the oil industry. While Prime Minister Erna Solberg appears unwilling to offer concessions on oil policy, those efforts are only the latest in a long list of challenges for the oil industry, including:

- The prospect of smaller groups like the Green Party gaining more influence

- Legal challenges seeking to restrict license awards or exploration incentives
- Signs that Norway’s biggest party, Labor, currently in opposition, is growing increasingly skeptical of opening the Lofoten area to exploration, raising the possibility it could compromise on other aspects of oil policyCompounding these challenges is another, worrying prospect for Norway’s oil industry in the early 2020s: it sorely needs new, big discoveries to fill a dwindling project pipeline.

That challenge isn’t new. While the oil association raised forecasts for all years through 2022 compared to its previous prognosis from December 2017, the new outlook still reflects a drop in investments after this year and 2020 due to a lack of large projects.

“If we don’t make new, large discoveries, the activity level on the Norwegian shelf will drop a few years down the line,” Schjott-Pedersen said. “Future earnings depends on oil companies being able to explore in interesting areas.”

الراعي دشن كنيسة مار يوحنا الحبيب بغوسطا بتمويل قطري

دشن البطريرك الماروني الكاردينال مار بشارة بطرس الراعي كنيسة مار يوحنا الحبيب في دير المخلص الكريم بغوسطا، والتي قامت دولة قطر بتمويل بنائها بتقدمة من أمير البلاد الشيخ تميم بن حمد آل ثاني.

وفي المناسبة، أقيم قداس احتفالي ترأسه البطريرك الراعي، وحضره عن دولة قطر السفير محمد حسن جابر الجابر ممثلا الشيخ تميم بن حمد آل ثاني، وعن الجانب اللبناني فاعليات دينية مسيحية.

وقال الجابر: "قامت دولة قطر ببناء الكنيسة لتكون دارا للعبادة للأخوة المسيحيين الموارنة وتحتضن مناسباتهم الدينية، كما أن سمو الأمير أرادها أن تكون على أجمل صورة لترجمة مشاعره الصادقة تجاه اللبنانيين عموما، والمسيحيين خصوصا".

وأضاف: "إن التقدمة السخية من دولة قطر لبناء هذه الكنيسة المارونية في هذه المنطقة العزيزة من لبنان جاءت دليلا على انفتاح قطر وتأكيدها على توطيد أواصر العلاقة مع الإخوة اللبنانيين عموما".

وتابع: "إن اهتمام دولة قطر بالمسيحيين وبضرورة ممارسة شعائرهم الدينية بحرية وأمن وأمان ليس أمرا جديدا علينا، لقد حملنا راية حوار الأديان منذ عشرات السنين. واحتضنت الدوحة مركزا لحوار

الأديان أنشئ بتوصية من علماء يمثلون الديانات الثلاث في مؤتمرات حوار الأديان التي استضافتها الدوحة خلال السنوات الماضية. وإن دولتنا هي دولة محبة وسلام وتآخ مع كل الأديان السماوية".

وأردف: "لقد كانت دولة قطر سباقة بين دول الخليج في إرساء وتكريس حق المسيحيين الذين يعيشون في الدوحة، ويفوق عددهم المئتي ألف من كل الطوائف المسيحية. وإن رسالتنا هي رسالة تسامح، وتاريخنا يشهد لنا بذلك. لقد بدأ بناء الكنائس في دولة قطر منذ عام 2005 يوم أعطى حضرة صاحب السمو الأمير الوالد الشيخ حمد بن خليفة آل ثاني موافقته على بناء أكثر من كنيسة للطوائف المسيحية التي تعيش في قطر، وتبرع بثمن الأرض لبنائها".

من جهته، شكر الراعي لـ "دولة قطر تغطيتها كلفة بناء الكنيسة"، وقال: "نسأل الله أن يكافئ حضرة صاحب السمو الشيخ تميم بن حمد آل ثاني أمير البلاد وحضرة صاحب سمو الأمير الوالد الشيخ حمد بن خليفة آل ثاني والشعب القطري الكريم بفيض من بركاته".

ونوه بـ "دور السفير الجابر ممثلا صاحب السمو في تدشين كنيسة مار يوحنا الحبيب في دير المخلص الكريم غوسطا"، متوجها بـ "الصلوات والدعاء لدولة قطر وسمو أميرها على مساعيه الخيرة"، متمنيا لـ "دولة قطر المزيد من الازدهار والتقدم".