

# EUCERS Newsletter

---

Newsletter of the European Centre for Energy and Resource Security (EUCERS) Issue 63, March 2017

---

## Introduction

Dear readers and friends of EUCERS,

It is my great pleasure to welcome you to this latest edition of the EUCERS newsletter, in which we present you with a new article and updates on our activities at EUCERS.

In our central article, Amanda Paul, Senior Policy Analyst in the European Policy Centre (Belgium), and Ilgar Gurbanov, Research Fellow in the Centre for Strategic Studies (Azerbaijan), analyse the current state of the Southern Gas Corridor.

We would also like to invite you to visit our new [EUCERS Blog](#) with opinion pieces and workshop reports. EUCERS has also recently published the 14<sup>th</sup> Strategy Paper on "[UK's Dash for Gas - Implications for the role of natural gas in European power generation](#)" and a new issue from the Reflections Series.

Feel free to keep us informed about your research projects and findings as we look to remain at the forefront of new knowledge and innovative ideas.

Thank you for your interest in EUCERS and for being part of our community.

Yours faithfully,  
**Thomas Fröhlich**  
EUCERS Newsletter Editor

## In this Month's Edition:

- **Introduction**
- **Newsletter articles**
  - The Southern Gas Corridor: Heading into the Home Stretch? *By Amanda Paul and Ilgar Gurbanov*
- **Announcements**
  - EUCERS Blog
  - New EUCERS "Reflections" Working Paper Series #3
  - EUCERS Strategy Paper No.14: "UK's Dash for Gas" *By Alexandra-Maria Bocse and Carola Gegenbauer*
- **EUCERS on the Road**
- **Publications**
- **In the Media**
- **Contact EUCERS**
- **EUCERS Advisory Board**
- **Acknowledgements**

## ARTICLES

### The Southern Gas Corridor: Heading into the Home Stretch?

By Amanda Paul and Ilgar Gurbanov

Security of gas supply is a priority for the European Union (EU) because it is critical to ensure that (1) supplies are not disrupted; (2) market can be competitive and (3) the EU cannot be blackmailed in foreign and security policy questions. Due to energy security concerns related to Russia's tendency to use gas as a political tool and the need to improve gas pipeline infrastructure to help stranded European markets access new gas exports, the EU is increasingly committed to finding alternative routes/sources for natural gas. The Southern Gas Corridor (SGC) is one such initiative which opens a new and competitive route for Europe to import natural gas from the Caspian that Russia's Gazprom does not control. However, while significant progress has been made (confirmation of the route in 2013 and groundbreaking for construction in Turkey and Greece in 2016), challenges remain, including local opposition along parts of the route and the emergence of Turkish Stream.

#### Background

With the EU's being largest natural gas market in 2030 with an expected 644 billion cubic meters (bcm) of gas demand<sup>1</sup>, the quarter of current gas imports comes from Russia and the Russia-Ukraine gas dispute of 2006/2009 that left some EU member states without gas for several days<sup>2</sup>, the EU sparked concerns about the vulnerability of its energy market. Yet it was not until the 2014 Russia-Ukraine crisis threatened EU gas supplies again that a significant shift in EU policy came about, and ultimately led to the creation of the Energy Union in February 2015.<sup>3</sup> The European Commission's Communication of February 2015 on a resilient Energy Union sets the goal of "secure, sustainable, competitive and affordable energy" stressing "the intensification of works on the SGC" in order "to enable Caspian and Central Asia countries to

Amanda Paul is a Senior Policy Analyst in the European Policy Centre (Belgium). Her main areas of expertise include the foreign and domestic policy of Turkey and Ukraine, Russian foreign policy, the South Caucasus, Eastern Partnership and European Neighbourhood Policy and conflict resolution.

