

A Presentation to the
3rd South-East Energy Dialogue
Institute of Energy for South East Europe (IENE)

The Transit Role of SE Europe

The prospects of the Southern Corridor

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IENE's South-East Europe Energy Outlook

- Economic and Political Background
- Country Overviews
- Sectorial Analysis
- Energy interconnections, Energy Security
- Environmental Considerations



European Energy Security

- Disputes and disruption of supply form the current transmission routes
- Declining domestic production
- Increasing regional and European demand
- Dependence on Russian energy
- Lack of cohesive EU energy policy
 - Bilateral agreements between Russia and many EU countries
- Limited Options

Alternative Crude Oil Routes

- Crude Oil
 - Burgas - Alexandroupolis (from Bulgaria to Greece)
 - Pan-European Oil Pipeline (from Romania to Italy)
 - AMBO (from Bulgaria to Albania)
 - Kiyikoy - Ibrikbaba (Turkey)



Alternative Natural Gas Routes

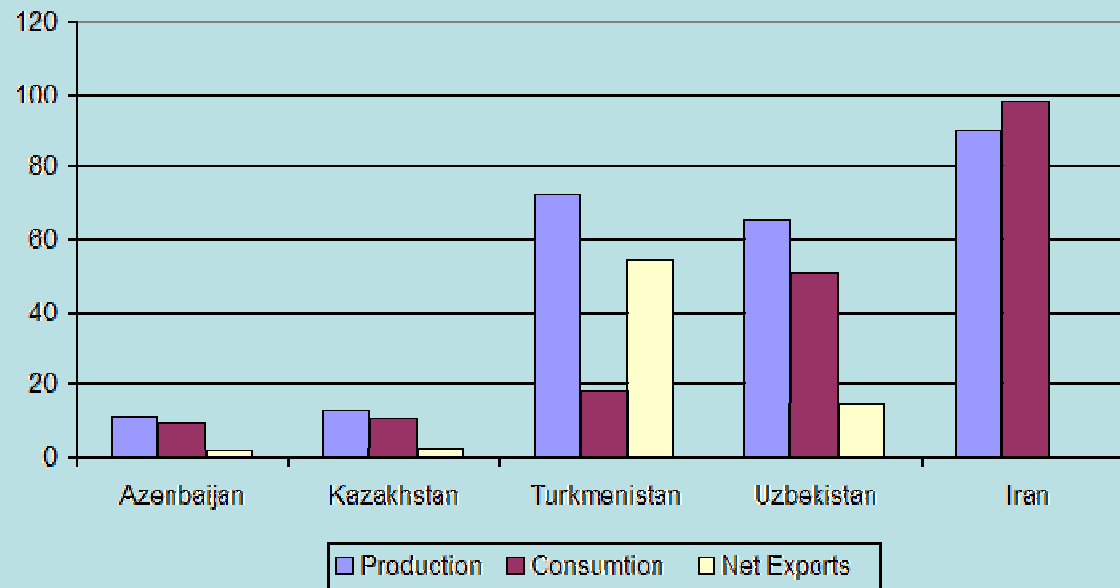
- Natural Gas
 - Nabucco (8-30 bcm/year)
 - ITGI (8-11 bcm/year)
 - White Stream - GUEU (8-32 bcm/year)
 - TAP (10 bcm/year)
 - South Stream (31-63 bcm/year)





Alternative Suppliers

- Natural Gas
 - Azerbaijan
 - Kazakhstan
 - Turkmenistan
 - Uzbekistan
 - Iran
 - Iraq
 - Egypt





Limited Options

Limited resources for the short term

- Azerbaijan
 - Shah Deniz Phase 2 (just 9-12 bcm/year by 2013)
- Kazakhstan, Turkmenistan, Uzbekistan
 - Long term contracts with Russia
- Iran
 - Great potential but limited gas for export

Limited access to reserves

- Limited transport capacity from Iran
- Trans-Caspian Pipeline

Political issues

- The Caspian Sea borders, Iran
- Competition for resources from Asia
- Turkey's position as a large consumer and transit country

Key Questions

- What is the role of the transit states and especially the role of Turkey?
- What is the expected amount of natural gas available of exports from the Caspian region?
- How much gas will get through to Central and Western Europe?
- Should there be a scheduling for the development of new pipelines?
- What should be the stance of the EU towards Russia as a major energy supplier?

