

Russia's Putin, Italy's Renzi discuss energy projects: Tass

Russian President Vladimir Putin and Italian Prime Minister Matteo Renzi discussed possible joint future energy projects in a phone conversation on Tuesday, the Tass news agency reported, citing the Kremlin press service.

There were no details on what projects were discussed. Putin also offered Renzi help dealing with the aftermath of Italy's earthquake, Russian news agencies reported.

Southern Mediterranean offers 'hope' for European energy supply

Parliament has hosted the second Euro-Mediterranean rendez-vous on energy amid rising energy supply security concerns.

Gilles Pargneaux, a member of parliament's delegation to the parliamentary assembly of the union for the Mediterranean, said the ongoing crisis in Ukraine and the UN climate change conference taking place in Paris at the end of the year "are forcing us to rethink the question of energy in Europe".

Speaking after a conference on strengthening energy ties between Europe and the countries bordering the Mediterranean, the French deputy highlighted that "53 per cent of our energy comes from third countries and six member states depend entirely on Russian gas imports".

Yet he added, “if there are concerns linked to the east, there is hope linked to the South”.

There are currently five projects in the pipeline to share gas and electricity supplies between southern Europe and northern Africa, with interconnections being established to link Sicily, Italy and Spain to Algeria, Morocco and Tunisia.

“If there are concerns linked to the east, there is hope linked to the South” – Gilles Pargneaux

André Merlin, CEO of Medgrid – a consortium of companies which aims to develop such interconnections – said “an essential component of the energy union is to create links between Europe and southern Mediterranean countries”.

He explained that “the main interest is to export conventional electricity from Europe to the south and renewables from the south to Europe”.

Each project will cost between €300m and €900m and is expected to become profitable by 2020.

They have yet to be included in the commission’s list of projects of common interest, but Merlin said he was still holding out hope for EU funding.

Jerzy Buzek, chair of parliament’s industry, research and energy committee recently told the Parliament Magazine how crucial the energy union is for Europe, explaining that job creation and growth will come about “only if we are able to provide secure, affordable and sustainable energy”.

The key, he said, is “a true energy community for Europe founded on a common energy market, common energy-oriented research and a common voice for the EU in relations with our external suppliers”.

The MEP described Maroš Šefčovič, commission vice president in

charge of the energy union, as “the institutional product of this overarching importance placed on energy policy”. Prior to Šefčovič’s nomination, there was no EU official in charge of the energy union.

Buzek added that this role is vital “not only for the prosperity of our citizens, but for the wellbeing of the EU at large”.

The former parliament president stressed that “a truly interconnected market is the key to more affordable energy, not only for businesses, but also for citizens” and that it could be “an excellent exit strategy from the economic crisis”.

Concorde Planes





Άρθρο Ρούντι Μπαρούντι στο NEWS 247: Ατελής, σε κρίση και απαραίτητη η Ε.Ε. σήμερα



Όπως η Ευρώπη έχει ανάγκη μια ευημερούσα και ενωμένη Κύπρο προκειμένου να ικανοποιήσει τις ενεργειακές της ανάγκες έτσι και η Κύπρος χρειάζεται μια δραστήρια Ευρωπαϊκή Ένωση ώστε να την καθοδηγήσει. Άρθρο του Ρούντι Μπαρούντι ενόψει της Ευρωπαϊκής Συνόδου που θα λάβει χώρα την ερχόμενη Τετάρτη στην Αθήνα

Τον ρόλο που μπορεί να παίξει η Ευρωπαϊκή Ένωση για την καλύτερη εκμετάλλευση του φυσικού αερίου που υπάρχει στην Ανατολική Μεσόγειο , τονίζει με άρθρο του στο **NEWS 247** ο

Διευθύνων σύμβουλος της Ανεξάρτητης εταιρείας του Κατάρ για την ενέργεια και το περιβάλλον. Ο **Ρούντι Μπαρούντι*** θα είναι μεταξύ των ομιλητών στη Μεγάλη Ευρωπαϊκή σύνοδο που θα γίνει την επόμενη Τετάρτη στην Αθήνα. Στόχος της συνόδου είναι η ανάδειξη των ευκαιριών για συνεργασία μεταξύ της ΕΕ και του αραβικού κόσμου.

Η Ευρωπαϊκή Ένωση κακοποιείται τις τελευταίες ημέρες, με τα κράτη μέλη και τους πολίτες της να κατηγορούν τις Βρυξέλλες για όλα τα εσωτερικά και διεθνή προβλήματα.

Οι Έλληνες είναι ακόμη έξαλλοι διότι η Ευρωπαϊκή Ένωση βοήθησε να επιβληθούν δρακόντεια μέτρα λιτότητας σε αυτούς με αντάλλαγμα τη συνεχιζόμενη βοήθεια για ανάκαμψη της ελληνικής οικονομίας. Η Ουγγαρία απορρίπτει το δικαίωμα της Ευρωπαϊκής Ένωσης να θεσπίσει μια ενιαία μεταναστευτική πολιτική με ποσοτώσεις και η Μεγάλη Βρετανία όρισε ημερομηνία για την έναρξη της αποχώρησής της από την Ένωση.

Μέρος της κριτικής-οι Βρυξέλλες δεν αποτελούν στόχο, πάρα πολλές αποφάσεις λαμβάνονται από μη εκλεγμένους γραφειοκράτες, μερικοί κανονισμοί χωρίς λόγο ποινικοποιούν τις μικρές επιχειρήσεις κτλ-μπορεί να είναι εν μέρει αληθής, παρόλο που η συμμετοχή της Ένωσης σε τόσους τομείς της σύγχρονης ζωής μπορεί να αποτελεί έναν υπερβολικά βολικό αποδιοπομπαίο τράγο.

Αντί να επικεντρωνόμαστε αποκλειστικά στις λίγες και σχετικά μικρές αδυναμίες της Ευρωπαϊκής Ένωσης, θα ήταν καλό να κρατήσουμε στο μυαλό μας μόνο τα θετικά.

Στο κάτω-κάτω η περίοδος μετά τη Συνθήκη της Ρώμης που τέθηκε σε ισχύ το 1958 έφερε ένα επίπεδο ευημερίας και ειρήνης που θα ήταν άγνωστο κατά τη διάρκεια προηγούμενης περιόδου της Ευρωπαϊκής Ιστορίας.

