

Global and Regional Energy Perspectives



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Global and Regional Energy Perspectives



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World: Peak Oil or Easy Oil?



Until 2010

Easy oil ended, the world is going through the peak oil era (no new oil discoveries to replace the production),

Since 2010

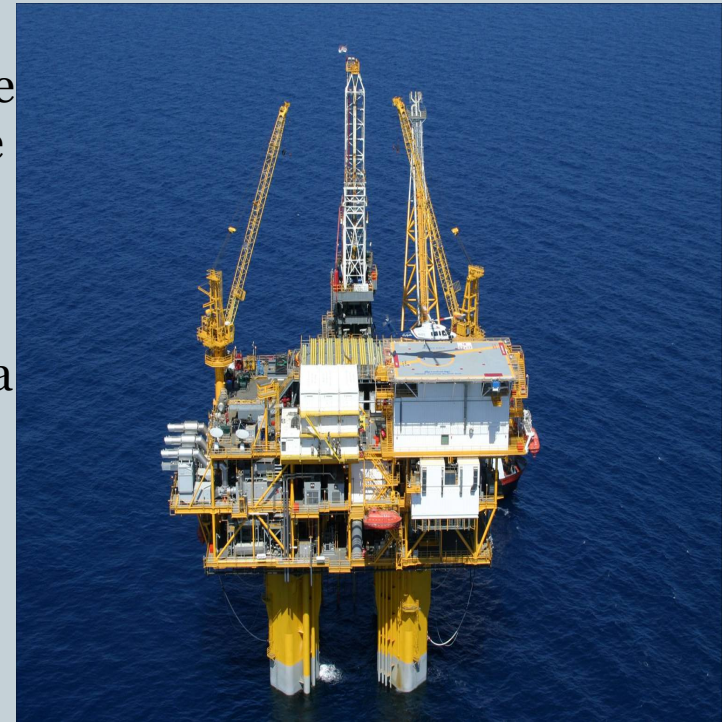
New discoveries of Norway in the Barents Sea and North Sea,

Deep water oil field finds in Brasil,

Reserve increases in Iraq,

Hopeful exploration results from West and East Africa,

Huge potential of unconventional oil : after the development of canadian oil sands we may experience now the boom of tight oil exploration.



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There are still reasons to worry:

High oil prices hinder economic growth,

The development of new field needs time and high investment (Kashagan, 1994 seismic, 1999 drilling, production target Kazakh gov. 2004, IOC's 2008, now Dec 2012),

Several NOC's like in Iran and Venezuela are not investing in exploration,

Saudi Arabia's production capacity is tight,

Global oil demand is growing: 89 mbpd(2011).



World: Golden Age of Natural Gas?



- Global gas resources represent 250 years of current production (IEA),
- Global gas demand is growing fast (IEA: 1.7-2% yearly average until 2035) , led by China, Middle East and India,
- LNG investments are booming,
- 2019 Australia will become the world biggest LNG producer,
- Traditional exporters of pipe-gas, like Canada or Russia seek to become more flexible with LNG investments,
- Shalegas is changing world energy map but the development will be not that fast like in the US, many hydrocarbon rich countries will give the priority to conventional gas fields,
- Environmental concerns about the water demand and a possible pollution of the groundwater may also limit the global shalegas development.



World: Sustainable Development



- The agreement reached in Durban at the 17. COP of the UNFCCC is fragile; more needs to be done to define the implementation,
- Climate policy lost its priority,
- The future of nuclear is uncertain,
- USA and China lead RE development,
- The development of CCS is slow,
- Low carbon prices hinder to have sufficient gas-fired power capacity to back-up wind power



European Perspectives



- Debt crisis has the highest priority on the political agenda,
- High fuel prices are a big threat to European economies,
- Recession reduces the forecasted European energy demand,
- The reduction of RE subsidies accelerates,
- Uncertainty about the EU's "Energy Roadmap 2050" and the German "Energiewende",
- No EU wide policy towards the unconventional gas exploration and production,
- Essential extension of the energy grids on slow pace,
- Natural gas supply security still on the agenda but no major progress.

South East Europe: in General



- European debt crisis effects the region badly,
- Greek and Turkish refineries suffer due the sanctions on Iranian oil,
- No breakthrough by the Southern NG Corridor,
- Turkish straits by-pass oil pipeline projects are dead?
- RE deployment makes good progress,
- EE efforts less then satisfactory,
- Shalegas: Stop or Go?
- Successful hydrocarbon exploration results in the eastern Mediterranean region creating new opportunities and threats.

South East Europe: NG Transport



- TAP submits its Third Party Access Exemption Applications (7 Sept 2011),
- After EDF, Wintershall from Germany joins the Southstream project and takes a 15% stake in the consortium (16 Sept 2011),
- Turkey gave Russia the final permit to build the Southstream under the Black Sea via Turkish territorial waters (28 Dec 2011),
- BP presents 10 bcm SEEP project (Sept 2011),
- Azerbaijan-Turkey sign MoU on 30 bcm TANAP (26 Dec 2011),
- Shahdeniz consortium excludes ITGI (Feb 2012),
- Shahdeniz consortium postpones the selection of a pipeline route for their gas to mid 2013 (Feb 2012),
- Nabucco management proposes downsized (~15 bcm) Nabucco (Feb 2012).



Turkey



- The implementation of the Turkish Energy Strategy towards 2023 very slow,
- No major progress for the utilization of lignit resources,
- One more year delay at the Akkuyu nuclear project,
- Tens of hydro projects forced to stop due to NGO activities and court decisions,
- According this trend Turkey may need 40-60 bcm additional natural gas in 2023,
- Botaş has been forced to reflect the NG price increases to its customers,
- Electricity market liberalisation makes progress, NG market more static,
- Off-shore hydrocarbon exploration moves from the Black Sea to the Mediterranean,

Conclusions



- There are globally very promising new oil finds.
- Natural gas will be the dominant fuel of the coming decades, LNG will play an important role for the supply security and the price development,
- For a low carbon future a new momentum is needed,
- Europe needs a common energy policy and effective policy instruments to support the energy strategies,
- Southern NG corridor has new players and new game rules,
- Development of NG deposits in Eastern Mediterranean region may contribute to the energy supply security of the region,
- Turkey will be also in the future the most attractive natural gas market in the region because of the shortcomings in energy policies.