

# Energy Security: Diversification and flexibility of Supply

3<sup>rd</sup> South East Europe  
Energy Dialogue  
Thessaloniki, 18 May 2009



# MAP of RUSSIA

Russia-EU Summit  
22 May 09





**Crude Oil Pipelines of  
the Former Soviet Union**  
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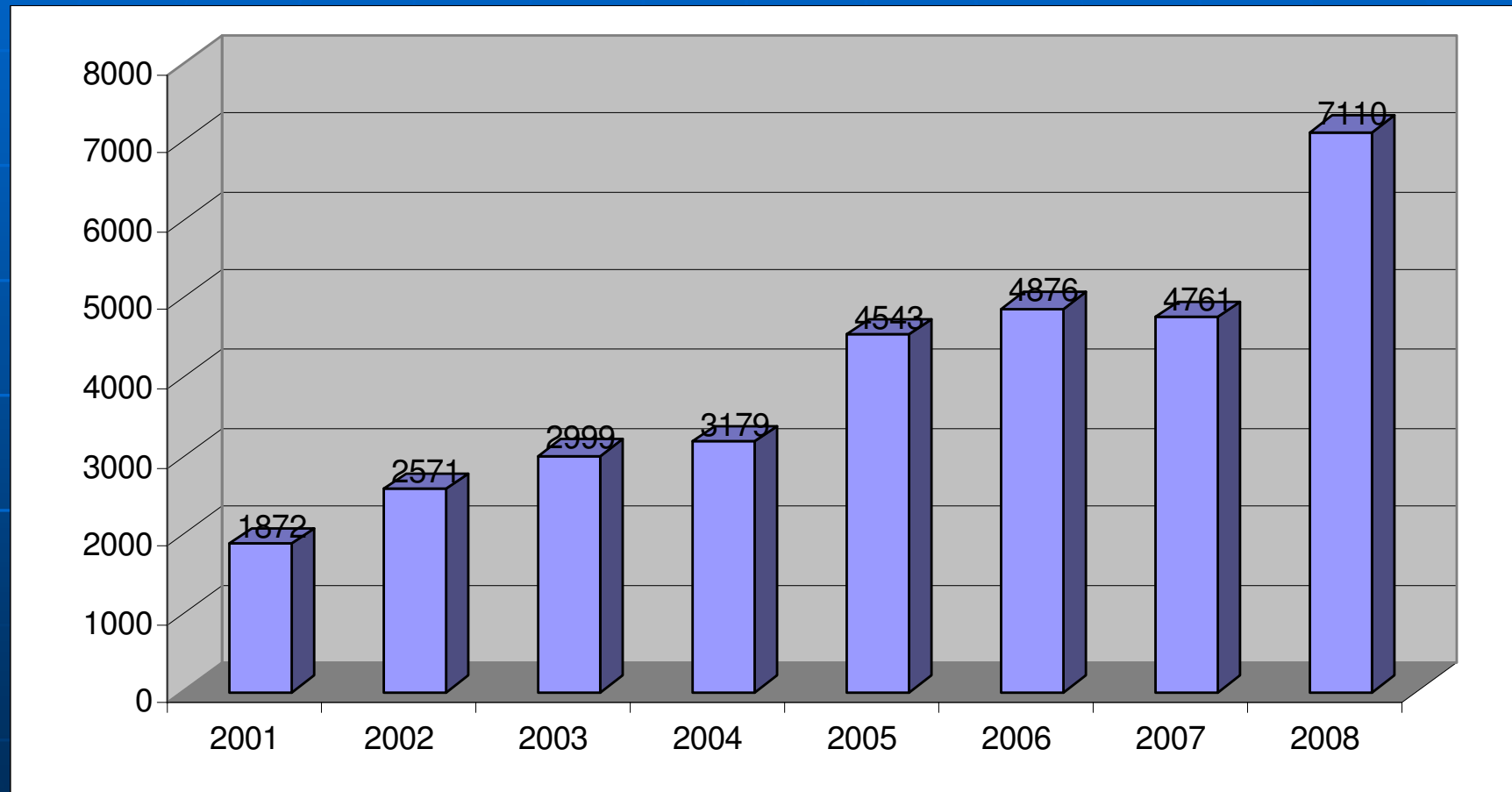


The Lito-Bator railway line is planned to carry 8 mtpa of Russian oil to Tomsk. This will increase the capacity of the Lito-Bator pipeline between Tomsk and Lito-Bator as well as between Tomsk and Caspian Sea.

Legend for pipeline types and directions:

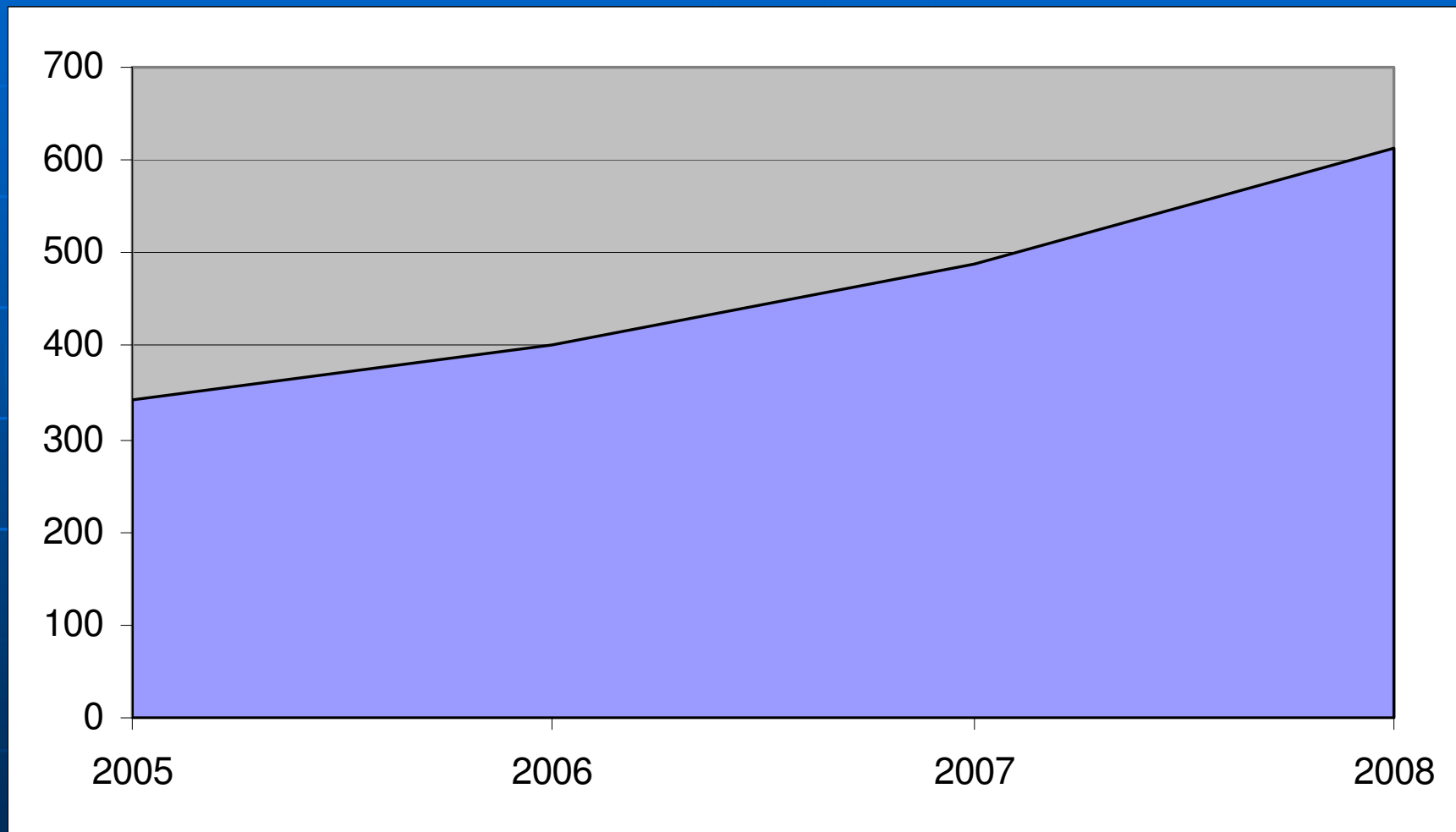
- Red line: Russia
- Blue line: Other
- Green line: Turkey
- Purple line: Uzbekistan
- Yellow line: Azerbaijan
- Orange line: Georgia
- Dark Green line: Ukraine
- Light Green line: Former Soviet Union
- Grey line: Other
- Red arrow: Russia
- Blue arrow: Other
- Green arrow: Turkey
- Purple arrow: Uzbekistan
- Yellow arrow: Azerbaijan
- Orange arrow: Georgia
- Dark Green arrow: Ukraine
- Light Green arrow: Former Soviet Union
- Grey arrow: Other
- Red circle: Major hub
- Blue circle: Major hub
- Green circle: Major hub
- Purple circle: Major hub
- Yellow circle: Major hub
- Orange circle: Major hub
- Dark Green circle: Major hub
- Light Green circle: Major hub
- Grey circle: Major hub
- Red square: Directional symbol
- Blue square: Directional symbol
- Green square: Directional symbol
- Purple square: Directional symbol
- Yellow square: Directional symbol
- Orange square: Directional symbol
- Dark Green square: Directional symbol
- Light Green square: Directional symbol
- Grey square: Directional symbol
- Red star: Strategic point
- Blue star: Strategic point
- Green star: Strategic point
- Purple star: Strategic point
- Yellow star: Strategic point
- Orange star: Strategic point
- Dark Green star: Strategic point
- Light Green star: Strategic point
- Grey star: Strategic point
- Red triangle: Strategic point
- Blue triangle: Strategic point
- Green triangle: Strategic point
- Purple triangle: Strategic point
- Yellow triangle: Strategic point
- Orange triangle: Strategic point
- Dark Green triangle: Strategic point
- Light Green triangle: Strategic point
- Grey triangle: Strategic point