Ακόμη και σήμερα καθώς η Ευρωπαϊκή Ένωση και τα κράτη-μέλη έχουν καταπιαστεί με μια ετοιμοθάνατη ανάπτυξη, υψηλή ανεργία και την αναζωπύρωση του εθνικισμού που τροφοδοτούνται από τη χειρότερη παγκόσμια οικονομική κρίση μετά τη Μεγάλη Ύφεση, οι

Βρυξέλλες παραμένουν έναν πολύ σημαντικό εταίρο-και συχνά μια κινητήριο δύναμη σε αξιόλογες και απαραίτητες διαδικασίες, ακόμη και πέρα από την ήπειρο.

Πουθενά δεν είναι αυτό πιο αληθινό από ότι για τη μεσογειακή περιφέρεια της Ευρωπαϊκής Ένωσης, όπου η υποστήριξη για τα κράτη μέλη και τις αλληλεπιδράσεις με τους γείτονές της παρουσιάζουν πολλές προκλήσεις αλλά και προσφέρουν πολλαπλές ευκαιρίες προκειμένου να αλλάξουν τη ροή της ιστορίας προς το καλύτερο.

Η διακήρυξη της Βαρκελώνης το 1995, αντηχεί ακόμη και σήμερα ,διότι, παρόλο που η Ένωση για τη Μεσόγειο εξακολουθεί να εξελίσσεται, η Ευρωπαϊκή Ένωση παρέχει ήδη πλατφόρμες για διμερή και πολυμερή συνεργασία, μηχανισμούς για κοινή δράση και πόρους για την υλοποίηση.

Αυτές οι συνεισφορές είναι και θα παραμείνουν ανυπολόγιστης σημασίας για το κοινό μας μέλλον, αν θέλουμε να μεγιστοποιήσουμε τη θετική γεωπολιτική δυναμική, τον τομέα της ενέργειας , ιδιαίτερα στη Νοτιοανατολική Μεσόγειο.

Η Διακήρυξη προβλέπει μια νέα εποχή για τα 28 κράτη μέλη της Ευρωπαϊκής Ένωσης και τα 15 κράτη μη μέλη από την περιοχή της Μεσογείου μια εποχή όπου η συνεργασία χτίζεται πάνω σε τρία “καλάθια”: Στην πολιτική και την ασφάλεια, στην οικονομία και στον πολιτισμό.

Η διαδικασία της Βαρκελώνης πυροδότησε την πραγματοποίηση μιας φιλόδοξης ατζέντας που περιλαμβάνει ευρύτερη περιφερειακή σταθερότητα με βάση τις κοινές αξίες ως σημείο εκκίνησης για τη συνεργασία, την προώθηση της δημοκρατίας , του κράτους δικαίου, της χρηστής διακυβέρνησης και τα ανθρώπινα δικαιώματα και την επέκταση αμοιβαίων επωφελών εμπορικών σχέσεων.

Ζήτησε επίσης τη συμπλήρωση της επιρροής των ΗΠΑ στη Μεσόγειο, παρόλο που πρακτικά το ευρωμεσογειακό πρόγραμμα έχει συχνά παίξει ρόλο εξισορρόπησης και παρείχε εναλλακτική ηγεσία σε περιπτώσεις όπου μια αμερικανική παρουσία θα μπορούσε να

αποδειχθεί πολύ διαιρετική.

Αυτές οι προσπάθειες έχουν βελτιώσει δραματικά τις διασυνδέσεις μεταξύ της Ευρωπαϊκής Ένωσης και των γειτόνων της και το μέλλον υπόσχεται τη μείωση των μακροχρόνιων εντάσεων μεταξύ των γειτονικών κρατών εκτός Ευρωπαϊκής Ένωσης και την ενδεχόμενη κατασκευή μιας πιο αποδεκτής περιφερειακής τάξης, που θα είναι ασφαλέστερη πιο δυνατή και πιο φιλελεύθερη.

Και χωρίς αυτές τις βελτιωμένες διασυνδέσεις, η κατάσταση των προσφύγων που προσπαθούν να ξεφύγουν από τον πόλεμο στη Συρία θα ήταν ακόμη χειρότερη. Χιλιάδες περισσότεροι θα είχαν πνιγεί στη θάλασσα και η μετανάστευση των επιζώντων σε όλη την ηπειρωτική Ευρώπη θα ήταν ακόμη πιο ανεξέλεγκτη, άνιση και άδικη.

Η απάντηση της Ευρώπης στην προσφυγική κρίση είναι σε πολύ μεγάλο βαθμό σε εξέλιξη και πολλά απομένουν να γίνουν.

Αυτό που έχει ήδη αποδειχθεί όμως είναι ότι ακόμη και εν μέσω έντονων εσωτερικών διαφωνιών για το πως θα προχωρήσουμε, η επιρροή της Ευρωπαϊκής Ένωσης έχει συνδράμει στο να εξασφαλίσει τα μέτρα που απαιτούνται για να εντείνει τις ναυτικές περιπολίες στα παράλια στη Μεσόγειο και να προκαλέσει μια σχετικά αποτελεσματική συνεργασία ανάμεσα στην Ελλάδα και την Τουρκία.

Τώρα δεν είναι η ώρα να αμφισβητηθεί η αξία τέτοιων επιτευγμάτων. Αντίθετα η κατάσταση απαιτεί ακόμη μεγαλύτερη εξάρτηση από την Ευρωπαϊκή Ένωση για να ξεπεράσουμε τα μηδενικού αθροίσματος παιχνίδια και να αρχίσουμε να ψάχνουμε τις win-win ρυθμίσεις του αύριο.

Πουθενά δεν είναι πιο αληθινό αυτό από ότι στην Κύπρο, μια μικρή αλλά σημαντική χώρα λόγω της στρατηγικής της θέσης, δελεαστική λόγω των φυσικών πόρων της και ικανή να τροφοδοτήσει την αναγέννηση της ευρωπαϊκής οικονομίας και να επιδείξει τη δύναμη του διαλόγου και της συμφιλίωσης.

Παρ'όλες αυτές τις δυνατότητες ο κυπριακός λαός θα μπορούσε σίγουρα να χρειαστεί εξωτερική βοήθεια, αν μη τι άλλο επειδή ο διεθνής παράγοντας έχει κάνει πολλά για να τον διαιρέσει.