Ilgar Gurbanov is a Research Fellow in the Centre for Strategic Studies (Azerbaijan). His research covers EU affairs (ENP and EaP), energy and national security, and security issues in the South Caucasus countries.

export their gas to Europe" as a key "to ensure the diversification in gas supplies".<sup>4</sup>

The SGC is one of the most complex gas value chains ever developed, stretching over 3500 kilometers, crossing seven countries and involving more than a dozen major energy companies. The SGC consists of a chain of pipelines which will transport gas from the Shah-Deniz-II field in Azerbaijan to European markets for the first time breaking Russia's monopoly. The pipelines system has been designed to be scalable to twice its initial capacity to accommodate potential additional gas supplies in the future. Annually 6 bcm of gas should reach to Turkish in 2018, with a further 10 bcm being pumped to Europe by 2020. The South-Caucasus Pipeline's expansion (SCPx) will transport the Azerbaijan's gas through Georgia where it will hook up with the Trans-Anatolian Pipeline (TANAP) which will travel through Turkey. TANAP capacity is expected to increase up to 23/31 bcm/a by 2023/2026 with hopes that the pipeline will be able to receive Turkmen, Iraqi or Iranian gas at some point in the future. At the Turkey-Greece border, the Trans-Atlantic Pipeline (TAP) will transport the gas onwards to Italy via Albania where it will be connected to the Italian gas transportation grid. TAP is expected to carry 10 bcm of gas to Italy by 2020 with the prospect of doubling supplies and branching off in the Balkans through the Ionian Adriatic Pipeline and the Interconnector Greece-Bulgaria.<sup>5</sup> Furthermore, TAP will have certain reverse flow capabilities and the ability to store gas in an Albania's planned gas storages. This would achieve the objectives of the SGC which is not to totally replace the import of

<sup>1</sup> "Long Term Outlook For Gas Demand And Supply 2007-2030", Eurogas, [www.eurogas.org/uploads/media/Statistics\\_Eurogas\\_LT\\_Outlook\\_2007-2030\\_Final\\_25.11.10.pdf](http://www.eurogas.org/uploads/media/Statistics_Eurogas_LT_Outlook_2007-2030_Final_25.11.10.pdf)

<sup>2</sup> Andrew Kramer, "Russia Cuts Off Gas Deliveries to Ukraine", The New York Times, 1 January 2009, [www.nytimes.com/2009/01/02/world/europe/02gazprom.html](http://www.nytimes.com/2009/01/02/world/europe/02gazprom.html)

<sup>3</sup> "European Commission -Energy Union Factsheet", European Commission, Brussels, 25 February 2015, [europa.eu/rapid/press-release\\_MEMO-15-4485\\_en.htm](http://europa.eu/rapid/press-release_MEMO-15-4485_en.htm)

<sup>4</sup> "Energy Union Package - Communication From the Commission to the European Parliament, the Council, the European Economic And Social Committee, the Committee of the Regions and the European Investment Bank", European Commission, Brussels, 25 February 2015, [eur-lex.europa.eu/resource.html?uri=cellar:1bd46c90-bdd4-11e4-bbe1-01aa75ed71a1.0001.03/DOC\\_1&format=PDF](http://eur-lex.europa.eu/resource.html?uri=cellar:1bd46c90-bdd4-11e4-bbe1-01aa75ed71a1.0001.03/DOC_1&format=PDF)

<sup>5</sup> Ilgar Gurbanov "Azerbaijan: Europeanisation Versus Real-Politics", in the book of "Dilemmas of Europeanisation: Political Choices and Economic Transformations in the Eastern Partnership Countries" (Latvian Institute of International Affairs, Riga), 2016, pp.95-123, <http://liia.lv/en/publications/dilemmas-of-europeanisation-political-choices-and-economic-transformations-in-the-eastern-partnership-countries-534>

Russian gas by the importation of Caspian gas, but rather to provide more flexibility to Europe in order to make sure that gas shortages in one area, through interconnectors and internal pipelines could be compensated for in other areas.