# Russian-Greek Trade Volume (millions US Dollars)



Source: National Statistical Service of Greece, 2008

## Greek Exports to Russia (millions US Dollars)



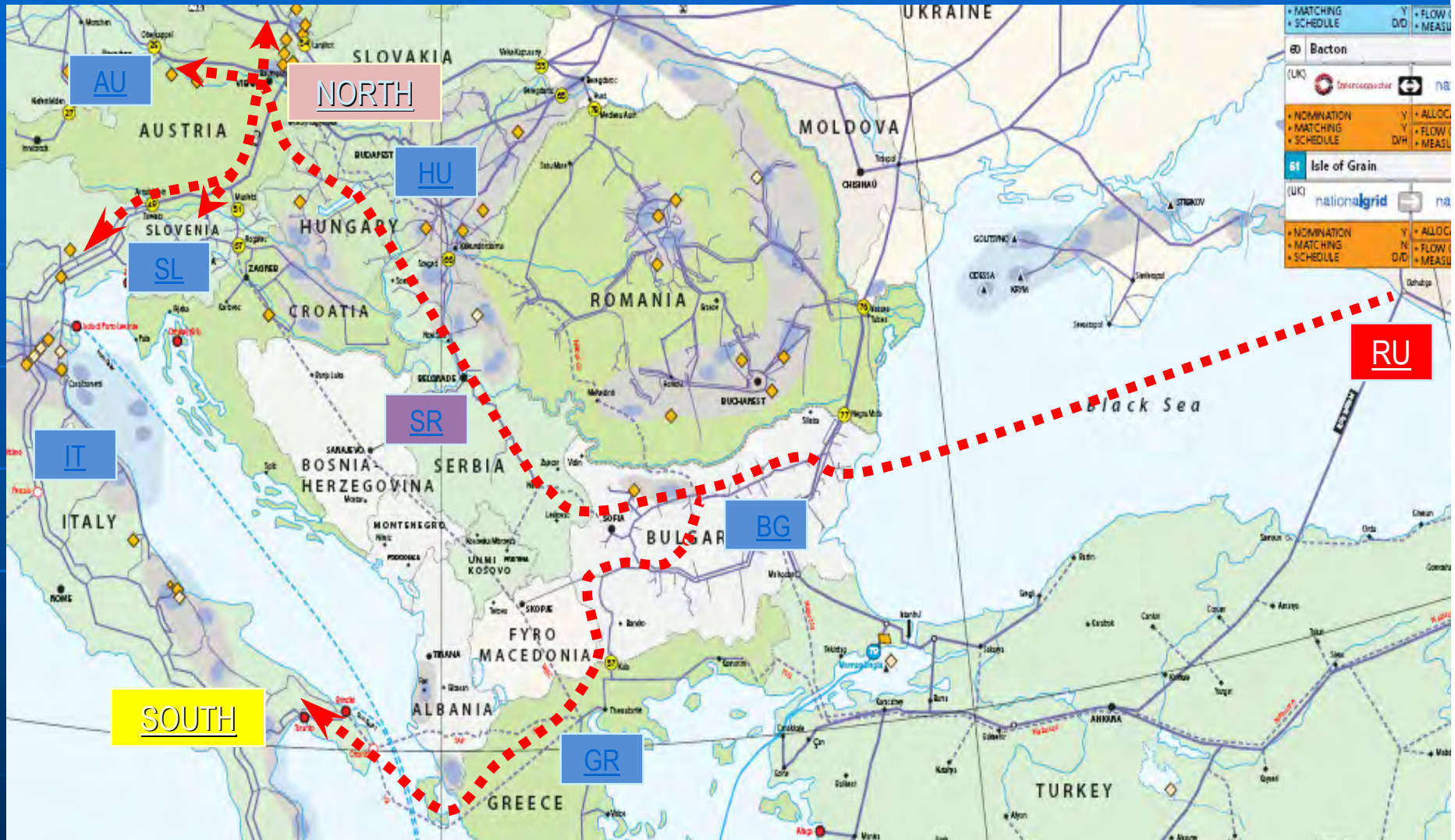
Source: National Statistical Service of Greece, 2008



# Cooperation in Investments (major projects)

- Oil Pipeline “Bourgaz – Alexandroupolis”
- Gas Pipeline System “South Stream”

# “SOUTH STREAM” PROJECT POSSIBLE ROUTES OF PIPELINE’S BRANCHES



# SOUTH STREAM

## (more points)

- It's feasible, low risk and it provides mutually beneficiary solutions to the countries of the region in gas supply. Russia has enough financial resources to ensure its implementation, despite the crisis.
- The project does fully comply with the objectives of the EU regulatory framework both in terms of energy security and environmental protection
- The South Stream comes to compensate the un-sufficient investment in pipeline transportation capacity in the previous periods. It will undoubtedly reinvigorate the economic activities in the region.
- The new pipeline system will further diversify the routes of transportation and enhance the flexibility of supply.
- By establishing a direct connection between the suppliers and consumers it will help to mitigate the transit risks, which remain a major challenge for the European Energy Security





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**Try to bypass it ...**





# Flexibility of Supply

## What makes it different from Diversification?

- Expansion of the pipeline transmission capacity, in particular, by building multiple transportation routes
- Building up storage capacities
- Networking the pipeline systems
- Improving the Legal Framework for Interstate Energy Cooperation on the basis of mutual responsibility of consumers, suppliers and transit states



## CONCLUSIONS

- Energy Security presumes an adequate combination of diversification and flexibility of supply.
- The “South Stream” gas pipeline is supportive to the said objective.
- The Russian Natural Gas is the best friend of the European Natural Environment.

■ **Спасибо!**

■ **Spasibo!**

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