Πρόσφατα τα Ηνωμένα Έθνη ανέστησαν την ειρηνευτική διαδικασία και στενοί παρατηρητές εκφράζουν ότι μια συμφωνία είναι εφικτή τους επόμενους μήνες αλλά υπάρχουν δύο ζητούμενα.

Το πρώτο είναι η πλήρης εκμετάλλευση του ενεργειακού πλούτου. Πρόσφατες μελέτες δείχνουν ότι ο βυθός της Ανατολικής Μεσογείου περιέχει πολύ περισσότερο φυσικό αέριο από ότι πίστευαν στο παρελθόν.

Τόσο η Αίγυπτος όσο και το Ισραήλ, χώρες οι οποίες ήδη έχουν προχωρήσει στην εξόρυξη σημαντικών ποσοτήτων αερίου, έχουν κάνει τεράστιες νέες ανακαλύψεις τα τελευταία χρόνια. Οι τελευταίες έρευνες δείχνουν ότι παρόμοια πλούτη είναι κλειδωμένα κάτω από τις αποκλειστικές οικονομικές ζώνες πολλών άλλων χωρών της περιοχής όπως ο Λίβανος και η Κύπρος.

Ο ρόλος της Κύπρου θα μπορούσε να είναι καθοριστικός διότι εκτός από τις δυνατότητες που έχει με τον ορυκτό της πλούτο, η γεωγραφική και διπλωματική της θέση, της επιτρέπουν να αποτελέσει κόμβο στην ενεργειακή βιομηχανία της Νοτιοανατολικής Μεσογείου.

Η Λευκωσία διατηρεί φιλικούς δεσμούς με πολλές πρωτεύουσες, οι οποίες δεν διατηρούν άριστες σχέσεις μεταξύ τους.

Η θέση της Κύπρου είναι ιδανική για να ξεκινήσει ένας αγωγός προς την ηπειρωτική Ευρώπη και θα μπορούσε να προσφέρει στους γείτονές της την ασφαλέστερη, φθηνότερη και πιο γρήγορη πρόσβαση στη μεγαλύτερη αγορά ενέργειας στον κόσμο.

Για τους ίδιους λόγους, το νησί προσφέρει μια απaráμιλλη ευκολία να είναι περιφερειακή έδρα για τις εταιρείες που ασχολούνται από τις εξορύξεις και τις θαλάσσιες επικοινωνίες μέχρι την παραγωγή, την εμπορία και τη συντήρηση.

Επιπλέον προκειμένου να φτάσει σε αγορές που βρίσκονται ακόμη πιο μακριά και δεν μπορεί να γίνει μέσω αγωγών θα πρέπει να πουλήσει το υγροποιημένο φυσικό αέριο (LNG) και να γίνει η μεταφορά με πλοίο.

Το δεύτερο είναι η συνεχής συμμετοχή της Ευρωπαϊκής Ένωσης προκειμένου να βελτιώσει το πολιτικό περιβάλλον που είναι ευνοϊκό για όλα τα ενδιαφερόμενα μέρη.

Οι λεπτομέρειες ακόμη δεν έχουν σφυρηλατηθεί διότι για να έρθει η ευρωπαϊκή στήριξη θα πρέπει να αποκατασταθεί η εμπιστοσύνη μεταξύ Ελλήνων και Τουρκοκυπρίων.

Η νέα Κύπρος δεν θα προκύψει σε μια νύχτα γι αυτό οι πηγές της Ευρωπαϊκής Ένωσης μπορούν να βοηθήσουν για την επίλυση των διαφορών.

Σε τελική ανάλυση, ακριβώς όπως η Ευρώπη έχει ανάγκη μια ευημερούσα και ενωμένη Κύπρο προκειμένου να ικανοποιήσει τις ενεργειακές της ανάγκες έτσι και η Κύπρος χρειάζεται μια δραστήρια Ευρωπαϊκή Ένωση ώστε να την καθοδηγήσει.

Καμία οντότητα δεν υπήρξε πιο συνδεδεμένη με περισσότερους ανθρώπους σε τόσα πολλά μέση , γεγονός που τα ενδιαφερόμενα μέρη μπορούν να αγνοήσουν μόνο με δική τους ευθύνη.

****Ο Ρούντι Μπαρούντι είναι διευθύνων σύμβουλος της Ανεξάρτητης Συμβουλευτικής εταιρείας του Κατάρ για την Ενέργεια και το περιβάλλον***

Roudi Baroudi: Natural Gas is

a cheap and environmentally friendly source of power

Hariri Inks Egyptian Gas Pipeline Deal in Amman (January 2004)

The prime ministers of Egypt, Jordan, Lebanon and Syria signed a pipeline deal on Sunday in Amman that will eventually supply liquefied natural gas from Egypt to the other three states.

The \$1 billion pipeline – also known as the Arab Gas Pipeline – will begin at Port Said, in Egypt, and will end in the Syrian port of Banyas, passing through the Jordanian port of Aqaba and the kingdom's Rihab power station. The pipeline will be connected to the Lebanese natural gas power plant in Zahrani by 2005, and to the Syrian-Lebanese pipeline, called GASYLE I, which itself will be linked to the only other Lebanese natural gas power plant in Beddawi.

From Banyas, the Arab Gas Pipeline will be extended to Cyprus and Turkey in 2006.

The Arab Gas Pipeline will allow Electricite du Liban (EDL) to supply itself with enough energy to convert the power plants in Hreiche, Zouk and Jieh from oil to natural gas. The pipeline is expected to supply Lebanon with 7 million cubic meters of natural gas per day, which would allow EDL to save more than \$300 million a year if the oil price is \$30 a barrel, as it is today.

At the same time, the Energy and Water Ministry is due to complete the construction of GASYLE I – a 64-kilometer natural gas pipeline – by May 2004. The pipeline will connect Syria with Beddawi as a first step, and, later, Zahrani as a second step, and will transport a total of 3 million cubic meters of natural gas from Syria per day.

George Kamar, an advisor to the Energy and Water Minister

Ayoub Humayed said that “EDL could thus save another \$200 million per year by generating electricity with natural gas,” at Zahrani and Beddawi. “The price the Syrian Petroleum Company has given us is extremely encouraging and will assist us in reducing the public deficit,” Roudi Baroudi, senior energy expert and senior advisor to Humayed, recently told The Daily Star.