In terms of financing, Azerbaijan's SOCAR's shares in the SGC's main chains (TANAP, TAP, SCPx, Shah-Deniz) is supposed to be financed partially (51%) by the Sovereign Wealth Fund of Azerbaijan, with the remaining financing coming from SOCAR itself. SOCAR received a financial support package from the international financial institutions to fill the funding gap of SGC's chains. In December 2016, the World Bank approved \$400mm loan for each Turkey and Azerbaijan for TANAP<sup>6</sup> and the Asian Development Bank approved a \$1bn loan for the development of Shah-Deniz gas field.<sup>7</sup> In January, the Asian Infrastructure Investment Bank gave its approval to \$600mm loan for the TANAP's construction.<sup>8</sup> SOCAR expects additional financial backup from the European Investment Bank (€1bn and €2bn respectively for TANAP and TAP)<sup>9</sup> and the European Bank for Reconstruction and Development (€1.5bn for TAP, over \$1.2bn for Shah-Deniz field)<sup>10</sup> that will be the biggest loans in their history to the SGC, which underlines the strong political will to deliver the project.

## State of Play

In physical terms, the SGC has already been more than half completed and it may start delivering gas to Turkey and the EU ahead of schedule. According to BP, which has a stake in both the Shah-Deniz field and the pipelines, the engineering/procurement/construction (EPC) works in the framework of the Shah-Deniz-II gas field is 90%, while the SCP's expansion in Azerbaijan and Georgia is 80% completed and compressor stations have been

installed in Georgia.<sup>11</sup> The SCP's expansion will allow Azerbaijan to triple the gas volumes to Europe to over 20 bcm/a. TANAP is also ahead of schedule with 65% of constructions works already completed. The TAP Consortium had already awarded certain Italian and Greek companies contracts for the EPC works for onshore/offshore sections of TAP project in Greece, Albania and Italy, as well as for the construction of compressor stations and pipeline receiving terminal.<sup>12</sup> The European Commission has already confirmed the compatibility with EU rules of the "Host Government Agreement" between Greece and TAP and granted TAP a specific tax regime for 25 years.<sup>13</sup> Moreover, falling oil prices in the world market helped the SGC to drop the constructions costs from \$45bn to \$39bn (TANAP's cost from \$11.7bn to \$8.5bn<sup>14</sup> and TAP's cost down to \$6bn; Shah-Deniz-II and the SCP's expansion, currently stands at \$23.8bn, with savings of more than \$4bn).<sup>15</sup>

However, despite the progress made the project has been faced with a number of challenges, particularly related to TAP. After the election of Greece's Syriza party in January 2015, the new Greek government decided to question tariff issues for TAP and the price of contracted Azerbaijani gas in order to receive additional dividends. However, Greece's demands remained of no effect due to SOCAR's hard stance on that.<sup>16</sup> Difficulties have also been encountered due to continuous delays to the Interconnector-Greece-Bulgaria project, the result of slow decision-making processes in Greece and Bulgaria as well as problems on the Albanian leg of the pipe where pipeline construction was lagging behind schedule and highly complex land expropriation and compensation negotiations with local communities remain challenging.

<sup>6</sup> "World Bank Group Supports Diversification of Azerbaijan's Gas Export Markets and Security of Energy Supply for Turkey and Europe", World Bank, 20 December 2016, [www.worldbank.org/en/news/press-release/2016/12/20/world-bank-group-supports-diversification-of-azerbaijans-gas-export-markets-and-security-of-energy-supply-for-turkey-and-europe](http://www.worldbank.org/en/news/press-release/2016/12/20/world-bank-group-supports-diversification-of-azerbaijans-gas-export-markets-and-security-of-energy-supply-for-turkey-and-europe)

<sup>7</sup> "ADB Approves Shah Deniz-2 Loan", Natural Gas World, 7 December 2016, [www.naturalgasworld.com/adb-approves-shah-deniz-2-loan-34794](http://www.naturalgasworld.com/adb-approves-shah-deniz-2-loan-34794)

<sup>8</sup> "AIIB and World Bank lend big to TANAP project", Global Trade Review, 3 January 2017, [www.gtreview.com/news/asia/aiib-and-world-bank-lend-big-to-tanap-project/](http://www.gtreview.com/news/asia/aiib-and-world-bank-lend-big-to-tanap-project/)

<sup>9</sup> "Tanap / Trans-Anatolian Natural Gas Pipeline", European Investment Bank, 23 March 2016, [www.eib.org/projects/pipelines/pipeline/20150676](http://www.eib.org/projects/pipelines/pipeline/20150676)

