

# **Jordan, Egypt Strengthen Ties with New Gas Line Compression Station Development Project**



**Minister of Energy and Mineral Resources Hala Zawati on Saturday met with her Egyptian counterpart Tariq Mulla to discuss joint projects between Jordan and Egypt in addition to strategies linked to energy saving and the diversification of energy sources, especially natural gas.**

The meeting, held in Aqaba, also tackled ways of benefitting from the expertise of Egyptian companies in developing the Kingdom's infrastructure to best utilise natural gas.

In a statement carried by the Jordan News Agency, Petra, Zawati reaffirmed the presence of exceptional fraternal relations between Jordan and Egypt, pointing to their cooperation on issues of petrol and gas.

The two ministers also inaugurated the Egypt-Jordan gas line's main compression station development project.

<https://www.albawaba.com/business/jordan-egypt-strengthen-ties-new-gas-line-compression-station-development-project-1276996>

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## **Exxon Mobil leads oil and gas discoveries in 2019**



A trio of offshore discoveries made by Exxon Mobil has set up 2019 to be the biggest year for new finds since the last oil price collapse in 2014.

With discoveries made offshore of Cyprus in the Eastern Mediterranean and off of Guyana in South America, Exxon Mobil alone accounts for nearly 40 percent of the new oil and gas

gains found in the first quarter of the year, according to a new report from the Norwegian research firm Rystad Energy.

“If the rest of 2019 continues at a similar pace, this year will be on track to exceed last year’s discovered resources by 30 percent,” said Rystad analyst Taiyab Zain Shariff.

Although last year saw a handful of new discoveries in the Gulf of Mexico, all of the new conventional finds this year are international, ranging from the Mexican side of the Gulf to Africa, Europe and the Middle East.

Rystad counts 3.2 billion barrels of estimated oil equivalent discovered through March, versus just more than 9 million barrels for all of 2018.

The biggest announced discovery this year is Exxon Mobil’s gassy find offshore of Cyprus, which Rystad estimated at nearly 700 million barrels of oil equivalent. Exxon’s two new Guyana discoveries represent two more of the top six finds for the year.

Other than Exxon Mobil, the other top discoveries include Paris-based Total’s South Africa find, Spain-based Repsol’s Indonesia discovery, and the latest North Sea discovery made offshore of the United Kingdom that was actually made by the China National Offshore Oil Corp., called CN00C, in a partnership with Total.

[https://www.chron.com/business/energy/article/Exxon-Mobil-lead-s-oil-and-gas-discoveries-in-2019-13751265.php?utm\\_campaign=CMS%20Sharing%20Tools%20\(Mobile\)&utm\\_source=whatsapp.com&utm\\_medium=referral](https://www.chron.com/business/energy/article/Exxon-Mobil-lead-s-oil-and-gas-discoveries-in-2019-13751265.php?utm_campaign=CMS%20Sharing%20Tools%20(Mobile)&utm_source=whatsapp.com&utm_medium=referral)

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# Turkish-Russian energy dependence vs. independence



Energy cooperation is the backbone of Turkey-Russia relations and a locomotive of their interactions in matters of regional security, military technologies, trade, construction and tourism. It ensures their stable progress but renders no immunity to occasional mishaps. The Turkey-Russia jet crisis of November 2015 has shown that for these relations to return to normal and resume their progressive development, their national leaders must apply political will. Developments after the amicable resolution of the crisis in August 2016 have also revealed that mutual trust and resilience are indispensable for Turkey-Russia relations.

Ever since the '70s, Turkey-Russia gas cooperation has been special: It is immune to political squabbles around the Russian gas monopoly and is guided by economic necessities. Cooperation is natural, since Turkey is an energy dependent country, while Russia is a prime global supplier of energy

resources and of natural gas in particular. This value added became apparent in 2016 when, discouraged by a lack of progress with Bulgaria to develop the South Stream project, Russia turned to Turkey and closed a deal to construct the Turk Stream gas pipeline in record-short time. Guided by economic necessity, the countries joined forces in pursuit of their sovereign wills: Russia proceeded to develop its southern export corridor to Europe, while Turkey moved closer to becoming a regional energy hub.