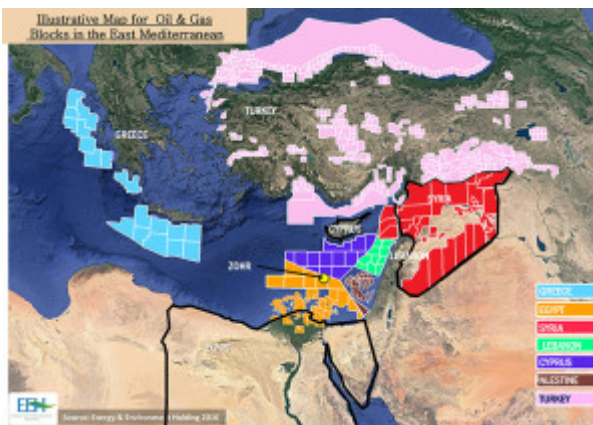
Natural gas is a cheap and environmentally friendly source of power. It ensures a longer power plant life span and is nearly 30 percent more efficient when used in combined cycle plants like Lebanon’s largest power plants in Zahrani and Beddawi. These two plants are the country’s most modern, and currently the only plants that burn natural gas. Through EDL’s effort to buy cheaper energy fuel, its customers would enjoy more efficient service, and power cuts would be rare. “At the same time customers’ bills will decrease by at least 30 percent, making Lebanese businesses and industries more cost effective,” said Baroudi.

Egypt has proven natural gas reserves of 1,656 billion cubic meters, according to October 2002 figures.

Roudi Baroud remarks to EU Arab World Summit 2016 (Nov. 3, 2016)



His Excellency The Greek Prime Minister Alexis Tsipras with Roudi Baroudi



3-11-2016-illustrative-map-for-oil-gas-blocks-in-the-east-med

Excellencies, ladies and gentlemen,

Let me start by saying that the amount of interest in this event is not just impressive, but also strongly encouraging. Large numbers of industry professionals, policy experts, and senior leaders from both the public and private sectors are in attendance or actively participating, and that should give us

all cause for optimism.

I say this because like most sectors of the economy, the oil and gas business is constantly evolving in response to multiple influences, from new discoveries and technological breakthroughs to volatile markets and the ever-increasing impact of environmental concerns. In short, our industry is passing through a period of profound change on the global, regional, and even local levels, and change is a fickle phenomenon: it richly rewards those who are prepared to adapt, but it also tends to severely punish those who lack the necessary knowledge, vision, and determination.

When I see here in Athens, judging from both the quantity and the quality of participation, tells me that the right people in Europe and the Arab region are right where they need to be.

Ladies and gentlemen,

The past few years have confirmed what many long suspected: the seabed beneath the Eastern Mediterranean contains multiple world-class deposits of natural gas, along with considerable amounts of crude for good measure. We don't yet know exactly how much is down there or how much of it can be recovered, only that the scale is nothing less than historic. The potential is so vast that the regional oil and gas play already has new horizons stretching from 2020 and 2030 to 2050 and even beyond.

If this resource is responsibly managed, the coming period will see several Arab and European countries become significant energy producers – including Greece, Cyprus, Palestine, Egypt and Lebanon, which just this week gained new hope with the election of a new president, breaking up a logjam that had lasted for two and half years. And let's not forget Egypt, where an existing gas sector has been re-energized by the discovery of Zohr, a massive new offshore field. This bounty has the capacity to transform entire

economies and even entire societies by allowing unprecedented investments in education, healthcare, transportation, and other public services and infrastructure. Nearby consumer nations will also derive game-changing benefits, including lower costs, greater economic competitiveness, and vastly improved energy security.

Nowhere will this be more important than in the European Union, the world's largest energy market. The advent of a distinctively new flow trajectory – much of it from sources within the EU's own borders and/or subject to EU safety and environmental standards – would dramatically improve Europe's security of supply, put downward pressure on prices, reduce household energy costs, and breathe new life into energy-intensive industries like electricity, manufacturing and transport. The precise timing of particular benefits will depend on developments in world markets and the maintenance of manageable geopolitical conditions, but the question is no longer one of "IF": all that remains to be seen is "WHEN". And that, my friends, depends largely on us – on how fully we recognize the opportunity, how swiftly we move to start the process, and how responsibly we carry it out.

According to the 2015 edition of BP's "Energy Outlook 2035", global energy consumption will increase by 37% over the next 19 years. With demand growing so much faster than production, prices will inevitably recover, so there is plenty of incentive for our region to make sure it's ready to take full advantage when the time comes.

It's important to note here that barring some highly unlikely circumstances, the Eastern Med will not replace Europe's current sources of natural gas. Russia has always honored its commitments to Europe, so there is every reason to expect that it will continue to be the Continent's number one supplier. Likewise, North African countries will continue to supplement that relationship with their own sizeable deliveries. Whether transported by pipelines or LNG carriers, East Mediterranean

gas will also play a central supplementary role, but geography could make it a decisive one that serves the interests of all concerned, allowing both producer and consumer nations to rearrange existing flows in ways that offer more options at lower cost. In addition, routing some of the Eastern Med's gas through Turkey would only bolster that country's crucial role as the primary distribution and transit point for supplies entering Europe from as far away as Central Asia.

Perhaps most importantly, attaching appropriate priority to this project would allow plenty of cooperative development efforts, furthering the stability and integration that the EU has pursued since the Barcelona and Trieste declarations. It also would help to limit emissions associated with climate change and other environmental concerns. This is essential to securing maximum long-term gains because these days, commercial viability is not enough: increasingly, consumers also demand social and political viability, and these can only be achieved through environmental sustainability.

On these scores, the EU is just what the doctor ordered. Europe enjoys some of the world's most stringent environmental protections, most demanding health and safety requirements, and most effective regulatory agencies. Passed through such a filter, Eastern Med gas would arrive in European and Arab homes and businesses as a safe, clean, and healthy fuel, helping to drive growth on both sides of the Mediterranean while demonstrating the power of cooperation to further shared goals and shared values. And once it starts tapping East Med gas, Europe will have more diverse supplies, fulfilling a key plank of its energy strategy by giving it the flexibility to cope with interruptions of any sort.