<sup>10</sup> "ADB, EBRD and BSTDB co-finance landmark offshore gas field in Azerbaijan", European Bank for Reconstruction and Development, 7 August 2015, [www.ebrd.com/news/2015/adb-ebird-and-bstdb-cofinance-landmark-offshore-gas-field-in-azerbaijan.html](http://www.ebrd.com/news/2015/adb-ebird-and-bstdb-cofinance-landmark-offshore-gas-field-in-azerbaijan.html)

<sup>11</sup> John Roberts, "Southern Gas Corridor Hits Halfway Point", Natural Gas World, 30 December 2016, [www.naturalgasworld.com/southern-gas-corridor-hits-halfway-point-35186](http://www.naturalgasworld.com/southern-gas-corridor-hits-halfway-point-35186)

<sup>12</sup> Ilgar Gurbanov, "Southern Gas Corridor Gains New Momentum", The Jamestown Foundation, Eurasia Daily Monitor, Volume 13 Issue 108, <https://jamestown.org/program/southern-gas-corridor-gains-new-momentum/>

<sup>13</sup> "Commission approves agreement between Greece and TAP allowing new gas pipeline to enter Europe", European Commission - Press release, 3 March 2016, [europa.eu/rapid/press-release\\_IP-16-541\\_en.htm](http://europa.eu/rapid/press-release_IP-16-541_en.htm)

<sup>14</sup> "TANAP's construction accelerates, costs decrease: Project chief", Huriyyet Daily News, 12 December 2016, [www.hurriyetdailynews.com/Default.aspx?pageID=238&nID=107181&NewsCatID=345](http://www.hurriyetdailynews.com/Default.aspx?pageID=238&nID=107181&NewsCatID=345)

<sup>15</sup> Kama Mustafayeva, "Energy Prices Allow Cost Cuts In Caspian", Natural Gas World, 5 June 2016, [www.naturalgasworld.com/energy-prices-help-cost-reduction-for-sgc-29962](http://www.naturalgasworld.com/energy-prices-help-cost-reduction-for-sgc-29962)

<sup>16</sup> "Snizhenie tsen na Azerbaydzanskiy gas dlya Gretsii nevozmozhno", Caspian Barrel, 16 February 2015, [caspianbarrel.org/?p=27321](http://caspianbarrel.org/?p=27321)

There is a similar story in Italy's Puglia region - where TAP is due to anchor its final offshore leg in the town of Melendugno - allegedly because of lack of regional consent due to violation of Italy's constitution. With the support of environmental organizations, local farmers and municipalities, which claim TAP will have an adverse environmental affect, local authorities are challenging the legality of the government's right to develop TAP. A number of European environment and human rights NGOs have also written to the European Investment Bank, demanding not to allocate financing for the SGC. After the Italian government lost in the constitutional referendum held on 4 December 2016, which was to decide the issue of division of competences between the state and the regions, the local authorities retained their previous exclusive legislative power on the issue of transport and distribution of energy. The outcome of referendum might have hazardous effects over the construction of TAP in Italy with possible rerouting the landing point of TAP towards Western Balkans via the planned Ionian Adriatic Pipeline<sup>17</sup>, which risks negatively impacting the timeframe and possibly bring additional costs.

### Possible impact of Turkish Stream

On 10 October 2016, Turkey and Russia signed an intergovernmental agreement (IGA) on the Turkish Stream gas pipeline, which aims to bring Russian gas to Turkey and possibly onward to the EU. According to IGA, Turkish Stream will consist of two parallel lines, each with a capacity of 15.75 bcm/a and each running across the Black Sea from the Russian port of Anapa to Ipsala on Turkish-Greek border before hooking up to the planned Interconnector-Turkey-Greece-Italy (ITGI). In February 2016 Russia's Gazprom, Italian Edison SpA and Greece's DEPA signed the MoU "on Russian natural gas deliveries across the Black Sea from Russia via third countries to Greece and from Greece to Italy" via the Turkish Stream and the ITGI/Poseidon project across the Ionian Sea.<sup>18</sup>

