

EUROPEAN ENERGY SECURITY AND GREECE

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Last January, the EU was faced with the most severe gas supply/transit crisis of its history. That crisis illustrated better than ever before, the importance of the Union's energy interdependence with its East European partners.

The management of energy security has certainly emerged as one of the principal challenges of our times. While energy security may mean different things to different nations, a common understanding and a consensus has emerged that recognizes the interdependence of all concerned parties. Whether countries have the status of energy exporting, importing or transit states, we all share the risks of a supply-transit disruption and its ensuing economic damage.

On current trends, the European Union's dependence on imported energy will increase from almost 50% today to almost 70% in 2030. Regarding natural gas, our import dependency is set to rise from 50% today to over 80% in 2030. Despite the world economic crisis and the unavoidable slow-down in global growth rates, the demand for energy, and in particular the demand for gas, is not likely to be proportionally curtailed.

To address this need and to fight climate change, we are all committed to implementing energy efficiency policies and to increase the participation of RES (Renewable Energy Sources) in our energy mix. However, even if all the domestic goals of the European Union's 20-20 energy and climate change strategy are fully implemented, the Union will still have to procure most of its energy supplies from third countries. The security of energy supply, of which transit security is an inseparable component, is thus clearly recognized as the most important priority of Europe's energy security policy.

In order to strengthen our cooperation especially with the partner countries of the Eastern policy, we should focus on sharing our know-how to develop a legally binding regulatory framework guaranteeing investment security and market liberalization.

We should also prioritize on promoting investments in infrastructure in order to achieve a better diversification of supplies and routes. In this context, the modernization of existing infrastructures, including the gas transmission system of Ukraine, should be supported with the appropriate consultation of all concerned parties.

Another aspect of our cooperation should involve the development of regional electricity markets with improved energy efficiency and increased use of renewable energy sources.

The deepening of the EU's energy cooperation with its Eastern partners is of paramount importance. We need to develop a regionally focused Energy Infrastructure Action Plan, taking into account the objectives of the EU's Second Strategic Energy review.

The expansion of Liquefied Natural Gas (LNG) imports constitutes one of the most flexible and reliable means of energy security, particularly in cases of supply/ transit interruptions. During our recent experience in the gas crisis of January 2009, Greece managed to cover the totality of its needs via increased LNG imports, despite the complete shut-down of its pipeline imports.

We therefore believe that the de-liquefaction capacity of the EU member-states should be expanded, particularly, in areas –such as Southeast Europe and the Baltic Sea- where an LNG unit would maximize the benefit of import diversification. In this regard Greece is considering the construction of a second LNG terminal along its Aegean coast. For this reason, we believe that de-liquefaction terminals should be developed in other key areas.

Recently Greece and Bulgaria signed a Mutual Understanding Memorandum on the widening of their cooperation in the energy sector, including the Greece-Bulgaria pipeline. Recognising the importance of this plan, the European Union supported it recently in the framework of the European Economic Reconstruction Plan.

The new pipeline will have a length of 120-125 kilometres and will link Komotini (in northern Greece) with Dimitrograd in Bulgaria. The project will be carried out with European funding amounting to 45 million Euros. The immediate results of the pipeline will be the upgrading of Greece's role in transferring gas and of the importance of the Turkey-Greece-Italy pipeline in the emerging regional energy market, as well as Greece's importance in consolidating Europe's energy security. The pipeline will have a "double flow" and will be able to both give and receive gas.

Greece has signed another agreement with Russia on the "South Stream" pipeline a year ago. Greece considers "South Stream" and "Nabucco" plans and the Transit Turkey-Greece-Italy one supplement each other. Given the expected increase in the demand for natural gas, each one and all these new infrastructures are particularly necessary and useful.

Finally, I want to stress that the Eastern Partnership strategy is an important step for enhancing regional stability and the concomitant economic progress of Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine including cooperation in the energy field.