Turk Stream is a transit-free pipeline, and construction of its 1st line nears completion by year-end. No more than 52 hours will be needed to bring gas from Russia's Anapa on the Black Sea to Kilyıköy in northwestern Kırklareli province in Turkey by passing 930 km across the bottom of the Black Sea. Consisting of two lines, Turk Stream will supply Russian natural gas to Turkey and provide for its transit to EU markets.

When the 1st line is commissioned, Turkey will additionally start receiving about 16 billion cubic meters (bcm) of natural gas per year. Its 2nd line, currently under construction and of an equal capacity, will deliver gas to the Turkish-Bulgarian border from where it'll be further carried by the local distribution network to the border with Serbia. Going on to Hungary, Russian gas will eventually reach the mega storage facility in Baumgarten, Austria.

### **Diversifying gas supply**

According to the Energy Market Regulatory Authority (EMRA), Turkey annually consumes close to 55 bcm of pipeline gas, while receiving at least half from Russia. Currently, the second largest supplier is Iran (16 bcm), followed by Azerbaijan (9 bcm).

From Russia, Turkey receives 14 bcm through the Trans Balkan pipeline transiting through Ukraine, Moldova, Romania and

Bulgaria, and 16 bcm by means of the Blue Stream submerged pipeline crossing the Black Sea from Novorossiysk, Russia to Samsung, Turkey, bypassing transit countries. Russia's contract with Ukraine for gas transit is due to expire in 2019, and chances are high for deliveries via the Trans-Balkan pipeline to stop after Turk Stream's completion, in particular, since Turkey will hardly need extra volumes of Russian pipeline gas in addition to the 30 bcm it currently receives.

Azerbaijan is about to substantially increase Caspian gas supply to Turkey and then to Europe through the Trans-Anatolian Natural Gas Pipeline (TANAP) connector, a brainchild of the EU and the backbone of the Southern Gas Corridor (SGC) transmission system envisaged to diversify EU gas supply. TANAP was launched last year to deliver to Turkey 6 bcm of gas from Azerbaijan's Shah Deniz-2 offshore deposit, one of the world's largest. Then, it proceeds to the Greek border to connect with the Trans Adriatic Pipeline (TAP), the European leg of the SGC, which will pump 10 bcm of Azeri gas to Greece, Albania and eventually Italy upon construction completion in 2020.

This makes Azerbaijan a Russian competitor to challenge its gas expansion through Turkey to EU markets, while strengthening Turkey's position as a regional energy hub. These developments further diversify gas supply sources and contribute to Turkey's energy independence, making it immune to dangers of over-reliance on Russian gas imports, if they grow.

Recently, Turkey increased consumption of liquefied natural gas (LNG). During 2018, its dependence on pipeline gas decreased to less than 80 percent, while the share of LNG imports went up to about 20 percent. Turkey is expanding the LNG infrastructure and is keen on its combining with a diverse gas pipeline network and increased gas storage capacities. This trend reveals the country's pursuit of the goal of



becoming a regional energy hub, while contributing to the diversification of supply sources it started this decade.

Currently, Turkey operates four LNG terminals: two floating storage and re-gasification units (FSRU), while the remaining two are land facilities. In December 2016, the first FSRU became operational, and its current supply capacity has reached 5 bcm a year; it can re-gasify more than 12 percent of Turkey's annual gas demand. The second FSRU was commissioned in January 2018; it has the largest LNG storage capacity in the world, at 263,000 cubic meters.

## **Gas politics**

In comparison with Russia, U.S. energy cooperation with Turkey is younger. Starting in the '90s, it was largely triggered by U.S. attempts to disrupt the Russian gas monopoly by prompting the supply of natural gas from the Caspian region to Turkey. With that in mind, the U.S. designed the Trans-Caspian Gas Pipeline (16 bcm) to deliver gas from Turkmenistan and Azerbaijan to Turkey to meet its gas demand and curtail Russia's further expansion in the Turkish market.

Though heavily promoted by then-U.S. President Bill Clinton's administration, the project never took off and was replaced with the Southern Caucasian Pipeline that started bringing more modest volumes of gas from Azerbaijan to Erzurum, Turkey, in 2007. Turkmenistan, in its turn, having failed to become a mega gas supplier to Turkey, made a U-turn in the direction of China and now annually delivers up to 40 bcm of natural gas to its market by means of the Central Asia-China pipeline commissioned in 2009.