Gazprom seeks to complete the project and deliver more gas to Europe before the SGC is complete or before additional gas (Iranian, Iraqi, Turkmen or Mediterranean gas) sources are secured for European markets. Furthermore, by building a southern route for its gas exports to the EU, Russia endeavors to weaken a key pillar of the EU's Energy Union and its Energy Security Strategy. If Russia were able to speedily develop the second strand it could put future projects along the SGC under even more pressure. However, the deal will become a reality only when the two gas operators make a final decision to invest, which has not yet happened. Furthermore, given Russia's financial problems stemming from economic sanctions it seems unlikely that Gazprom will be able to quickly move forward with the construction of both strings of Turkish Stream. It seems more likely they will only be able to complete the first string which will be for the Turkish market.<sup>19</sup>

With obscurity of the Turkish Stream's second string, as well as the ITGI/Poseidon pipeline, Gazprom also plans to use the additional capacity of TAP, since planned capacities of Turkish Stream won't be sufficient to bring extra amount of Russian gas to Europe.<sup>20</sup> There is technical and legal possibilities under the EU legislation for further use of the TAP's expanded capacity (from initial 10 bcm/y to 20 bcm/y) for transportation of extra gas if non-Shah-Deniz supplier requests a space in the pipeline.<sup>21</sup> Thus, Russia, without breaching the EU's Third Energy Package rules, can export gas via TAP from the Turkish Stream pipeline to Europe. However, the Shah-Deniz Consortium's long-term contracts of 25-years securing 100% of TAP's initial capacity for Azerbaijani gas together with the relevant EU legislations make this option unlikely. Moreover, the future expanded capacity of TAP with 10bcm won't be sufficient for Turkish Stream's second leg with 15.75bcm of volume. This means that Russian gas cannot be transported via TAP for at least the next 25 years, unless there are either significant market or geopolitical changes, or sufficient gas demand/shortage to drive expansion up.<sup>22</sup>

<sup>17</sup> Ilgar Gurbanov, "TAP's Fate after the Italian Referendum", The Jamestown Foundation, Eurasia Daily Monitor, Volume 13, Issue 198, <https://jamestown.org/program/taps-fate-italian-referendum/>

<sup>18</sup> Ilgar Gurbanov, "Perspective for Turkish Stream Project: Possible Scenarios and Challenges", Caucasus International Journal, Vol. 6, No: 2, Winter 2016, pages 75-95, <http://cijournal.az/post/perspective-for-turkish-stream-project-possible-scenarios-and-challenges-by-ilar-gurbanov>

<sup>19</sup> Gurbanov, "Perspective for Turkish Stream Project", *op.cit.*

<sup>20</sup> John Roberts, "Gazprom Eyes Tap for Russian Gas", Natural Gas World, 24 January 2017, [www.naturalgasworld.com/gazprom-eyes-tap-for-russian-gas-35548](http://www.naturalgasworld.com/gazprom-eyes-tap-for-russian-gas-35548)

<sup>21</sup> Kama Mustafayeva, "Gazprom Could Join Tap through Open Season", Natural Gas World, 26 January 2017, [www.naturalgasworld.com/gazprom-could-join-tap-upon-completion-open-season-35615](http://www.naturalgasworld.com/gazprom-could-join-tap-upon-completion-open-season-35615)

<sup>22</sup> Gurbanov, "Perspective for Turkish Stream Project", *op.cit.*

## Prospects for the Future

Completion of the SGC on schedule is of political and strategic importance. Furthermore, concerns over whether contracted gas will need to be renegotiated in light of the reduced prices is not likely as the contracts underpinning 16bcm/a that's to be sold across the SGC have separate deals within them linked to the oil price. Bringing other gas sources online is of crucial importance. Further gas from Azerbaijan is one possibility. From the Shah-Deniz-III field and additionally several other gas fields (Absheron, Umid, Babek, Bulla-Deniz, Shefeg-Asiman, Nakhchivan, Araz-Alov-Sharg), although this will very much depend on commercial viability. Gas from Turkmenistan, the world's fourth largest gas owner, has been much talked about. Turkmenistan represents a significant opportunity for the EU. China's increasing presence in the Turkmen energy sector through financing/construction of major projects and exploration of gas fields has resulted in Turkmenistan becoming overly dependent on Chinese market as it once was on Russian market. This has made diversification of routes increasingly important to Turkmenistan.