Ladies and gentlemen,

All of the ingredients are in place. The Eastern Med is endowed with enough natural wealth to improve the lives of hundreds of millions of people. After 21 years the Barcelona

process still provides the docking mechanisms and other tools to develop this resource effectively and responsibly. And crucially, the recent bidding for Cyprus offshore blocks indicates that some of the world's leading IOCs and other major players are ready, willing, and able to invest in the necessary infrastructure.

All that's left is to get the job done in a timely fashion. For this we need the EU to continue its efforts, and those of the United States and the United Nations would also be helpful. Now is no time to be discouraged or distracted by the region's political divisions. On the contrary, these should only cause us to be more determined than ever to prove that people of good will can set aside their differences for the sake of mutual advantage and capitalize on the East Med opportunity to become a central regional energy hub.

And what an advantage. Peace and stability in the field of energy would not only usher in a new era of prosperity, but also one of co-dependence that would deter aggression by radically increasing the costs. It would buy more time, too, to lay a foundation for a broader reconciliation among Euro-Med countries. For a very long time, some of these nations have been made enemies by history. Now, if we play our cards right, maybe they can be made friends by geology.

Roudi Baroudi Remarks to EU Arab World Summit Athens



Excellencies, ladies and gentlemen,

Let me start by saying that the amount of interest in this event is not just impressive, but also strongly encouraging. Large numbers of industry professionals, policy experts, and senior leaders from both the public and private sectors are in attendance or actively participating, and that should give us all cause for optimism.

I say this because like most sectors of the economy, the oil and gas business is constantly evolving in response to multiple influences, from new discoveries and technological breakthroughs to volatile markets and the ever-increasing impact of environmental concerns. In short, our industry is passing through a period of profound change on the global, regional, and even local levels, and change is a fickle phenomenon: it richly rewards those who are prepared to adapt, but it also tends to severely punish those who lack the necessary knowledge, vision, and determination.

When I see here in Athens, judging from both the quantity and the quality of participation, tells me that the right people in Europe and the Arab region are right where they need to be.

Ladies and gentlemen,

The past few years have confirmed what many long suspected: the seabed beneath the Eastern Mediterranean contains multiple world-class deposits of natural gas, along with considerable amounts of crude for good measure. We don't yet know exactly how much is down there or how much of it can be recovered, only that the scale is nothing less than historic. The potential is so vast that the regional oil and gas play already has new horizons stretching from 2020 and 2030 to 2050 and even beyond.

If this resource is responsibly managed, the coming period will see several Arab and European countries become significant energy producers – including Greece, Cyprus, Palestine, Egypt and Lebanon, which just this week gained new hope with the election of a new president, breaking up a logjam that had lasted for two and half years. And let's not forget Egypt, where an existing gas sector has been re-energized by the discovery of Zohr, a massive new offshore field. This bounty has the capacity to transform entire economies and even entire societies by allowing unprecedented investments in education, healthcare, transportation, and other public services and infrastructure. Nearby consumer nations will also derive game-changing benefits, including lower costs, greater economic competitiveness, and vastly improved energy security.

Nowhere will this be more important than in the European Union, the world's largest energy market. The advent of a distinctively new flow trajectory – much of it from sources within the EU's own borders and/or subject to EU safety and environmental standards – would dramatically improve Europe's security of supply, put downward pressure on prices, reduce household energy costs, and breathe new life into energy-intensive industries like electricity, manufacturing and transport. The precise timing of particular benefits will depend on developments in world markets and the maintenance of manageable geopolitical conditions, but the question is no

longer one of “IF”: all that remains to be seen is “WHEN”. And that, my friends, depends largely on us – on how fully we recognize the opportunity, how swiftly we move to start the process, and how responsibly we carry it out.

According to the 2015 edition of BP’s “Energy Outlook 2035”, global energy consumption will increase by 37% over the next 19 years. With demand growing so much faster than production, prices will inevitably recover, so there is plenty of incentive for our region to make sure it’s ready to take full advantage when the time comes.

It’s important to note here that barring some highly unlikely circumstances, the Eastern Med will not replace Europe’s current sources of natural gas. Russia has always honored its commitments to Europe, so there is every reason to expect that it will continue to be the Continent’s number one supplier. Likewise, North African countries will continue to supplement that relationship with their own sizeable deliveries. Whether transported by pipelines or LNG carriers, East Mediterranean gas will also play a central supplementary role, but geography could make it a decisive one that serves the interests of all concerned, allowing both producer and consumer nations to rearrange existing flows in ways that offer more options at lower cost. In addition, routing some of the Eastern Med’s gas through Turkey would only bolster that country’s crucial role as the primary distribution and transit point for supplies entering Europe from as far away as Central Asia.

Perhaps most importantly, attaching appropriate priority to this project would allow plenty of cooperative development efforts, furthering the stability and integration that the EU has pursued since the Barcelona and Trieste declarations. It also would help to limit emissions associated with climate change and other environmental concerns. This is essential to securing maximum long-term gains because these days, commercial viability is not enough: increasingly, consumers also demand social and political viability, and these can only

be achieved through environmental sustainability.

On these scores, the EU is just what the doctor ordered. Europe enjoys some of the world's most stringent environmental protections, most demanding health and safety requirements, and most effective regulatory agencies. Passed through such a filter, Eastern Med gas would arrive in European and Arab homes and businesses as a safe, clean, and healthy fuel, helping to drive growth on both sides of the Mediterranean while demonstrating the power of cooperation to further shared goals and shared values. And once it starts tapping East Med gas, Europe will have more diverse supplies, fulfilling a key plank of its energy strategy by giving it the flexibility to cope with interruptions of any sort.

Ladies and gentlemen,

All of the ingredients are in place. The Eastern Med is endowed with enough natural wealth to improve the lives of hundreds of millions of people. After 21 years the Barcelona process still provides the docking mechanisms and other tools to develop this resource effectively and responsibly. And crucially, the recent bidding for Cyprus offshore blocks indicates that some of the world's leading IOCs and other major players are ready, willing, and able to invest in the necessary infrastructure.

All that's left is to get the job done in a timely fashion. For this we need the EU to continue its efforts, and those of the United States and the United Nations would also be helpful. Now is no time to be discouraged or distracted by the region's political divisions. On the contrary, these should only cause us to be more determined than ever to prove that people of good will can set aside their differences for the sake of mutual advantage and capitalize on the East Med opportunity to become a central regional energy hub.

And what an advantage. Peace and stability in the field of

energy would not only usher in a new era of prosperity, but also one of co-dependence that would deter aggression by radically increasing the costs. It would buy more time, too, to lay a foundation for a broader reconciliation among Euro-Med countries. For a very long time, some of these nations have been made enemies by history. Now, if we play our cards right, maybe they can be made friends by geology.

Expert says Mediterranean gas can fuel both economic recovery and lasting peace



ATHENS, Greece: Transforming the Mediterranean region into a major oil and gas hub is the surest route to a “new era of peace and prosperity”, an energy industry veteran told a high-profile conference in Athens on Thursday.

“We don’t yet know exactly how much is down there or how much of it can be recovered, only that the scale is nothing less than historic,” said Roudi Baroudi, CEO of Qatar-based Energy and Environment Holding (EEH), an independent consultancy. “The potential is so vast that the regional oil and gas play already has new horizons stretching from 2020 and 2030 to 2050 and even beyond.”

Baroudi made the remarks on the opening day of the European Union-Arab World Summit, a two-day gathering in the Greek

capital that has attracted what one observer called a “star-studded cast” of leaders from the public and private sectors. Several of these officials addressed the opening ceremonies, including Greek Prime Minister Alexis Tsipras, European Commissioner for Migration Dimitris Avramopoulos, and cabinet ministers from each of Jordan, Palestine, and Qatar, Governor of the Central Bank of Greece, the Chairman of the E.U Military Committee and other officials.

Speaking on a panel titled “Building a new potential in Energy”, Baroudi noted that more and more studies were pointing to “multiple world-class deposits of natural gas, along with considerable amounts of crude”. This “bounty” could “transform entire economies and even entire societies by allowing unprecedented investments in education, healthcare, transportation, and other public services and infrastructure,” he said, predicting that “nearby consumer nations will also derive game-changing benefits, including lower costs, greater economic competitiveness, and vastly improved energy security.”

He also lauded the event for bringing together the right mix of experts and decision-makers, saying the level of participation “should give us all cause for optimism.”

“Change is a fickle phenomenon: it richly rewards those who are prepared to adapt, but it also tends to severely punish those who lack the necessary knowledge, vision, and determination,” said Baroudi, who has worked in the industry for more than 35 years, advising national governments, the European Commission, and the United Nations on energy policy. “When I see here in Athens, judging from both the quantity and the quality of participation, tells me that the right people in Europe and the Arab region are right where they need to be.”

He also noted positive news in Lebanon, which this week ended a two-and-a-half-year political crisis by electing former Army

Commander Michel Aoun as its new president, reviving hopes that the troubled country can now focus on developing its offshore and onshore energy resources.

More broadly, he said, developing the Eastern Med's energy resources would go a long way toward realizing the dream of greater integration between Europe and its Arab neighbors, opening the way for lasting stability and a durable peace supported by "co-dependence". He also stressed that Mediterranean gas would supplement – not compete with – gas from Russia, which is currently Europe's top supplier, providing flexibility that would help producer and consumer nations alike.

"Nowhere will this be more important than in the European Union, the world's largest energy market," Baroudi told his audience. "The advent of a distinctively new flow trajectory – much of it from sources within the EU's own borders and/or subject to EU safety and environmental standards – would dramatically improve Europe's security of supply, put downward pressure on prices, reduce household energy costs, and breathe new life into energy-intensive industries like electricity, manufacturing and transport."

"All the ingredients are in place" for an energy-based peace that leads to full resolution of conflicts among the countries of the Mediterranean, he added.

"The question is no longer one of 'IF': all that remains to be seen is 'WHEN,'" Baroudi asserted. "And that, my friends, depends largely on us – on how fully we recognize the opportunity, how swiftly we move to start the process, and how responsibly we carry it out."

The EU today: imperfect, in crisis – and indispensable



The European Union receives considerable abuse these days, with member-states and their citizens blaming Brussels for all manner of domestic and international problems.

Greeks are still furious that the EU helped impose draconian austerity measures on them in exchange for the ongoing bailout of their national economy, Hungary rejects the EU's right to set continent-wide immigration quotas, and Britain has just set a date for the beginning of its withdrawal from the bloc altogether.

Some of the criticism – Brussels is out of touch, too many decisions are made by unelected bureaucrats, some regulations needlessly penalize small business, etc. – might well be partly true, although the bloc's involvements in so many aspects of modern life make it an exceedingly convenient scapegoat. Instead of focusing solely on the EU's few and relatively minor failings, though, we would do well to keep the positives very much in mind.

After all, the period since the Treaty of Rome took effect in 1958 has brought levels of peace and prosperity that would have been unrecognizable during any earlier period of European history. Even today, as the EU and its member-states grapple with moribund growth, high unemployment, and resurgent nationalism fueled by the worst global economic crisis since the Great Depression, Brussels remains a very essential participant – and often a prime mover – in worthy and necessary processes across and even beyond the continent,

including the shaping and reinforcement of a modern regional architecture for increased cooperation both within and outside the bloc.

Nowhere is this truer than on the EU's Mediterranean periphery, where its support for member-states and interactions with its neighbors present numerous challenges but also offer multiple opportunities to keep changing the course of history for the better. The Barcelona Declaration of 1995 still resonates today, because although the Union for the Mediterranean it spawned is still evolving, the EU is already providing platforms for bi- and multilateral cooperation, mechanisms for joint action, and resources for implementation. These contributions are – and will remain – of incalculable importance to our shared futures if we are to maximize the positive geopolitical potential of the energy sector, particularly in the Eastern Med.

The Declaration envisaged a new era for 28 EU members and 15 non-member states from the Mediterranean region, a time of partnership built around three “Baskets” – Political and Security, Economic and Financial, and Social, Cultural and Human. The Barcelona Process it touched off carried an ambitious agenda, including greater regional stability; agreeing on shared values as a starting point for cooperation; promoting democracy, the rule of law, good governance and human rights; and expanding mutually beneficial trading relationships. Officially, it also sought to “complement” the influence of the United States in the Mediterranean, although in practical terms the Euro-Med project has often played a balancing role, and/or provided alternative leadership in instances where an American presence might prove too divisive.

These efforts have dramatically improved the interfaces between the EU and its neighbors, and the future promises even more, including a reduction of long-term tensions among neighboring non-EU states and the eventual construction of a more acceptable regional order, one that is safer, sounder,

and more liberal. And without these improved interfaces, the plight of refugees fleeing war-torn Syria would have been even worse: untold thousands more would have drowned at sea, and the migration of survivors across the European mainland would have been even more uncontrolled, uneven, and unfair.

Europe's response to the refugee crisis is very much a work in progress, and much remains to be done. What it has already demonstrated, though, is that even amid heated internal disagreements about how to proceed, the EU's influence has helped to secure the assets required to intensify naval and coast guard patrols in the Med, and to engender relatively effective cooperation between Greece and Turkey. Now is no time to question the value of such achievements. Rather, the situation calls for even more reliance on the EU and the Euro-Med project to get past the zero-sum games of yesterday and start looking to the win-win arrangements of tomorrow.

Nowhere is this truer than in Cyprus, a small country made crucial by its strategic location, its tantalizing natural resources, and its ability to both fuel a renaissance of Europe's economy and demonstrate the power of dialogue and reconciliation.

Despite all this potential, the Cypriot people could definitely need outside assistance to reach their new future, not least because outside interference has done so much to divide them. Recently, the United Nations has resurrected the island's peace process, and close observers express optimism that a deal can be done in the coming months, but two requirements stand out.

One is full development of the region's energy wealth. Ongoing studies indicate that the Eastern Mediterranean seabed contains far more natural gas than previously believed. Both Egypt and Israel, which are already extracting significant amounts of offshore gas, have made massive new discoveries in recent years, and the latest surveys indicate that similar

riches are locked away beneath the Exclusive Economic Zones of several other countries in the region, including Lebanon and Cyprus itself. The Cypriot role could well be decisive for the development of this resource because apart from the potential of its own reserves, the island is perfectly situated – both diplomatically and geographically – to serve as the primary hub for the Eastern Med's emerging gas industry.

Nicosia maintains friendly ties with several regional capitals that are either frequently at odds with one another or have no relations at all, making it an ideal go-between for multilateral coordination and even indirect cooperation. Cyprus's location is also the ideal starting point for a pipeline to mainland Europe that would offer its neighbors the surest, cheapest and quickest access to the world's biggest energy market. For the same reasons, the island offers unmatched convenience as a regional headquarters for companies engaged in everything from exploration and maritime communications to production, marketing, and maintenance.

In addition, in order to reach markets further afield that cannot be reached by pipelines, regional producers will need to sell liquefied natural gas (LNG) for delivery by ship. There is at present little interest, however, in building an LNG plant in countries like Israel or Lebanon, largely due to concerns over cost, the environment, safety and security, and/or political risk. Once again, enter Cyprus with its affordable land prices, EU industrial and environmental standards, and arm's-length distance from the Arab-Israeli conflict.

Conversely, the emergence of a thriving energy sector, fuller resource development, and more dynamic commerce also will be decisive for the successful implementation of a Cypriot reunification agreement. New investment and new jobs will substantially increase economic activity, generating significant revenues that can be brought to bear on challenges like reconstruction, reconciliation, and reintegration. The

promise of such advantages is already providing momentum for the peace process, and that promise will have to be kept if a reunification deal is to succeed.

The other requirement is continuous EU participation to advance political and security environments that are favorable to all stakeholders. The details still have to be hammered out, but it stands to reason that European support will be essential on several fronts, not least the re-establishment of trust between Greek Cypriots and Turkish Cypriots. The new Cyprus will not come into being overnight, so EU resources can help with everything from dispute resolution and inter-communal cooperation to training and capacity-building.

Resolving the Cyprus issue would also help enable a series of rapprochements that would benefit the entire region and all those interested in its stability. The United States, for instance, has long been closely involved with previous efforts to promote stability between Turkey and Cyprus, and a successful outcome would substantially reduce its own security burdens in the Eastern Med. It also would clear the way for Turkey to become a fuller partner in regional affairs, playing the more decisive role indicated by its impressive combination of economic and military power. Among other benefits, a lasting settlement would remove one of the last significant obstacles to having Cyprus join NATO, squaring one part of the circle and strengthening Istanbul's hand in its long-time effort for closer integration with the rest of Europe.

In the final analysis, just as Europe needs a prosperous and united Cyprus to help satisfy its energy needs and improve stability on its southeastern flank, so do all Cypriots need an active EU to help them navigate the heady but challenging course ahead. Neither entity has ever been more relevant to more people in more places, a fact that interested parties can ignore only at their peril.

Roudi Baroudi is CEO of Energy and Environment Holding, an

independent consultancy based on Doha, Qatar.

What lies beneath



Lebanon must act to keep its seat at the oil and gas table

Lebanon has missed several opportunities to grow its nascent oil and gas industry at an ideal pace, but now regional developments threaten not just further delays, but also permanent losses unless the country acts to protect its national interests.

The new urgency stems primarily from two principal events. The first was last summer's discovery of the giant Zohr gas field off Egypt's northern coast by Italy's ENI, a find estimated by some to have doubled the North African country's natural gas reserves overnight. It also significantly increased the likelihood of commercially viable deposits in nearby offshore acreage belonging to Cyprus, Lebanon and Israel. This has sparked renewed interest in this section of the Eastern Mediterranean basin from major international oil companies.

The second event – in part at least a consequence of the first – was the Cypriot government's approval in late February of a two-year extension for an ENI-led consortium to conduct exploration and production in Blocks 2, 3 and 9 of Cyprus' exclusive economic zone (EEZ), the first and third of which are adjacent to Lebanon's EEZ. Apart from general location, these blocks also share similar geology with Zohr and other Egyptian and Israeli fields, and undersea hydrocarbon deposits

obviously pay no heed to political or other borders, so it's possible that Cyprus' Blocks 2 and 9 have reservoirs that extend into Lebanon's maritime area.

This prospect should be good news for all Lebanese because it offers a chance to share in any revenues derived from any reservoir that may be discovered, even if this country's energy sector has yet to undertake any production operations of its own. It would also offer an opportunity for Lebanese individuals, companies and government departments to gain experience by cooperating with Cyprus and ENI, helping to prepare our public and private sectors alike for the day when this country starts actively exploring for its own resources.

Friends without benefits

All it takes to start reaping the early rewards of these happy circumstances is for the Lebanese government to exercise a modicum of self-preservation through a little initiative. The only things missing are a maritime border deal with Cyprus to define the line between the two countries' EEZs and a Framework Unitization Agreement (FUA) that would establish terms for joint development and exploitation, including the formula(s) for any revenue sharing.

Herein lies the problem; Lebanon and Cyprus enjoy friendly relations, neither has staked out an extreme position in this process, talks on an FUA have made progress and a delineation map was agreed upon way back in 2007. However, the unitization talks have been stalled since 2013, and the map has yet to be ratified. Absent of such agreements, the scope for legal disputes over potential resources will be considerable, exposing the interests of both sides to unnecessary delays, but hurting Lebanon more because it would prevent this country from assisting and learning in the process – and rob its people of revenues to which they are entitled.

No such questions hang over Egypt's Zohr field, which lies

adjacent to Cyprus' EEZ, because the modalities of any shared reservoirs have already been set by Cairo and Nicosia. Time is running out for Beirut to protect its long-term interests with a similar agreement that would, inter alia, insulate it against any kind of "rule of capture" claim if and when Cyprus starts recovering oil and gas from areas adjacent to Lebanon's EEZ.

The solution is clear: Lebanon needs to re-engage with Cyprus as soon as possible and, when it does, to remain focused and keep its priorities in order. If recent history is any guide, there will continue to be distractions that limit the pace of oil and gas development, including the ongoing stalemate in Lebanon's political class and various obstacles attached to (and compounded by) the state of war that still exists between this country and Israel. To further complicate the situation, the latter is one of three regional states, along with Syria and Turkey, that have neither signed nor ratified the United Nations Convention on the Law of the Sea (UNCLOS), usually the most reliable mechanism for resolving offshore resource disputes.

No matter. None of this prevents Lebanon's diplomats and energy officials from getting on with the business of finalizing the necessary arrangements with Cyprus. The politicians may not get around to activating Lebanon's energy industry as a whole any time soon, but this aspect is a no-brainer: in order to ensure Lebanon receives any revenues to which it is entitled from shared reservoirs, all it has to do is reach an agreement with a friendly country. And although there is no agreement on the tripoint where the EEZs of Lebanon and Cyprus meet that of Israel – leaving an overlap between the Israeli and Lebanese claims – this has no bearing on the rest of the bilateral line between Lebanon and Cyprus, or, for good measure, on the 90 percent or more of Lebanon's EEZ that is not in dispute with anyone.

Sharing the spoils

Lebanon and Cyprus can accelerate this process by jointly enlisting the support of the United States to help define the aforementioned southern tripoint. The Israeli failure to commit to UNCLOS is a significant obstacle, as is the absence of Lebanese-Israeli relations. At present the only country with the diplomatic heft to ford this impasse is the US, which, through separate discussions with Lebanon and Israel, has already made progress in narrowing the gap between the two sides' respective maritime claims.

Timely cooperation with Cyprus will also preserve Lebanon's interests by garnering fuller recognition of our EEZ. The same partnership may allow Lebanon to start collecting revenues from shared oil and gas fields even before its own production begins. Further down the road, if and when Lebanon is producing enough natural gas for export, Cyprus can be an important outlet to crucial markets in Europe and elsewhere.

Of course, it would be nice if more politicians would provide these and other negotiations with all the support and cover they deserve. Most of Lebanon's political institutions have been hamstrung by partisan wrangling, but parliament still has considerable resources. Having the legislative branch resume its role could be pivotal on this score.

Lebanon is not the first country to face the unique challenges of developing an oil and gas industry during a prolonged period of turmoil, and luckily one of the best examples is Cyprus itself. A third of that country has been occupied by Turkey since 1974 and its political landscape is a raucous one, populated by outsized personalities with sharply different views, and with an economy that is still struggling to regain the ground it lost since the global financial crisis of 2008-2009.

Despite these handicaps, and some decidedly unsubtle Turkish threats, successive Cypriot presidents and their ministers have kept their eyes on the prize, methodically laying the

groundwork for its future as a modern oil and gas producer and, quite possibly, as the region's premier energy hub. Successes at home have been matched by effective diplomacy abroad, integrating the tiny country into an interlocking web of bi- and multilateral partnerships that give it a voice on the regional stage. In addition, far from acquiescing to the continuing division of the island nation as an insurmountable obstacle to this process, Cyprus has turned the tables by holding out future energy revenues as an incentive for reunification.

These attitudes have allowed for meaningful progress across the legislative and regulatory spectrum, encouraging investments and partnerships that even now are fleshing out the infrastructure and support systems for a thriving oil and gas sector. Even more importantly, they have demonstrated the effectiveness of dialogue and cooperation, showing a way to break the cycle of conflict and instability that has gripped much of the region for so long.

That may sound like a lot of ground for Lebanon to cover if its energy sector is ever to catch up with those of Cyprus and other neighboring countries, but the facts are not quite so bleak.

Before the current political stalemate spread into virtually every nook and cranny of the Lebanese public sector, parliament and cabinet designed and even began to install many of the necessary administrative and legal structures, including a suitably empowered Lebanese Petroleum Administration to oversee the sector. While not quite "plug and play," most of these can start functioning as soon as the right levers are pulled and crucial pieces of enabling legislation are passed. Therefore, while it is probably too much to hope that Lebanon's deeply divided politicians will act with unity of purpose any time soon, if and when sufficient numbers of them get serious about serving the people they are supposed to represent, the right tools for the

job will be close at hand.

Finally, Lebanon should also strongly consider joining the emerging club composed of Cyprus, Egypt, Greece and Jordan. Apart from the technical and economic advantages to be gained, the various cooperation agreements linked to this grouping give each member greater influence over how the Eastern Mediterranean's energy resources will be developed. Signing on would radically enhance Lebanon's standing, and while the immediate goals of such membership would be economic, the resulting relationships would do much to promote regional stability. That, at least, would offer some hope that all of the peoples in the Eastern Mediterranean might one day know both peace and prosperity.

Roudi Baroudi is CEO of Energy and Environment Holding, an independent consultancy based in Doha, Qatar.

Roudi Baroudi

Roudi Baroudi is an independent energy consultant based in Doha.

© Executive 2016