Russia, following up on the U.S.'s aborted attempt to construct the Trans-Caspian pipeline, in 2004 successfully completed the Blue Stream pipeline that established a southern export route for its gas and made Turkey the first Russian gas consumer to enjoy transit-free deliveries and immunity from

the political squabbles around them.

Turkey-U.S. energy cooperation got a fresh boost in 2017 with the U.S. returning to the world gas market after 60 years of absence. In 2018, Turkey became one of the largest buyers of LNG from the U.S., according to the U.S. Department of Energy. From 2017, the U.S. share of LNG in Turkish gas imports rose to 2.7 percent from 1.6 percent, according to EMRA, which corresponds to a 66.4 percent increase in just a year. The U.S. also plans to double its LNG production to 40 million tons in 2019 and become the world's third-largest LNG producer.

### **Mutual affiliation**

Independence has been a magic word and an eternal dream since time immemorial. Energy sector professionals are no exception, and the market is impacted by political squabbles around energy resource supply that at times overshadow the rationale of their production.

This March, the European Parliament adopted a resolution on the state of affairs between the EU and Russia, claiming that construction of the North Stream-2 pipeline poses danger to the EU domestic market. Pipeline construction envisages two lines to transport 55 bcm of Russian gas across the Baltic Sea to Germany, and completion is due by the end of 2019.

North Stream-2 construction is a relentless source of concern for the U.S. Last December, the House of Representatives adopted a resolution to support sanctions against North Stream-2, while calling on EU countries to drop their participation in the project.

Global developments reveal that for the foreseeable future Russian natural gas will remain an indispensable energy resource. In Europe alone, the increasing use of renewables for electricity generation results in higher consumption of natural gas needed to balance the grid when outages caused by



wind and solar farms occur. Immune to European Commission calls to diversify gas sources, Russia's share of the European gas market increased from 30 percent in 2014 to 37 percent in 2018.

"Gas pipelines are built not for making someone angry, but out of economic necessity," said Austrian Foreign Minister Karin Kneissl, when in Moscow this March.

*\* Freelance journalist living in Istanbul*

[https://www.dailysabah.com/op-ed/2019/04/08/turkish-russian-energy-dependence-vs-independence/amp?\\_\\_twitter\\_impression=true](https://www.dailysabah.com/op-ed/2019/04/08/turkish-russian-energy-dependence-vs-independence/amp?__twitter_impression=true)

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## **Egypt's gas exports can give it a foreign policy edge, petroleum minister says**



Egypt's goal to be a net gas exporter by the end of this year

will strengthen it politically, Egypt's petroleum minister said Saturday, stressing the opportunities for growth that would come from the recently-launched Eastern Mediterranean Gas Forum.

"We cannot deny that if we are able to have our own energy this will give us some – not independence but let us say some strength, edge," Tarek el Molla told CNBC's Hadley Gamble at the World Economic Forum on the Middle East and North Africa in Amman, Jordan.

The minister was speaking in response to a question about many Middle Eastern countries' reliance on their wealthier Gulf patrons like Saudi Arabia – and the fact that economic support from the Gulf also often means forfeiting independence in the foreign policy arena.

"The destiny of each country is at its own decision, however, you get to capitalize on what you have – so if you have the resource, the gas, you can play smart. And of course it would be a tool, or a card, that you can play with in politics, definitely," el Molla said.

"When I talk about the Eastern Mediterranean Gas Forum, and we talk about the hub, I say that we will together be the hub," the minister stressed. "Egypt will not ever be able to be the hub, no, it will be the hub together with its neighboring countries, allies, partners ... we are complementing each other in this field."

The forum, which aims to establish a regional gas market and offer more competitive prices, consists of Egypt, Jordan, Israel, Italy, Greece, Cyprus, and the Palestinian Authority, with its headquarters in Cairo. El Molla has described high investor interest in the opportunities the forum will offer.

Hit by revolution and terrorist attacks from 2011 onward, Egypt ceased exporting its gas for several years, but has now made a comeback, becoming a key player in what many energy

experts have called the “Eastern Mediterranean gas gold rush.”

Cairo is expected to become a net gas exporter by the end of 2019 and the country has seen widespread interest in its natural gas potential – particularly after the success of Egypt’s Zohr gas field, an offshore natural gas field in the Mediterranean Sea operated by Italian energy firm Eni.

Energy consultancy Wood Mackenzie has called it “Egypt’s astonishing gas renaissance,” and estimates that existing fields have gas reserves of 61 trillion cubic feet, with a further 45 trillion cubic feet yet to be discovered.

Foreign direct investment (FDI) in Egypt’s oil and gas sector reached \$10 billion in the full fiscal year of 2017/18, el Molla told an Egyptian newspaper last August, and expects at least the same in 2018/2019. In December, el Molla said Egypt had signed over 12 exploration and production agreements with international oil companies (IOCs) during 2018. The petroleum minister told CNBC in January that Egypt’s gas reserves could even be a catalyst for peace in the region.

Siemens is one firm that’s no stranger to Egypt’s energy sector and reportedly started doing business in the country in 1859. In recent years, it’s supplied gas and wind power plants to boost the North African country’s electricity generation and has what it calls the “Megaproject,” which connects 14.4 gigawatts to the Egyptian national grid.

Also speaking to CNBC in Jordan this weekend, Siemens Middle East CEO Dietmar Siersdorfer told CNBC’s Hadley Gamble that Egypt now has one of most modern energy systems in the whole world.

“In Egypt we’ve done the so-called mega projects, they’ve really electrified the country ... What happens there now is that the industry is growing, that was the plan from the beginning for the president, for the government,” he said.

“They have also now the next level of digitalization. A lot of people have been trained now during the execution of our

megaprojects,” he said, adding that the country is also developing in terms of its mobility infrastructure.

–CNBC’s Holly Ellyatt contributed to this report.

[https://uk.finance.yahoo.com/news/egypt-apos-gas-exports-foreign-143352328.html?soc\\_src=community&soc\\_trk=wa&guccounter=1](https://uk.finance.yahoo.com/news/egypt-apos-gas-exports-foreign-143352328.html?soc_src=community&soc_trk=wa&guccounter=1)

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## Egypt on track to end fuel subsidies: IMF



Egypt is on track to end subsidies on most fuels by June 15 as part of a reform programme led by the International Monetary Fund, the Washington-based body said Saturday.

The economy of the Arab world’s most populous country has suffered from political instability and security threats since the 2011 uprising that ousted long-time leader Hosni Mubarak.

[https://www.business-standard.com/article/pti-stories/egypt-on-track-to-end-fuel-subsidies-imf-119040700023\\_1.html](https://www.business-standard.com/article/pti-stories/egypt-on-track-to-end-fuel-subsidies-imf-119040700023_1.html)

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# **DIPLOMACY: Nicosia to host first trilateral summit of Cyprus, Greece and Lebanon leaders**



**Nicosia will host the first trilateral summit between the leaders of Cyprus, Greece and Lebanon later this year to review progress that has been achieved and map out further cooperation.**

Cypriot Foreign Minister Nikos Christodoulides is in Beirut, where he participated in the first official tripartite Ministerial meeting between Cyprus, Greece and Lebanon, with Lebanese counterpart Gebran Bassil, and Greece's Georgios Katrougalos.

He said it was the start of a “trilateral journey”, with the three partners having to work to make their cooperation

tangible in the agreed areas.

Pointing out that cooperation of the three was based on a positive agenda and was not directed against any other country, Christodoulides stressed Cyprus' intention was to turn this promising mechanism into a productive framework of interaction that would be beneficial for all.

He briefed his Lebanese counterpart on the decision to establish a Permanent Secretariat in Nicosia, with the aim of improving the effectiveness and coordination within the tripartite cooperation mechanism with a vision to make the Eastern Mediterranean a region of peace, security and cooperation, despite the many challenges it faces.

With regard to EU-Lebanon relations, Christodoulides said Cyprus would continue to work and actively assist in further strengthening them and said the EU must continue to show keen interest and activity in the region through its neighbourhood policy and its partnership priorities.