However, gas cooperation with the EU would require the construction of the Trans-Caspian-Pipeline (TCP), which is politically very sensitive. Although the EU has been in discussions with the Turkmen authorities as of early 1990s, the talks are deadlocked due to political, economic and legal uncertainties, with strong opposition from both Russia and Iran related to the undefined final legal status of the Caspian Sea. Thus far, the TCP pipeline unfortunately has been promoted through politically binding documents on a trilateral level between Azerbaijan, Turkey and Turkmenistan. The financial, technical and commercial dimensions of the project remain obscure, since no foreign energy company has ever financially or technically committed to the pipeline's construction. Furthermore, Turkmenistan's leadership does not want to pledge gas without a legally binding agreement. Thus, Turkmenistan's commitment to the TCP project remains rhetorical so far, which slows down EU endeavors for gas-supply diversification. Question marks also remain over Iran's perspective gas contribution to the SGC. Whereas, in the short-term Tehran will prioritize the domestic market and then the neighboring southern markets.

Successful completion of the SGC requires strong and unwavering political and economic commitment. While the US gave less attention to realization of the SGC, however, both the EU and the US have renewed their endorsements for the project after the presentation of the so-called 'Turkish Stream'. Furthermore, strong lobbying from the US and Brussels managed to shift Greece from its position that was not compatible with EU's external energy policy (e.g. favorable gestures towards Russia's 'Turkish Stream') towards embarking on seriously the SGC.

Possible injection of Russian gas into the SGC could create rivalry between Russian and Azerbaijani gas in terms of volume and market share. Given the future expansion of both TAP and TANAP, Russian gas could block the perspective for additional volumes from Azerbaijan's expected gas fields (including alternative sources from Turkmenistan, Iran, Iraq, Mediterranean). Russia's Gazprom with its current gas potential will be in a position to supply additional gas for extra capacity of TAP, even earlier than any potential gas supplier. It will simply downgrade the importance of the SGC in the context of EU's diversification plans and would be a strong blow to the political investments of the EU and the US spent throughout the implementation process of the project which envisages to lessen Europe's gas dependence on Gazprom. Either the failure with the construction of the Italian segment of TAP will pave the way for the construction of the Poseidon pipeline, a proposed offshore leg of the ITGI under the Ionian Sea.

Compared to other gas supplies to Europe, the gas volumes that will initially flow through the SGC cannot compete in size, with 10bcm is like a drop in the ocean. But, it's a vital development as it will bring the SGC to life, attract subsequent resources, contribute to diversifying energy sources, boost competition in Europe and give end-buyers leverage to negotiate gas prices with other suppliers. The SGC will make additional sources of supply available on the European market, further increasing competition to the benefit of the consumers. It will also create jobs and boost the economies of countries along the route in a relatively poor region.

## DISCLAIMER

*The views expressed in this Newsletter are strictly those of the authors and do not necessarily reflect those of the European Centre for Energy and Resource Security (EUCERS), its affiliates or King's College London.*

\*\*\*\*\*

## ANNOUNCEMENTS

### [EUCERS Blog](#)

We are delighted to announce the new EUCERS blog, where we will publish comments to current developments in energy and resource security, opinion pieces and workshop reports. Visit us on:  
<https://blogs.kcl.ac.uk/eucers/>

### [Third edition of EUCERS “Reflections” working papers series published](#)

The third volume of the EUCERS Working Paper Series ‘Reflections’ takes on board a selection of key developments in the energy and resource security domain that are closely linked to Europe.

Ole Gunnar Austvik, a professor at Lillehammer University College and Gülmira Rzayeva, a senior research fellow at the Center for Strategic Studies under the President of the Republic of Azerbaijan, outline the role of Turkey in the geopolitics of natural gas. Austvik and Rzayeva point out to a number of factors, including commercial, infrastructural and, political factors, which increasingly elevate Ankara’s regional energy role as both key transit country for current and future projects and, at the same time a major natural gas demand centre in its own right.

