

Minister's speech at the Opening Reception of IENE
Prof. Yannis Maniatis, Minister of Environment, Energy
& Climate Change

Thank you Mr. Chairman,

Ladies and gentlemen,

Southern Europe finds itself at a crucial crossroads of its contemporary history. Italy, Spain, Greece, Portugal, Cyprus, Ireland, all the political European South, faces tremendous shocks that go deep in the heart of their social cohesion.

Taking into account the need for a new, sustainable development model, natural resources and especially hydrocarbons, can play a vital role for the provision of new public revenues that will keep national economies alive and resistant.

Energy can play a leading role in helping Greece to break out from an austerity “trap” that has been “shrinking” our economic prosperity for more than 6 years.

It can also help consolidate Greece's image as a country that remains necessary for Europe as an “island” of stability in what is becoming an “Ocean” of increasing volatility in the wider Eastern Mediterranean.

At the top of our priorities is the need to consolidate our nation's energy security by diversifying our import sources and routes and increase our energy efficiency.

One important step was the establishment of the public authority, of the Hellenic Hydrocarbons Management Company S.A, which, on behalf of the Greek state, shall exercise its hydrocarbon rights and will undertake the responsibility to organize and execute all the relevant exploration and/or

production tenders, evaluate the offers, select the winners, prepare the relevant contract agreements and constantly supervise their appropriate execution.

Our obligation to reattribute the value of hydrocarbons wealth to the Greek society and to support at the greatest possible way the next generations has been demonstrated through the foundation of the National Account of social solidarity of new generations.

Greek Government is fully committed to explore its hydrocarbon potential in all areas where the Hellenic Republic exercises sovereign rights in accordance with the provisions of the United Nations Convention on the Law of the Sea.

The Open door tender for the three blocks of Ioannina, Gulf of Patraikos and Katakolo in offshore and offshore Western Greece is at the final stage.

In addition to the three abovementioned areas, Greece engaged in an extended multi-client seismic survey programme of 12.500 km of seismic lines covering an area of 220.000 km² (square km) in offshore western Greece and south of Crete, which performed by the Norwegian PGS. Data acquisition completed in February 2013, data processing is ongoing at Houston expected to be completed by January 2014.

The preliminary analysis of acquired data indicates the existence of promising target areas in the Ionian Sea and the Sea to the South of Crete. The interest already being expressed by oil companies to data purchase strengthens our confidence that our endeavor will be successful and the upcoming official licensing round will be a milestone to the opening of upstream market in Greece.

Ladies and Gentlemen,

A number of significant developments in terms of policy and infrastructure are currently taking place in SE Europe which when completed, by the end of this

decade, will have helped reshape the energy landscape of the region. These developments concern both market operation and energy production/transmission capabilities.

The large scale exploration of Cyprus' gas deposits and broader hydrocarbon development in SE Mediterranean will necessitate new gas corridors (like East Med pipeline and LNG)

Greece through its participation in the **Trans Adriatic Pipeline** consortium has emerged as the gateway for Azeri gas exports to Europe and the leading champion of the EU's Southern Gas Corridor that will provide the EU with up to 20 bcm/y.

The IGB pipeline has a wider regional importance (ranked first among EU Projects of Common Interest (PCI). IGB is creating synergies with smaller interconnectors in the region (eg. IBR), allowing access to the evolving SEE energy market.

In conjunction with IGB, FSRU terminals in North Greece provide opportunity to reach the growing SE European energy market offering possibilities for diversification of natural gas sources and further penetration of LNG in the area.

The Underground Gas Storage Facility of South Kavala together with Revithousa LNG storage will fulfil the obligation to Member States to cover the maximum daily consumption in the event of disruption of the single largest gas import infrastructure with possible occurrence once in 20 years. The Kavala Gas Storage is ideally positioned to support major gas pipelines and interconnectors (TAP, IGB, IGI) or act as an entry point for new offshore gas projects in the East Med region.

Whether by LNG and/or by pipeline, the linking of East Mediterranean resources with European markets should constitute a new European Strategy, analogous in significance, with the Southern Gas Corridor Policy. Greece along

with Italy will systematically promote the concept of this new **East Med Corridor Strategy** throughout 2014 during the successive Greek and Italian Presidencies.

The East Med pipeline to link Cyprus to Crete and then to mainland Greece has some distinct advantages for Europe.

The pipeline option helps to strengthen political and economic cooperation, enabling countries to determine their own foreign policy and security orientation. As a result, a pipeline may become easily a significant regional factor.

In the field of electricity, latest discoveries of substantial hydrocarbon deposits in the Eastern Mediterranean, may have a positive effect on European energy security as well as on the commissioning of new international electricity interconnections.

We are delighted that the Commission's competent Decision Making Body, decided some months ago, to include **the subsea electrical cable, the Euro-Asia Interconnector, a project of 3.5 billion Euros budget, in the final Projects of Common Interest (PCI) list.**

The further development of the Greek Transmission Grid and the proposed new cross-border interconnections with Bulgaria and Italy is of paramount importance in terms of evolving the unification of the SE European electricity market

Ladies and gentlemen,

To conclude I would like to say that through careful policy design and good governance countries can develop natural resources successfully.

The coming years will undoubtedly bring new gas discoveries in the Eastern Mediterranean.

Getting the greatest possible number of countries that share or are interested in the region's hydrocarbons on the same page and earmarking their exports

for an energy-thirsty Europe, we will boost them all geopolitically and economically.

Thank you very much for your attention.