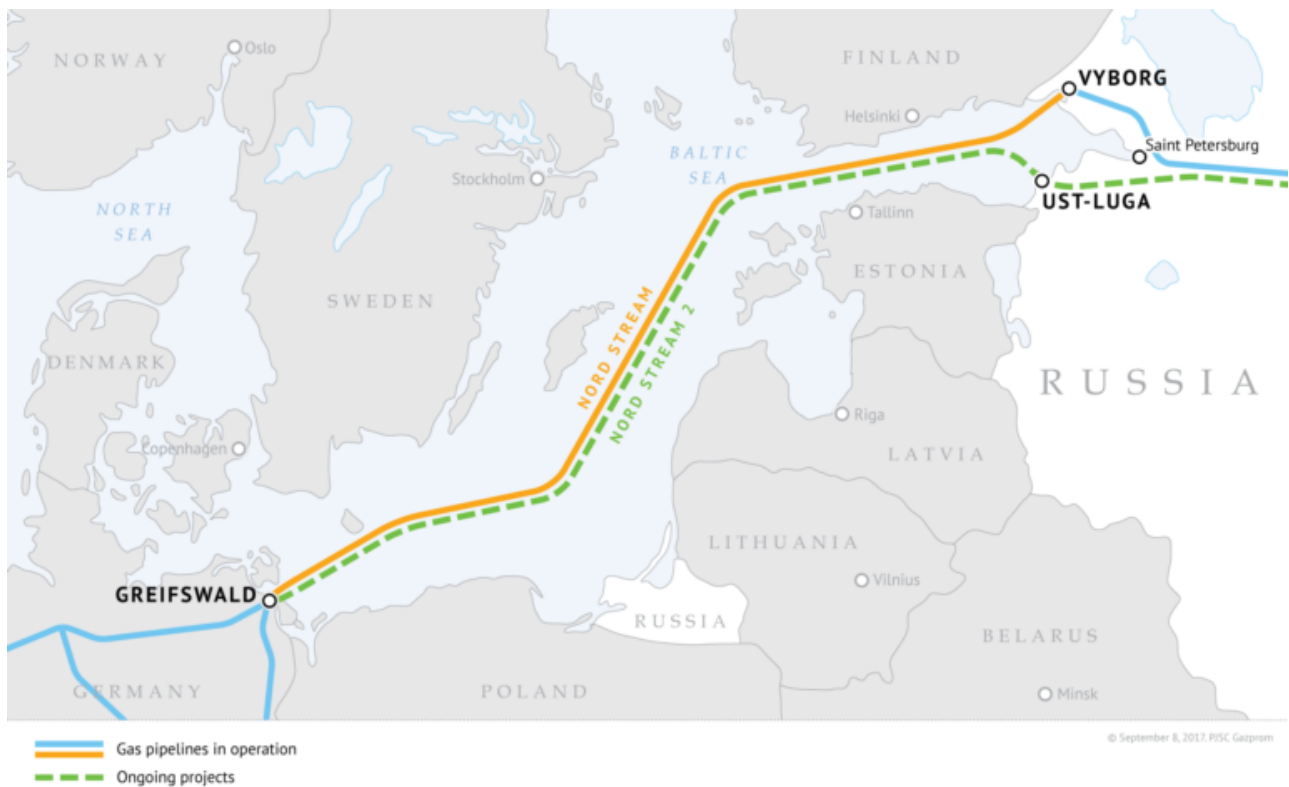
In a Joint Statement, the three Ministers recognize inter alia, the importance and value of the tripartite cooperation mechanism and reaffirm their strong commitment to further expanding and deepening their countries cooperation in this context, and to identify synergies in various areas of common interest, to the benefit of the societies and the citizens of the three countries.

According to the Joint Statement, the three Ministers also agree that this tripartite cooperation is based on respect for international law and the aims and principles of the Charter of Fundamental Rights of the United Nations.

The statement also defines the initial priority areas for cooperation as Tourism, Higher Education, Culture, Economy and Trade, with agreement to submit specific programs for these areas before the first Trilateral Summit, which was agreed to take place in Cyprus during 2019.



# Gazprom raises gas exports to France by 58% in five years



MOSCOW – A working meeting between Alexey Miller, chairman of the Gazprom Management Committee, and Sylvie Bermann, ambassador extraordinary and plenipotentiary of France to the Russian Federation, took place today at the Arctic: Territory of Dialogue 5th International Arctic Forum in St. Petersburg.

The parties discussed issues related to cooperation in the gas sector, including gas supplies. It was noted that France ranks among Gazprom's key markets in Europe. The Company's gas exports to the country grew by 58% in five years, reaching 12.9 Bcm in 2018.

Particular attention at the meeting was paid to the progress of the Nord Stream 2 project. It was highlighted that 607.7 mi (978 km) of pipes – 40% of the gas pipeline's total length –

have been laid in the Baltic Sea by now.

<https://www.worldoil.com/news/2019/4/10/gazprom-raises-gas-exports-to-france-by-58-in-five-years>

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## **Jordan to reject any proposal without independent Palestinian state – PM**



AMMAN – Jordan will reject any proposed settlement of the Palestinian-Israeli conflict that does not guarantee the establishment of an independent Palestinian state, Prime Minister Omar Razzaz said on Tuesday.

The premier noted during a press conference on Tuesday that Jordan's position on the long-running Palestinian-Israeli conflict rests on two irreversible constants; the

establishment of an independent Palestinian state with East Jerusalem as its capital and the Hashemite Custodianship over Jerusalem's Islamic and Christian holy sites.

"These are the unshakable foundations of Jordan's position on Palestine and the non-negotiable red lines," Razzaz said in response to a question on how Jordan would respond to the so-called deal of the century.

Regarding calls to scrap a gas deal between Jordan's National Electric Power Company and Israel, Razzaz said that his government was not the one who signed the deal.

He added that the decision to keep or cancel the deal will be taken in accordance with Jordan's higher interests.

"There is definitely a penalty clause in the deal," the premier told reporters.

Razzaz said that the deal is currently being reviewed by the Constitutional Court.

The Lower House has recently declared its "utter rejection" of the gas deal, requesting that the agreement be "cancelled at any cost".

The government has decided to refer the gas deal with Israel to the Constitutional Court for interpretation of Article 33 of the Constitution.

Paragraph B of the said article reads: "Treaties and agreements which involve financial commitments to the Treasury or affect the public or private rights of Jordanians shall not be valid unless approved by the National Assembly. In no circumstances shall any secret terms contained in any treaty or agreement be contrary to their overt terms".

<http://www.jordantimes.com/news/local/jordan-reject-any-proposal-without-independent-palestinian-state-%E2%80%9494-pm>

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# Turkish household gas consumption down by 12.3% in 2018



Turkey's natural gas consumption per household decreased by 12.3% to 905 cubic meters in 2018 compared to the last three year's average consumption of 1,032 cubic meters, according to Yasar Arslan, chair of the Turkish Natural Gas Distributors Association, (GAZBIR) on Wednesday.

Arslan told Anadolu Agency the average temperature in Turkey in 2018 increased by 1.8 degrees centigrade to 15.4 degrees from 13.6 degrees in 2017.

"As a result of this increase, Turkey's natural gas consumption per household decreased and Turkey's gas imports also went down by 2 billion cubic meters," Arslan said.

He added that in monetary terms, this amounts to approximately

3.4 billion Turkish liras (\$600 million).

Turkey's natural gas consumption totaled around 48.9 billion cubic meters last year.

Arslan noted that 80% of Turkey's population had access to natural gas as at the end of 2018.

"Thanks to the use of natural gas in residential buildings in 2018, 7.25 million tons of air pollutants and gases were prevented from being released into the environment," Arslan said and added, "In each household there was a reduction of 235 kilograms of particles, 250 kilograms of NOx and SOx with the use of natural gas."

In keeping with the country's aim to counter deforestation, gas distribution companies in coordination with the Energy and Natural Resources Ministry planted one tree for every new natural gas subscription.

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## **Qatar Petroleum awards LNG expansion project deals**



**LNG giant Qatar Petroleum has awarded a number of contracts related to Qatar's LNG expansion project designed to enhance its capabilities by increasing LNG production capacity from 77 to 110 million tons per year by 2024.**

Speaking at a conference in Shanghai recently, **Saad Sherida Al-Kaabi**, the Minister of State for Energy Affairs and President & CEO of Qatar Petroleum, said the fabrication and installation of the offshore jackets was awarded to McDermott.

He added that the contract for early site works required to prepare the site of the four new 8 mtpa LNG mega-trains in Ras Laffan Industrial City to a joint venture between Consolidated Contractors Company (CCC) and Teyseer Trading and Contracting Company.

Al-Kaabi also said, *"we are in the tendering phase for 8 rigs for the development drilling. The Front End Engineering and Design of the Onshore Facilities with Chiyoda will be completed in the next few days. The main Invitations to Tenders for the Engineering, Procurement and Construction of*



*the Onshore Facilities will be issued before the end of this month."*

He further added that in a few weeks, qualified shipyards will be invited to participate in a tender for the provision of LNG ship construction slots for the LNG shipping fleet required for the LNG expansion project.