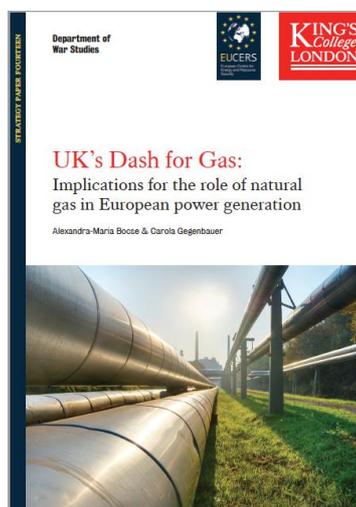
Recent oil and gas discoveries in Eastern Mediterranean have placed the region in the spotlight of international energy diplomacy. Lebanon-based Mona Sukkarieh, a political risk consultant at Middle East Strategic Perspectives, critically evaluates these developments pointing out the positive role of outside actors in setting the ground for regional cooperation. Sukkarieh urges a well-defined and result-oriented policy by the regional actors that would allow for establishing a set of shared interests and creating new dynamics in the ‘EastMed’ region.

Drawing on mining in developing countries, Dr Edvard Glücksman explores emerging trends within lending institutions and risk management frameworks explaining how these affect the work of international

practitioners. With the emphasis on business ethics, Glücksman explains the potential these trends have in promoting international cooperation in the quest for natural resources.

Developments in the Black Sea Region are discussed by Gökçe Mete, a researcher at Dundee University, who provides a detailed legal analysis of the Turkish Stream (TurkStream) natural gas pipeline project. Set to connect Russia with Turkey with a potential of changing geopolitics of natural gas in Europe, Mete emphasizes the demand projections and political concerns are ultimately the key determinants of the future of this pipeline project.

### [Publication of EUCERS Strategy Paper No.14: “UK’s Dash for Gas - Implications for the role of natural gas in European power generation.](#)



The fourteenth EUCERS Strategy Paper reviews the UK’s dash for gas and evaluates implications for the role of gas in European power generation.

The paper aims to isolate the factors that led to the UK’s dash for gas (the transition from traditional coal to modern gas-fired power plants in the UK’s electricity sector), investigate the degree to which similar conditions are currently present in Europe and advance a series of policy recommendations for enhancing the prospects of natural gas as a partner to renewable energy in power generation in Europe, given the EU’s commitment to fighting climate change. It analyses the main factors (political, technological, financial and environmental) that determined the 1990s UK’s dash for gas and discusses the degree to which the same factors could currently generate a shift towards natural gas in power generation in Europe and its Member States. In addition, it examines complementary measures that the UK took in preserving the changes triggered by the dash for gas and in providing incentives for climate friendly power generation, such as the carbon price floor.

You can download the paper for free on [www.eucers.eu](http://www.eucers.eu).

## EUCERS ON THE ROAD

Our team represents EUCERS at various conferences and events all over the world. This section gives a regular update and overview of conferences and interview contributions by EUCERS Director Professor Dr Friedbert Pflüger, Research Director Dr Frank Umbach and Associate Director Dr Adnan Vatansever, as well as by our Research Associates.

28.03.2017 Singapore	Frank presented on “The Global Gas Oversupply and Its Impact on Europe and Asia: Where will the U.S. LNG Exports Go?” at the seminar of the Energy Studies Institute (ESI).
30.03.2017 Singapore	Frank gave a presentation on “The South China Sea Conflicts and its Energy Dimensions” at the seminar of the S.Rajaratnam School of International Studies (RSIS) at the Nanyan Technological University (NTU).
25.03.- 01.04.2017 Singapore	Frank is a Visiting Research Fellow at the S. Rajaratnam School of International Studies (RSIS) at the Nanyan Technological University (NTU).

## PUBLICATIONS

Pflüger, Friedbert, “Schaut auf Großbritannien” (Watch Great Britain – despite Brexit Great Britain will have to remain part of the EU Emission Trading System, as a partner in climate protection, supporting the successful change from coal to gas”. Bizz energy, April 2017.

Bocse , Alexandra-Maria and Gegenbauer, Carola, “UK's Dash for Gas - Implications for the role of natural gas in European power generation.” EUCERS Strategy Paper No.14. London: EUCERS 2017.

Raszewski, Slawomir (Ed.), “European Centre for Energy and Resource Security ‘Reflections’ Working Paper Series Volume 3, Spring 2017. London: EUCERS.

Umbach, Frank, “Will China Become the New Climate Protection Leader?” in: Geopolitical Intelligence Service (GIS), 21.03.2017

(<https://www.gisreportsonline.com/china-wont-save-global-climate-protection-policies,energy,2164,report.html>).

Umbach, Frank, “Steigende LNG-Exporte aus USA könnten in Europa zu Gaspreiskrieg führen“ („Rising LNG Exports from the U.S. Could Lead to a Gas Price War“), Volksblatt (Liechtenstein), 2 March 2017, S. 13 (Langversion

- <http://www.volksblatt.li/medienarchiv/gis-lng-usa-gaskrieg-europa-umbach-21-2-2017.pdf>).

## SOCIAL MEDIA



Follow <https://twitter.com/eucers> on Twitter.



Like us on Facebook:

[www.facebook.com/EUCERS](http://www.facebook.com/EUCERS)



Catch up with us on

[www.YouTube.com/EUCERS](http://www.YouTube.com/EUCERS)

## CONTACT EUCERS

If you have found our Newsletter interesting, wish to hear more about our activities, or, indeed, contribute with ideas or essays, please contact Thomas Fröhlich, Newsletter Editor EUCERS on [thomas.frrohlich@kcl.ac.uk](mailto:thomas.frrohlich@kcl.ac.uk) or call 020 7848 1912.

## EUCERS ADVISORY BOARD

The EUCERS Advisory Board supports the activities of EUCERS King's College London. We would like to thank and present the members of the board.

**Professor Michael Rainsborough**, Chairman of the Board, Head of War Studies, King's College London

**Marco Arcelli**, Executive Vice President, Upstream Gas, Enel, Rome

**Professor Dr Hüseyin Bağcı**, Department Chair of International Relations, Middle East Technical University İnönü Bulvarı, Ankara

**Andrew Bartlett**, Managing Director, Bartlett Energy Advisers

**Volker Beckers**, Chairman and non-Executive Director of Reactive Technologies Ltd, Vice Chairman (since October 2016) and Member of the Board of Directors (non-Executive Director) of Danske Commodities A/S, Denmark and Chairman, Chair Audit Committee of Albion Community Power Plc

**Professor Dr Marc Oliver Bettzüge**, Chair of Energy Economics, Department of Economics, University of Cologne; Director of the Institute of Energy Economics at the University of Cologne (EWI) and President of the Supervisory Board, ewi Energy Research & Scenarios

**Professor Jason Bordoff**, Professor of Professional Practice in International and Public Affairs, Founding Director, Center on Global Energy Policy, Columbia University, New York

**Professor Brahma Chellaney**, Professor of Strategic Studies, Centre for Policy Research, New Delhi, India

**Dr John Chipman**, Director of the International Institute for Strategic Studies (IISS), London

**Iain Conn**, Group Chief Executive, Centrica plc

**Professor Dr Dieter Helm**, University of Oxford

**Professor Dr Karl Kaiser**, Director of the Program on Transatlantic Relations of the Weatherhead Center for International Affairs, Harvard Kennedy School, Cambridge, USA

**Frederick Kempe**, President and CEO, Atlantic Council, Washington, D.C., USA

**Thierry de Montbrial**, Founder and President of the Institut Français des Relations Internationales (IFRI), Paris

**Chris Mottershead**, Vice-Principal (Research & Development), King's College London

**Hildegard Müller**, Chief Operating Officer (COO) Grid & Infrastructure of Innogy SE

**Janusz Reiter**, Center for International Relations, Warsaw

**Professor Dr Karl Rose**, Senior Fellow Scenarios, World Energy Council, Vienna/London

**Professor Jonathan Stern**, Chairman and Senior Research Fellow, Natural Gas Research Programme, Oxford Institute for Energy Studies

## ACKNOWLEDGEMENTS

We would like to thank our Partners and Supporters



And our Media Partners:

