Oil deal with Arbil cuts short Ankara-Baghdad honeymoon

Today's Zaman, *26.01.2014*

It was only six months ago that Turkey and Iraq decided to leave all their disputes behind and turn to a new page in their relationship with the help of intensified diplomatic efforts and an increasing number of high-level visits; however, it didn't take long for Ankara and Baghdad to be at loggerheads again when the central Iraqi government's fears related to Turkey's independent oil deals with KRG re-emerged.

It was in late September that Iraqi Foreign Minister Hoshyar Zebari said in Ankara, "It is high time to close this page and open a new one," during a joint press conference with his Turkish counterpart Ahmet Davutoglu.

However, commitment to resolving problems fell short in the face of national interests. On Jan. 17, Reuters reported that Iraqi Oil Minister Abdul Kareem Luaibi announced that Iraq is preparing to take legal and other measures to punish Turkey for its involvement in Kurdish exports of "smuggled" oil without the central government's consent. Although Turkey says that it is respectful of Iraq's sensitivities regarding territorial integrity and claims that it is acting in compliance with the Iraqi federal constitution that allocated shares of energy revenues to the KRG, the KRG's announcement of start of the flow of crude oil to Turkey through the new pipeline in late January angered the Baghdad government and risked the fragile thaw that had developed.

Preparations for a lawsuit against the Turkish government have begun, Luaibi reportedly said, for allowing KRG to pump oil through the export pipeline without the approval of the Iraqi central government. He underlined that by signing deals without Iraqi consent, Turkey is jeopardizing bilateral trade worth $12 billion a year and he reiterated that the energy issue touches on the independence and unity of Iraq. Iraqi Prime Minister Nouri al-Maliki, who had been scheduled to visit Turkey this month, also recently voiced his uneasiness with the energy deal between Ankara and Arbil, saying, "This is a constitutional violation," during an interview with Reuters.

Meanwhile, the Turkish side is keeping its silence on the issue. Before his departure for Brussels, Prime Minister Recep Tayyip Erdogan said that according to the custom regarding diplomatic visits, it is Maliki's turn to come to Turkey. He added that the KRG has constitutional rights to 17 percent of the revenue from oil sales and maintained, "All of the issues beyond this are empty talk." Mehmet Seyfettin Erol, an academic at Ankara's Gazi University and the head of the Center for International Strategic and Security Studies (USGAM), told Sunday's Zaman that Turkey was in search of a way to revise its foreign relations and it had preferred to use Iraq as starting point; however, Turkey's initiative is worrisome to some countries and that's why the honeymoon between Ankara and Baghdad lasted such a short time.

“At that time Iraq had two choices: burn the bridges with Turkey and Arbil or turn to a blank page. Iraq preferred to turn to a new page; however, its decision bothered both the US and Iran. The trilateral committee of Turkey, the KRG and Iraq was spoiled after Maliki’s Iran visit. The US doesn’t want Turkey to follow independent policies in the region either and often urges it to see Baghdad as the legitimate addressee,” Erol said. When asked about the calculations that Maliki made about the upcoming Iraqi election, Erol said Iraq trusts the US and Iran, and if Turkey lashes out at Iraq it will also mean opposing Washington and Tehran. One of the reasons that Iraq looked likely to have improved relations with Turkey was the coming parliamentary elections.

During the local elections held last April, Maliki’s State of Law Coalition received fewer votes than expected. Seeing the reduced support from his nation, Maliki started to consult with Iraq’s north and Maliki turned to Iraq’s immediate neighbor, Turkey, to gain Ankara’s support and get the upper hand before next April election. Birol Akgün, an expert from the Ankara-based Institute of Strategic Thinking (SDE) agreed that although Turkey believed that it could successfully establish good relations with Iraq, Maliki’s desire to keep Shiite support and Iran’s effect spoiled the relationship. “We thought that the good relations would last longer and that the normalization process would be completed.

However, the biggest problem is the upcoming elections in Iraq. Maliki doesn’t want to create bad relations with Shiites by taking sides with a Sunni country. There is also Iran’s effect on this deterioration, due to the Syria crisis,” Akgün told Sunday’s Zaman. Yet another reason for the hiatus between Ankara and Baghdad is the fact that Iraq and the KRG haven’t reached an agreement on division energy revenue shares yet, Akgün said. However, he also noted that Iraq is just bluffing, as there is no other logical route for Iraqi oil to reach to the rest of the world. According to Akgün, until the April elections in Iraq are over, no one should expect a positive development in the relations between Turkey and Baghdad.

The crisis about Turkey having energy agreements with the KRG broke out in December 2013. Media reports said that Turkey and the KRG had signed a package of landmark deals that would see the Kurdish region’s oil and gas exported via pipelines in Turkey. Although the Turkish government initially denied signing such an deals, Baghdad barred private Turkish jets from flying to Iraq’s autonomous Kurdish region at a time when Energy Minister Taner Yildiz was set to travel to Arbil for an energy conference. The plane that was carrying Yildiz first landed in the Iraqi capital.

Mr Erdogan, what are you plans for Turkey's energy market?

ICIS, *23.01.2014*

Turkish Energy Hub Daily focuses on two issues – the concerns besetting the Turkish gas market as record falls in the exchange rate are putting under severe strain all private companies and a solution – the possible opening of the EU's energy chapter that would require the government to harmonize its policies and practices in a way that would eliminate hurdles and speed up the liberalization process.

Four companies have agreed to share their experience of the current situation, all shippers face as a result of the widening gap between a USD-denominated import price and a Turkish Lira-denominated regulated price they sell at domestically.

They also spoke about the impact that the current situation could have on existing and potential investors at a time when Turkey needs at least $200bn to build new pipelines, compressor stations, storage facilities, LNG terminals over the next decade. In this context, the question on everybody's mind is whether the Prime Minister himself, on whose instructions the progress of the Turkish gas market hinges to a large extent, is still committed to the liberalization of the sector? Amid the entire political storm, the economic turmoil and the panic, why is there a need to proceed with the liberalization plans that until not long ago propelled Turkey's energy sector among the world's most desired investment hotspots?

Firstly, the experience of some northwest European countries has shown that the liberalization process has helped to reduce not only import prices, but also prices to end consumers. An article by The Economist at the beginning of the year showed that the creation of liquid gas markets in western Europe has pushed Norway's Statoil to sell half of its gas at spot-indexed prices. This in turn undermined Gazprom's position, whose contract gas prices were only 5 to 6% above the spot price in 2013 against 70% in 2009. Britain which has the most liquid and liberalized gas market on the continent has the cheapest household gas prices in western Europe as a result. Secondly, Turkey needs investors. The only way to attract them is to create a flexible and stable market that could inspire confidence.

By leaving BOTAS firmly in charge of the market, upholding the subsidies system and refusing to enact laws that will give companies the liberty to import and export gas, Turkey will continue to lose millions of dollars that could be otherwise used in research, exploration and production. Thirdly, Turkey has an exceptional chance to lead the way, by establishing a market that would act as a reference for its eastern European neighbors. The trading desert of Eastern Europe that comes in stark contrast with the liquid hubs of Western Europe has meant that the former has always been vulnerable to Moscow's political maneuverings often underpinned by gas price wars between Gazprom and the governments of these states. The only country capable of breaking Russia's grip on this region's energy markets is Turkey thanks to its size, growth and potential.

The liberalization of the UK gas market or Germany's electricity market has triggered domino effects in neighboring countries. Turkey could, no doubt, replicate this scenario in Eastern Europe. It is important that Turkey strengthens its energy trading links with Europe through physical electricity and gas interconnections with reverse flows and amends its natural gas law in a way that will enable Turkish gas companies to import and export volumes without restrictions. That way, a Turkish hub price, rather than a Russian import price would be the benchmark for Turkey, Eastern Europe and in the future the Middle East or the Caspian region. Despite intensive pleas from the sector and evidence that the only sustainable solution for Turkey's energy concerns is the liberalization of the market, the government is adamant on retaining the status quo. It is of course understandable that they may not wish to risk votes at a time when Turkey is preparing for a long electoral cycle.

It is also understandable that deep reform requires vision and courage. However this government, which has previously proved its mettle by reforming the medical system, by extending an olive branch to the minority Kurdish population, by laying the foundations for eye-catching economic growth should also prove itself by overhauling the energy sector in a way that would benefit Turkey in the long-term. One way to guarantee that the government is serious about reform is to open the EU's energy chapter, one of the many steps that candidate states take towards EU membership and ensures that their policies and practices are harmonized with those laid out by Brussels. The EU stands accused of many different ills – bloated bureaucracy, lack of political coherence and leadership and most certainly, as far as Turkey is concerned, lack of commitment.

But its energy packages have forced member states to create wholesale markets, establish viable physical interconnections, break the monopoly of incumbents and indirectly ensured that Gazprom's grip on the European market is diminished. In sum, they have borne fruit, although admittedly, not equally throughout the continent. One element that unites Turkey and the EU are their quest for energy security – a condition that lies at the heart of their economic development. Ironically, neither has found an appropriate definition for the concept which means that enacting it is a particularly difficult task. Pulitzer-prize winner Daniel Yergin may lend a helping hand. He notes that while energy security means having accessible and reliable infrastructure as well as the ability to develop and acquire energy supplies physically, contractually and commercially, it also means that energy security itself is a system. That is, it involves national policies that are designed to respond in a coordinated way to disruptions, dislocations and emergencies.

In the light of this definition, if Turkey and Europe continue to obsess over short-sighted interests, without recognizing that through the energy link they are now more bound together than ever, both will fall short of delivering on their much-discussed and little-understood energy security. On the one hand, the EU and in particular its eastern European members will be forever vulnerable to Moscow's gas politics. On the other hand, the destruction of the fledgling private gas market in Turkey, that would leave the state firmly in control of the transit of gas, will leave Europe's ambitious diversification project exposed to Ankara's own political relations with each of existing or potential gas producers – Azerbaijan, Iran, Iraq, Israel, and Greek Cyprus. Believing that, in the words of the famous song, whatever happens in Turkey "is nobody's business but the Turks'" is not only blinkered, but also counterproductive. Brussels must recognize that helping Turkey to develop a competitive liberal energy market whose practices are harmonized with its own is the key to integrate the eastern flank of the EU. Turkey, on the other hand, will establish a reliable market capable of responding quickly and flexibly to security of supply issues and continue to attract much-needed investment.

Liberalization is only solution to Turkey’s energy woes

ICIS, *23.01.2014*

ICIS has extensively written on the effects of the Turkish subsidies system that is blocking the development of an efficient energy market and is causing Turkey to lose millions of dollars annually.

The recent political events, unleashed after a corruption scandal hit the Turkish government, have triggered chain reactions in the economy and led to record falls in the currency exchange rates of Turkish lira against the United States dollar. They have also brought to the fore the need to enact reform as Turkey’s private gas companies face tough choices.

Trapped between rising costs for US dollar-denominated import contracts and a low government-dictated wholesale price they sell at domestically, some shippers even fear being wiped out within months. There are also talks that some of the foreign companies that had been at the forefront of investment in Turkey may prepare an exit at a time when Turkey needs some $200bn (€147.5bn) in investment in the energy sector through to 2030. How have investors been affected and what are their solutions to the current crisis? Four companies – Turkish and foreign – who have agreed to speak to ICIS anonymously, agree that only a fully-liberalised market can represent a sustainable long-term solution.

First company

How is the current situation affecting you?

[…] We believe that the exchange rate risk should be at the buyer. For sure this strategy has two results: First, lower profit expectation than the previous year. Second, higher expectation of buyer’s payment difficulty. […] those risks are accepted by us. Moreover, since the wholesaler usually has both Turkish Lira (TL)-[denominated] and US dollar-[denominated] [natural gas] contracts, the increased dollar rate forces them to decrease the nominations in US dollar contracts and lean on the TL ones. This means that at the end of the year, assuming the dollar rate stays flat at the current level, wholesalers will have bought the full amount of the TL contracts and a minimum amount of the dollar ones. So, we need to be more active in spot sales.

How is the current situation affecting Turkey’s chances of attracting investment in the energy sector?

Investors have many reasons (political uncertainty, economic crisis, etc.) to be affected negatively. The [exchange] rate is a minor one among them. The dollar rate could be important if it is considered to be a trigger for the economic crisis.

What could be a short-term solution to help Turkish gas companies stem their losses?

[The incumbent] BOTAS should change its policy to keep the [wholesale natural gas] price flat. No subsidised price is fair under liberal market conditions.

What could be a long-term solution?

BOTAS should decrease the market share and the BOTAS price should only be a market price, instead of being a cap for all prices. Moreover, cross-border trade and hub trade should increase. Import/export licences should cover more than one entry point. This would force [Russia's] Gazprom to negotiate prices in order to compete with LNG/European hub prices. To increase hub trading in the country, the [existing] stamp tax [a tax levied on all contracts that carry monetary value and which amounts to 0.948% of that contract] should be removed. LNG facilities and storage facilities must be developed. In this way only can we benefit from cheaper gas. Increased natural gas prices also force industrial facilities to switch to other fuels if available.

Second company

How is your company affected?

We are in a better position because we have a good price and we expect that there will be a bail-out soon [Gazprom will offer a price discount on natural gas volumes to private importers]. However, some companies had sold on a dollar basis and this was accepted in a way that is incredible. [The market] had a lot of indicators of how fragile everything was and everybody knew that [emerging market] currencies were at risk. But the risk appetite was outstanding.

What are the short and long-term solutions to the current situation?

Everything depends on how the year develops. The problem is not corruption. Turkey ranked only 53 in terms of corruption, Italy and Greece, for example, were much lower down [69 and 80 respectively, according to the Transparency International Corruption Index of 2013]. What matters is the political instability. If it lasts too long then [rating agencies] Fitch or S&P may downgrade the country; then we will see a different reaction [from investors]. In a way, Ankara knows that there will be a bail-out. There were also talks that everyone will be selling to BOTAS. However, [in the short term] there is also a need to increase the gas price which hasn't been raised for 15 months. [In the long term] there is a strong will to establish a gas market.

Third company

How is the current situation affecting you?

[It is] affecting all market players badly. High losses are expected. Offtakes will drop. We may need a 'last resort' this year if one of the wholesaler is financially forced (or prefers) to quit the market.

How does the current situation affect Turkey's chances of attracting investment in the energy sector?

We see that foreign investors would like to stay in the market and also some new investors are interested. But they need to trust the market progress.

When will the new law [proposed amendments to the Turkish gas market law that stipulate among others the unbundling of BOTAS] be enacted? When will BOTAS be unbundled? When will the cost-based pricing structure be reactivated? Will the necessary investments be made in the transportation and IT systems?

These are major questions in mind. Apart from the value of the Turkish lira, answers to these questions will also affect decisions.

What could be a short-term solution?

Today we need a solution for the [gas] price. This is the solution for the short-term problems of the market players. This will also affect how the market will [be] structured in the long run. [The] BOTAS price as the reference price is not sustainable.

What could be a long-term solution?

A fully-liberalised market is the solution. We need to continue the liberalisation and take no step back. We need to make the necessary investments on the transportation system and plan the future from today.

Fourth company

How are you being affected?

Trades are being squeezed and with the current exchange rate it is impossible to sell below TL770.00/kscm (€251.71/kscm). Every day is different [because of the volatility of the exchange rate].

What is the short-term solution?

As long as the exchange rate continues to affect us there is really no solution. Why would Russia want to grant a discount [to private importers]? In return for what?

I really do not want to see that [wholesalers suspend their long-term contracts] and the risk and volumes are passed on to BOTAS. If BOTAS starts buying the gas again, then really we are not liberalising the market.

What is the long-term solution?

Firstly, we need to ask the Prime Minister whether he really wants the liberalization of the energy market because we don’t know the answer. BOTAS should start releasing more volumes. There should also be a restriction for BOTAS to sell to the industrial and commercial segment. BOTAS should be restricted to selling natural gas to households, [the electricity incumbent] EUAS and to BOOs, BOTs.

Turkey energy a better place if EU chapter 15 opens

ICIS, *23.01.2014*

Turkey's opening of the EU's energy chapter – one of the many steps leading to the country's potential accession to the union – would create a stable and transparent market for domestic and foreign investors, the international coordinator of TUSIAD, the Turkish industrialist's association, told ICIS in an interview this week.

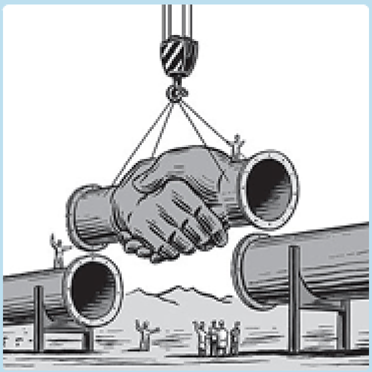
Bahadir Kaleagasi, said the chapter, also known as Chapter 15, was touched on during the visit of the Turkish Prime Minister Recep Tayyip Erdogan to Brussels on Tuesday. However, he said progress was largely dependent on the political leadership of the UK, Germany, and France.

It The opening of the energy chapter would ensure that Turkey's policies and practices are harmonized with the energy packages of the EU that set out the liberalization of the EU's energy markets, the unbundling of state companies and the publication of transparent data. One of the consequences of aligning Turkey's policies and practices with those of the EU would be that the gas incumbent BOTAS would have to be unbundled and its monopoly on the market reduced. A report by the Atlantic Council in December 2013 points out that energy is not one of the chapters blocked by the European Council in 2006 in retaliation for Ankara blocking ports and airports for Greek Cypriots, nor one of the five chapters that had been vetoed by France in 2007. However, Kaleagasi said that it was at the discretion of each EU member state to approve or veto the opening.

"The Turkish market would be a much better place [if it harmonized its policies and practices with those of the EU], bringing more confidence and predictability to investors," he said. He said the launch of negotiations could help the EU as it seeks to reduce its dependence on Russian gas by importing volumes from the Caspian Sea and the Middle East via Turkey. In a separate interview with ICIS, Jean-Christophe Filori, head of unit for Turkey at the European Commission said the Commission had been considering "for years" that Turkey was sufficiently prepared to start negotiations on the chapter. "In our view, the chapter should be opened and we have repeatedly publicly expressed this view," he said. "However, member states need to agree unanimously and so far this has not been possible. The situation on this chapter is another consequence of the unresolved Cyprus island issues which shows once again how much a comprehensive settlement is needed and what benefits it could bring to the accession negotiations."

Shah Deniz agreement in geostrategic context

Today's Zaman, *25.01.2014*



In my previous article here in this blog, I tried to outline the major political and economic implications of the Shah Deniz Phase 2 agreement for Azerbaijan and Georgia.

It would be fitting to explore the importance of the deal for Turkey as well since this major energy undertaking is expected to contribute to Republic of Turkey's energy supply diversification and security. According to recent statistics, the share of natural gas in the energy mix in Turkey has shown dramatic growth, thus making supply security and diversification a strategic priority to fuel its energy need in a sustainable manner.

While contributing to the energy security of Turkey, the project is strengthening geostrategic bonds between Azerbaijan and Turkey, thus adding a new dimension to the relationship structure. An examination of Turkey's development indicates that economic growth has averaged out at 4.2 percent since the 1980s, but the demand for natural gas has increased by 8.5 percent per annum. Although energy consumption per capita is still far less than in developed countries, the pace of the growth in energy demand is formidable. Domestic production figures of natural gas are negligible and Turkey is dependent on imports at almost 98 percent from Russia (58 percent), Iran (19 percent), Azerbaijan (9 percent) and other countries.

Major import contracts with Russia and Iran are due to expire in 2020 and 2025, thus giving an incentive to explore more favorable deals with current and potential suppliers. Although discussions are under way to bring KRG gas to Turkey, that potential is yet to materialize due to an existing legal disagreement between the central government and the KRG in Iraq. For now, it is Azerbaijani gas that will definitely be supplied to Turkey by 2018 with the utilization of Shah Deniz Phase 2. With the addition of natural gas supplies from Shah Deniz to Turkey, Azerbaijan's share in Turkish natural gas imports will reach 15 percent, thus making Azerbaijan the second biggest supplier by the year 2018.

Ensuring Turkey's energy security can be reached not only by diversifying supplies and also by enabling Turkey to become an actor in all dimensions of upstream, midstream and downstream energy development. With a share in Shah Deniz and a 30 percent share in the Trans-Anatolian Natural Gas Pipeline (TANAP), Turkey is achieving new natural gas supplies while taking an active role in both ventures. Turkey will also benefit from knowledge-sharing and capacity growth in the area of energy development. This will be a strategic contribution to the realization of Turkey's aspirations to become a regional energy player.

Turkey is expected to double its energy consumption in the coming 10 years and a significant amount of investment is required to satisfy the growing demand. Recent studies show that around $120-130 billion will have to be invested in order to create the necessary infrastructure and supplies in the energy sector to ensure the energy supply security of the Turkish economy. Also, Turkey is seen as a natural route to marketize regional energy resources; in this regard, the TANAP project could attract around $12 billion to Turkey while creating the necessary infrastructure of a pipeline with a capacity of 31 bcm that will attract regional natural gas sources to flow through Turkey.

Indeed, the implementation of the Shah Deniz Phase 2 and TANAP projects could help Turkey diversify its energy needs. However, another key area in ensuring energy security that Turkey needs to address is the development of necessary natural gas storage capacity. To keep the country less vulnerable to possible volatility or seasonal increases in natural gas demand, the storage capacity of the country should be adjusted accordingly.

Erdogan to ask Tehran to cut price of natural gas

Today's Zaman, *28.01.2014*

Turkish Prime Minister Recep Tayyip Erdogan is expected to ask Iranian officials to decrease the price of natural gas purchased by Turkey, which market experts have described as "too high." Erdogan is scheduled to have his first meeting with Iranian President Hassan Rohani during his two-day official visit to Tehran on Jan. 28-29.

Today's Zaman has learned from anonymous energy ministry sources that the prime minister will discuss a possible price cut in gas exported to Turkey from Iran. Ankara currently pays $490 per 1,000 cubic meters of gas, but only pays $335 for gas purchased from Azerbaijan and $425 from Russia.

Turkey has long complained about the high price Iran charges for the sale of natural gas. The Turkish state-owned Petroleum Pipeline Corporation (BOTAŞ) applied to an international court of arbitration in 2012 to help reduce the price of Iranian gas. The case has not yet been finalized and the Turkish representatives have offered to withdraw the lawsuit should Tehran offer a favorable price cut. Turkish diplomats earlier brought the issue to the table in separate meetings, but have been unable to arrive at a solution. Energy market observers have cited the expensive Iranian gas as a cause of the current high natural gas bills for consumers. Erdogan will meet Rohani for the first time since the Iranian president was elected last summer. During the visit, they are expected to sign a high-level strategic cooperation agreement between Turkey and Iran.

Turkish currency tumble raises fears in energy sector

Hürriyet Daily News, *26.01.2014*

Turkey is likely to face more struggles to fund its already-mounting energy bill due to the political problems that have emerged with a corruption investigation that has driven Turkish currency to record lows.

The country, which is heavily dependent on foreign energy resources that cost up to $60 billion every year, has been grappling with the sliding Turkish Lira against the U.S. dollar since FED's decision to cut its stimulus program. The weakening currency hit the skids in the wake of a Dec. 17, 2013, corruption and bribery investigation that kindled a massive political crisis at state institutions.

In a meeting held on Jan. 25, Turkish Energy Minister Yildiz also admitted that the graft probe, which he has been constantly dubbing as "a plot against the government," has ramped up the costs in the energy sector and interrupted thermal power plant tenders. "It has bred results that raised costs in our energy sector," Yildiz said during an "Energy Efficiency Industry Project" presentation meeting in the Central Anatolian province of Konya. "Where we are standing now is that the dollar parity is at 2.32, the euro is at around 3.12, the crude oil barrel price is at around $107 and our costs have risen," he said, adding that "those that caused should be called to account."

"The measurable damage they caused is $127 billion, while there are more [side effects that are] immeasurable," he said. The weakening of the lira has led to fears of an energy price hike and funding problems for power generation privatization tenders. The minister also blamed "those behind the probe" for causing the postponement of the privatization of four thermal power plants. "The Privatization Administration has launched a tender for the Yatagan, Kemerköy, Yeniköy and Çatalagzı thermal power plants, and 20 companies had acquired the tender file. However, 19 of them said 'now there are tough winter conditions in politics, I should look into this again in spring' and asked for two to three months' break," Yildiz said.

The administration announced Jan. 20 that it had postponed the tenders scheduled for February to April, after Finance Minister Mehmet Simsek had also hinted that the investors' requests may lead to a delay. The much-anticipated National Lottery privatization planned for Feb. 13 is also expected to be rescheduled for a later time. "Normally, we get tender offer in all tenders we launch. Who is going to pay for the income that would be earned from here?" he asked.

Iraqi oil row lingers without any progress

Hürriyet Daily News, *28.01.2014*

Iraq will take action, including fiscal measures, if the Kurdish Regional Government (KRG) exports oil before an agreement is reached with Baghdad, Iraqi deputy prime minister said a day after the KRG prime minister claimed Iraq wanted Kurds to be their "oil porter."

Speaking at a conference in London on Jan. 28, Iraq Deputy Prime Minister for Energy Hussain al-Shahristani reiterated that only Iraqi state marketer SOMO is authorized to export the country's oil. "Any oil that leaves Iraq without the permission of SOMO is illegal and Iraq will have to take action to protect its oil wealth," Shahristani said.

"We have informed Turkey and the KRG that we cannot allow this to continue... We are waiting for a response to our latest proposal." A day before Shahristani, the KRG Prime Minister Nechirvan Barzani has claimed Baghdad wants them only to port oil, asserting they wouldn't accept this, Cihan News Agency reported yesterday. "Baghdad tells us 'Conduct porterage, hand the oil to us and we will sell wherever we want. We will send it to the Iraqi budget and use it against KRG as a red card whenever needed," Barzani said, addressing Kurdish lawmakers of the Iraqi Parliament Jan. 27. However, Barzani also stressed a disagreement between Baghdad and Arbil would be worked out according to constitutional principles, as Anadolu Agency reported.Barzani also said the U.S., Turkey, and other neighboring countries supported oil exports of the autonomous region that is considering transporting its oil reserves to world markets via a pipeline to Turkey.

The KRG announced crude oil had begun to flow through the pipeline and exports were on track to start at the end of January, inviting bidders to register with the KRG Oil Marketing Organization (KOMO), stirring the central Iraqi government's opposition. Baghdad rejected the situation as a violation of the constitution and on Jan. 15 reiterated that Iraq's State Oil Marketing Organization (SOMO) had exclusive rights to sell crude from Iraqi KRG and the rest of the country. The KRG prime minister also denied claims that the Kurdish region's oil was being sold under the market price, saying, "Not one drop of Kurdish oil will ever be sold for less than the standard price." Despite this, the central Iraqi government holds Turkey responsible for "smuggling oil out of Iraq," as well, Turkey repeatedly said it has no intention of interfering with the issue it dubs as "an internal affair" of Iraq.

French energy giant inks deal extending presence in Turkey

Hürriyet Daily News, *28.01.2014*

French utility GDF Suez has signed a Memorandum of Understanding with the Turkish government over two major energy investments in the country. The agreement covers Turkey's second nuclear plant slated to be built in the Black Sea province of Sinop and a 2-billion-euro thermal power plant project in the southern province of Adana.

The deal was signed by the Chairman and CEO of GDF SUEZ, Gérard Mestrallet, and Turkish Energy Minister Taner Yildiz on Jan. 27, marking an expansion of energy cooperation relations between the GDF SUEZ and Governmet of the Republic of Turkey.

"We remain committed to investing in major energy projects in Turkey and supporting the Turkish government to ensure security of supply as the country's demand for energy grows," Mestrallet said during the ceremony also attended by the French and Turkish presidents, François Hollande and Abdullah Gül. As part of the deal the Turkish government and the French energy giant have reached a preliminary agreement for establishment a 1,320-megawatt (MW) thermal power plant in Adana. GDF Suez is also a member of the consortium that will build a $22-billion nuclear plant in Turkey along with Japanese companies Mitsubishi Heavy Industries and Itochu Corporation. The French firm says it has interests in approximately 1,250 MW of power generation capacity in Turkey through the Baymina and Unimar gas-fired power plants. The Group also owns Izgaz, the country's third largest gas distribution company.

Turkey sees no new oil deal with Iran: Minister

Hürriyet Daily News, *28.01.2014*

Turkish Energy Minister Taner Yildiz has announced that no new oil agreement has been reached with Iran, while noting that Ankara is open to offers ahead of his visit to the energy-rich country with Prime Minister Recep Tayyip Erdogan.

Speaking at the Industrial Cooperation and Energy Projects meeting in Istanbul on Jan. 28, Yildiz said Turkey's crude oil purchases from Iraq currently outstripped all imports from Iran, and added that there were no plans to increase the trade. "In the upcoming period, of course, we will be able to sit and talk about the oil and gas amounts" he said, stressing Turkey was "not rushing" to conduct business with Iran.

US official warns against business deals with Iran despite fresh deal

Hürriyet Daily News, *27.01.2014*

US' Treasury official has warned companies to "hold off" on doing business in Iran because many of the sanctions against the country are still in place despite.

U.S. Treasury Undersecretary David Cohen, who visited Turkey to discuss the implementation of the Joint Plan of Action agreed to by the P5+1 group, the European Union and Iran, said a significant portion of sanctions against Iran remained, including in the banking, energy and shipping sanctions. "Iran is not open for business," Cohen said, after a meeting with Turkish Foreign Ministry Undersecretary Feridun Sinirlioglu in Ankara.

"Businesses interested in engaging in Iran really should hold off. The day may come when Iran is open for business, but the day is not today." Turkey has expressed hopes that the easing of sanctions against Iran will open business opportunities, especially in the energy sector. Turkish Prime Minister Recep Tayyip Erdogan was also scheduled to travel to Iran on Jan. 28. Turkey imports gas and oil from Iran but the Turkish oil refiner, Tüpras, was forced to reduce its Iranian oil purchases due to the sanctions.

Cohen also said he expected Turkey's state-run banking institution, Halkbank, to continue processing oil payments to Iran. "Halkbank has for some time been involved in handling oil payments for importing oil from Iran into Turkey and we expect that to continue," Cohen said. "We talked more broadly about sanctions on the banking sector so that there is good clarity on the scope of sanctions that remain in effect." An interim deal between Iran and the U.S., Russia, China, Britain, France and Germany – known as the P5+1 – came into force last week, granting Iran a limited easing of sanctions in return for temporary constraints on its uranium enrichment and nuclear development. The U.S. official will also travel to the United Arab Emirates in the coming week to discuss the implementation of sanctions against Iran, the U.S. Department of the Treasury announced Jan. 26.

Turkey had repeatedly asserted Halkbank, whose chief executive was arrested in connection with the graft investigation, is to continue mediating Turkey's gas and oil payments to Iran, claiming the dealings with Iran are lawful. The transfer of gold and money to Iran via Halkbank has been under scrutiny as part of the corruption investigation launched on Dec. 17, 2013, charging businessman Reza Zarrab with forming a ring that bribed officials, including Halkbank chief executive Süleyman Aslan, to help disguise illegal gold sales, former Economy Minister Zafer Çağlayan and former Interior Minister Muammer Güler. At the June 2014 EU Council, the last meeting before Greece passes on Presidency to Italy, the SEE energy community and the international aspects of EU's gas policies will be discussed, which will revolve primarily around the bilateral relations between the European Commission and Gazprom.

Azerbaijan discloses investment in Turkish refinery project

Oil&Gas Journal, *28.01.2014*

State Oil Fund of the Republic of Azerbaijan (Sofaz) said it allocated just over 3% of its budget expenditures in 2013 for financing the construction of the 214,000-b/d Star Refinery planned in Aliaga, Turkey. Between January and December 2013, Sofaz allotted $474 million of its total budget expenditures of $15.7 billion to construction-related costs for the Star refining complex, the oil fund said.

The investment announcement from Sofaz follows the US Export-Import Bank's recent authorization of a $640.7 million direct loan to Star Refinery AS, Istanbul, to finance export of US equipment for the construction of the complex.

Star Refinery is the first project planned on the Petkim Peninsula by SOCAR Turkey Energy AS, a joint venture of State Oil Co. of Azerbaijan Republic and the government of Turkey. SOCAR Turkey owns 51% of Petkim, operator of a petrochemical complex with which the new refinery will be integrated.

Selling Israeli gas: "it's complicated"

Natural Gas Asia, *27.01.2014*

Presenting a very complex chart outlining the various options for selling Israeli natural gas at the Frankfurt Gas Forum, Gina Cohen, and Energy Expert, considered the technical, commercial or political aspects of each option.

"What trumps what?" she asked. One option was pipelines - to the Palestinian Authority, to Jordan or Egypt, about which she commented: "These are in Israel's immediate neighborhood. Very short distance pipelines." In the order of complexity, politically she said the Palestinians were the easiest customers, Jordanians second and then the Egyptians.

Any complications, she said, only emerged on the buyers' side. "Israel is very keen on being able to influence our immediate neighbors. It's very difficult for the buyers to be able to agree to buy Israeli gas," she explained. The second option she said, was a pipeline to Turkey. Other options were LNG, located either in Israel or in Greek Cyprus, or FLNG. A pipeline to Turkey via Greek Cyprus was one option, being promoted by Delek and Noble. "They are very interested in trying to get into the Turkish market," commented Ms. Cohen, who added that the pipeline was not difficult technically and would enable Israel to get gas to market very quickly. "The main hurdles are the geopolitical hurdles of trying to go through the EEZ of Greek Cyprus," she said, noting that according to a law from 1982 made it very difficult to get the pipeline to Turkey; getting gas on the Turkish market was also tricky.

"I understand that Turkey is very interested in getting a diversity of supplies, relying currently on 60% of supplies from Russia and 20% from Iran. It will be interesting for them to get gas from East Med," she said. A second option was a pipeline to Greece. Because of the depth and length, however, it could be very expensive, while capacity would likely only reach 8 BCM. "The pipeline would cost as much as an energy facility, but then have less flexibility." The main benefit of LNG, said Ms. Cohen, was flexibility, while pipeline signaled a commitment. "If you're going to spend the same amount of money you're better off with the flexibility of an LNG facility," she said. On that front, she said that Israel's options included LNG on the shore of the Mediterranean in Israel, but "not in my backyard" sentiment would be a big obstacle for developers to surmount.

She recalled, "Israel was really strongly opposed to even the Tamar field coming into the country onshore, even for local consumption. It's going to be even more strongly opposed to have a huge facility for export." An LNG facility in Greek Cyprus was a very good option, according to Ms. Cohen. She explained: "The Cypriots need gas; Israel needs a facility, so there are definitely areas of synergy here. However, no country has ever agreed to build its energy facility in another country – there are issues with security of supply, of securing the facilities, issues of each country wanting to develop its own workforce. "It's a big issue for Israel to agree to give up control of having the facility on its territory," she added, mentioning a government recommendation that suggested it be there.

The city of Eilat in Israel could also host an LNG facility, but she said it was a tourist area, which could be endangered by such a development. Security there was also tough, being surrounded by Saudi Arabia, Jordan, Egypt. One big advantage of Eilat, she offered, was it was the only place that could circumvent the Suez Canal, a “huge benefit.” Utilizing LNG terminals in Egypt was an option, but the gas had to be delivered there. According to Ms. Cohen, Delek and Noble were quite keen on the idea and had met with the owner of one of the terminals, BG, which had shown interest. “It’s still going to be extremely difficult for Egypt to agree to buy Israeli gas before some kind of peace settlement is agreed.” Delivering to Egypt meant there was no transit country involved, whereas getting the gas to Turkey meant having to go past Greek Cyprus.

FLNG, she said, could be done offshore Israel or offshore Greek Cyprus: “Each different kind of LNG has different benefits, advantages and disadvantages. The great benefit is that it’s quicker, not more expensive than doing it onshore, probably the same kind of price as a brownfield project in America. It is much quicker of course, because you don’t need all the permitting.” The main risk of it was the lack of experience; weather was also a factor, she said. LNG could also be done on reclaimed land, which was not an option for Israel because it did not have a lot of sand, which would have to be delivered from the Nile Delta. She showed delegates a diagram of existing transmission lines in the region, like a pipe from the Egyptian export company, which did not presently have reverse flow.

“For about USD 150 million this line could be reversed,” she said.” The gas could also be sent to Jordan through a pipeline owned by the Israeli transmission system. Or, the gas could be sent to Greek Cyprus to Vasilikos. Ms. Cohen commented: “Technically easy, geopolitically easy – no transit countries. Commercially it could be, of course, interesting because if you have LNG you have total flexibility of exporting the gas wherever you want, but the security and the control issue is very complicated.” Regarding the potential delivering of Israeli gas to Turkey, she said it was a market of 72 million consumers, consuming 47 BCM/year, growing 5-10% per year.

“Huge need for gas, but the implications of how to get the pipeline to Turkey is very complicated and if the gas is in Turkey, again, it’s complicated from the seller’s point of view.” As for selling to the region, she said that countries in the region had issued tenders to buy LNG, despite their having signaled interest in buying natural gas from Israel. In conclusion, Ms. Cohen said that technically, selling to the Palestinian Authority, Jordan and Egypt was the easiest; commercially, LNG to the Far East, where the prices were much higher; politically, it was best for Israel to resuscitate ties with Turkey.

Leviathan partners look to sell gas to Turkish customers

Globes, *19.01.2014*

Partners in Israel's Leviathan field have undertaken tender process for gas sales to Turkish customers, reports Israeli newspaper Globes.

Sources have told Globes, partners in Leviathan, Noble Energy, Delek Group, and Ratio Oil Exploration distributed a request for offers for the purchase of 7-10 billion cubic meters (BCM) of natural gas annually, to be delivered by pipeline. The requests indicate that the Leviathan partners have not yet formulated the main terms, such as the time period for contracts, and ownership and financing of transportation infrastructures, adds Globes.

It can therefore be assumed that this is an initial feeler by Leviathan's partners to test the market, says the newspaper. According to experts, building a pipeline to Turkey would cost about $2.5 billion and return on investment would be much faster than to build an FLNG or onshore LNG facility.

Iraq needs Kurdish oil income to avert budget collapse

Today's Zaman, *19.01.2014*

Iraq cannot finance its projected 2014 budget deficit unless KRG pays its oil export revenue into the national treasury - or loses its share of state spending, a senior lawmaker said.

Haider al-Abadi, head of parliament's treasury committee, told Reuters the budget, swollen by extra expenditure, would "collapse" if the state kept paying the autonomous region its 17 percent share even as the Kurds withhold oil export proceeds. Baghdad's chronic quarrel with KRG over how to manage and share Iraq's energy resources intensified this month when KRG said oil had begun flowing to Turkey for export via a pipeline outside federal control.

Last week Iraq's oil minister threatened legal action and drastic trade reprisals against Turkey and any foreign companies involved in what he called the "smuggling" of Iraqi oil. KRG's Prime Minister Nechirvan Barzani arrived in the Iraqi capital on Sunday to pursue talks on an issue that has bedevilled relations between Iraq's Arabs and minority Kurds. "We go to Baghdad with the intention of closing gaps," KRG spokesman Safeen Dizayee said before the talks, which he said would focus on increasing KRG's oil output and a mechanism for marketing its exports. Abadi said the draft budget projected a deficit of about 21 trillion Iraqi dinars assuming the Kurds paid the treasury the revenue from budgeted oil exports of 400,000 barrels per day - a target industry sources say far exceeds KRG's current export capacity of around 255,000 bpd.

To Baghdad's fury, the Kurds handed over no oil export revenue last year because of an unresolved dispute over the payment of oil companies operating in the northern region. For much of 2013 the Kurds were trucking what industry sources estimated was up to 60,000 bpd of crude and condensates to Turkey, while the independent pipeline was being completed. In 2012, the Kurds exported 61,000 bpd of crude via the Baghdad-controlled pipeline to Turkey, so the revenue went automatically to the central government. Baghdad complained at the time that the Kurds should have exported more than double this amount, however. Abadi said state spending had risen sharply in the draft budget due to increases in pensions and the minimum public sector wage, child benefits and student allowances.

Echoing remarks made in the past week by Prime Minister Nuri al-Maliki and Oil Minister Abdul Kareem Luaibi, Abadi said the central government would have to cut the Kurds' budget share. "They are not contributing, so why should they get something out of it?" he asked in an interview. "At the moment we have a deficit of 21 trillion. If you add 15 to 16 trillion to it, the budget will collapse," he said, estimating the additional shortfall if no Kurdish oil revenue is handed over. Abadi, who is also a senior member of Maliki's Shi'ite Islamist Dawa party, said time was running out for the budget to be passed before parliament is dissolved ahead of an election on April 30. He said it would be hard to muster a quorum of 163 of the assembly's 325 members during an electoral campaign.

Kurdish and Sunni Muslim opposition lawmakers would stay away, as would MPs busy campaigning or those without a motive to turn up because they were not running for re-election, he said. Abadi accused the Kurds of seeking to prolong oil talks until after the poll to entrench a fait accompli whereby they pocket their own revenue from oil "officially" piped to Turkey and still receive their 17 percent share of the federal budget. Kurdish officials say that in practice KRG receives closer to 10 percent of the national budget. Even if the Kurds paid over notional oil revenues of 17 or 18 trillion dinars from exports of 400,000 bpd, Abadi said, Baghdad would only just be able to bridge its 2014 budget gap. He said the withholding of KRG's earnings also violated a U.N. Security Council resolution under which all Iraqi oil export proceeds must be paid into a U.N.-approved account in New York from which five percent must be deducted to pay war reparations to Kuwait for Iraq's 1990 invasion.

Iran’s oil minister to seek investment at Davos

Hürriyet Daily News, *22.01.2014*

Iran’s oil minister will hold a “face-to-face” meeting at Davos with major oil companies to try to coax them back to the sanctions-hit Islamic republic, media reported Wednesday.

“We have designed a gigantic volume of investments and technical activities to recover and produce more oil and gas from our fields and giant international oil companies can play a role in this regard,” Oil Minister Bijan Zanganeh said. Iran’s vital oil exports have been more than halved by a raft of international sanctions aimed at curbing its nuclear drive, which the West claims, is being used to develop atomic weapons. Iran insists its program is entirely peaceful.

“At the oil and gas industry meeting in Davos , which will be attended by Iran’s president, I will hold a face-to-face meeting with the high-ranking managers of major oil companies to explain (their roles),” said Zanganeh. Iran clinched a historic nuclear deal with world powers in November, under which it agreed to curb parts of its nuclear drive for six months in exchange for modest relief from international sanctions and a promise by Western powers not to impose new restrictions. The landmark deal took effect on January 20 when Iran halted production of 20 percent enriched uranium.

“Our efforts at the oil ministry have been focused on the post-sanctions era,” Zanganeh said. More than 40 heads of state and government are among some 2,500 participants attending the annual economic summit in the picturesque Swiss mountain resort. Iran’s President Hassan Rouhani will attend the meeting, accompanied by Foreign Minister Mohammad Javad Zarif and Zanganeh. Rouhani, a moderate cleric who defeated conservatives in last year’s election, aims to drum up international investment for his sanctions-hit economy on the back of the diplomatic thaw with the West. Rouhani called the Davos gathering an important opportunity for Iran “for both economic reasons as well as explaining our political views.”

Iran's oil sales rise as sanctions pressure eases

Today's Zaman, *12.01.2014*

Iran's oil exports have picked up in January for the third consecutive month, according to sources who track tanker movements, adding to signs that the easing of sanctions pressure on Tehran is helping its oil exports to recover.

The increase in shipments is around 50,000 barrels per day (bpd), according to one tracker company, which would take Iranian exports to around 1.2 million bpd for January and add about $150 million a month to Tehran's depleted oil revenues. The small rise is unlikely to be a direct consequence of the easing of sanctions and shippers say they are still waiting to finalize the paperwork now insurance restrictions on vessels.

But the interim deal, which was agreed back in November in return for curbs on Iran's nuclear program, has improved sentiment and reduced risk for buyers, giving Iranian exports a much-needed boost in the months since. "The suspension of oil export sanctions takes the pressure off Iran's oil sector, which was close to running out of storage capacity for its production surplus and in danger of incurring irreparable losses stemming from the forced closure of oil fields," said Mark Dubowitz, of US-based think-tank the Foundation for Defense of Democracies and a proponent of tough sanctions on Iran. "There will be reduced transaction costs to service shipments of crude. And Iran now can cease to rely on foreign-owned vessels to transport goods, freeing up shipping capacity to deliver its oil."

A second tracking source familiar with Iran's shipments, who estimated an increase of 60,000 bpd in January, said he had seen a pick-up "especially in India". "China's purchases remain firm, with Turkish imports at around 105,000 barrels per day. Syria is still picking up modest cargoes," the source said. A sustained increase in exports from Iran, as well as a recovery in Libyan exports, could weigh on oil prices in 2014. So far, though, the rise in Iranian supplies is modest and restricted to existing customers, mostly in Asia. One major Chinese buyer said their December-January import requirements would hold steady, while a separate buyer said they were expected to have raised imports since November to top up on cuts from previous months.

A source with a Japanese buyer of Iranian oil said import volumes were likely to remain steady in the coming months. "This is a country with falling demand and refinery capacity, so there's not much enthusiasm for raising term volumes in general," a separate oil market source in Japan said. Sources in South Korea with knowledge of Iranian oil imports said volumes remained steady. "It is hard to make any move as this is a temporary sanction-easing measure. We will continue to import the oil at our previous levels, and I don't see any change within this year as our contract is yearly based, and insurance issues are not yet solved," one Seoul-based source said. Oil industry sources in India say they expect Iranian oil imports to remain steady in coming months.

“So far we have not heard anything from insurers. If they withdraw the embargo that stops us from processing Iranian crude, then we can buy it, depending on the economics,” said A.K. Basu, managing director at Chennai Petroleum Corp, a unit of leading refiner Indian Oil Corp. For six months from Monday, the European Union and the United States have eased some sanctions including restrictions on ship insurance, which became available for the first time since mid-2012. Vessels transporting Iranian crude have previously been left with limited alternatives, mostly set up by importers. “Normal services have been partially resumed in relation to those activities, which are now permissible for a temporary six-month period subject to further review and possible extension thereafter,” said Andrew Bardot, executive officer of the International Group of P&I clubs, an association whose members insure the majority of the world’s tanker fleet.

“As from July 21, there will no longer be this flexibility, obviously pending any further extension or renewal.” Specialist Protection & Indemnity insurers, mutually owned by shipping lines, dominate the market for insuring ocean-going vessels against pollution and injury claims, the biggest costs when a tanker sinks. However, companies still under sanctions include top Iranian oil tanker group NITC. Ship insurer UK P&I Club said last week a continuing prohibition on dealings with designated persons or entities remained in place. The International Energy Agency said in its monthly report on Tuesday that Iranian exports rose in December by 50,000 bpd to 1.15 million bpd, and could increase further now shipments are easier to insure. “The relaxation in tanker insurance provisions in the current sanctions regime may lead to small increases in Iranian crude exports to existing customers in the short term,” said the IEA, which advises industrialized countries on oil policy.

The sanctions on Iran have led to a drop in Tehran’s production - output is down 1 million bpd since the start of 2012 to around 2.75 million bpd - and lost it billions in oil revenue. Top Iranian officials say the country can raise production to 4 million bpd within six months of sanctions being lifted. Western experts say 3-3.5 million bpd is more likely. Still, a return to Iran’s pre-sanction export level of over 2 million bpd is some way off. Customers including Western oil companies forced by the sanctions to cut ties with Iranian oil are still steering clear. “Talk of the sanctions being lifted is making people more optimistic,” said an industry source. “But the reality of the situation has not changed much.” Iran is also looking at other ways to boost exports. Sources told Reuters earlier this month that Iran and Russia were negotiating an oil-for-goods swap worth $1.5 billion a month under which Moscow would buy up to 500,000 bpd of Iranian oil in exchange for Russian equipment and goods.

Could world's second-largest gas reserves be inching toward development?

Natural Gas Europe, *27.01.2014*

The appearance by Iranian President Hassan Rouhani at the World Economic Forum has raised this intriguing possibility: that the country that sits astride the world's second-largest pool of natural gas will emerge from diplomatic and economic purgatory to begin tapping this largely neglected resource.

Rouhani was the first Iranian leader to address the annual business summit in the Swiss resort of Davos in a decade. It came three days after the United States and the European Union began a rollback of economic sanctions in exchange for Iran's halt in high-level uranium enrichment and international inspections of its nuclear facilities.

The president's public message was: Iran has no intention of building nuclear weapons, and it wants a comprehensive deal that will permanently lift crippling economic sanctions. In private meetings with energy managers, his message was: Iran is ready to talk business. Most sanctions will remain in place under the six-month agreement and would be lifted only if a full agreement were reached to ensure Iran never militarizes its nuclear capacity. But that prospect is enough to set wheels in motion. First, of course, is oil. If sanctions end, Tehran's immediate objective will be to revive oil exports to levels before the U.N. Security Council authorized sanctions in 2006.

"The Islamic Republic of Iran is prepared to engage in constructive cooperation for promoting global energy security, drawing on its vast oil and gas resources," Rouhani told delegates before holding an hourlong meeting with executives of BP PLC, Italy's Eni SpA, Royal Dutch Shell PLC, Saudi Arabia's Aramco and France's Total SA. Iran's proved gas reserves of 1,187 trillion cubic feet are second only to Russia's 1,688 tcf, according to January 2013 figures published by the U.S. Energy Information Administration. Most of Iran's reserves are undeveloped, and the country cannot even supply its own needs. According to the EIA, since 2000 Tehran has imported more gas than it exported in all but two years.

Experts believe it could take decades for Iran to develop a high rate of production, build an infrastructure, refashion its domestic market and become a major player in the international gas market. Even uncomplicated projects take 10 to 15 years from conception to export, and there's nothing simple about Iran. "The sector needs complete reform," said Brenda Shaffer, a visiting professor at Georgetown University who is closely involved in gas projects in the Middle East and Central Asia. Iran would need to end subsidies and raise domestic prices to reduce home consumption. That may be necessary to lure international investment and technology but could lead to political upheavals. "It's not going to happen overnight," Shaffer said.

The nation rarely agrees to production sharing contracts, an important incentive for international developers. Such agreements allow the companies to count the fields they develop as part of their own reserves, a major component of their stock price. Nonetheless, interest is budding on the side of both the supplier and the buyer. On the day Rouhani was pitching Iran as an investment destination in Davos, international reporters were taken on a tour of Asalouyeh, the hub of Iran's largest gas field, South Pars. "The future of Iran's energy sector passes through the field," Saeed Leilaz, a Tehran-based political and economic analyst, told the journalists. "Iran needs to expand it in terms of the international market and for domestic consumption." He was quoted in an Associated Press report.

Iran is well-situated to export gas, either by pipeline to Europe or by ship to Asia in the form of liquefied natural gas, LNG. Already on the drawing board is a pipeline eastward to Pakistan, which could stretch to India if the two South Asian rivals could overcome their hostilities. The sheer vastness of Iran's potential has competitors worried. Charles Ellinas, CEO of Greek Cyprus National Hydrocarbons Co., told a conference in December that hopes for export wealth from the gas fields of the eastern Mediterranean already faced challenges from America and Africa. "And now the U.S.-Iran agreement may be paving the way for Iranian gas supplies to Europe. Given its huge resources, in a few years Iran could be a major player in the region, competing with East Med unless we move fast," he was quoted as saying on the website Natural Gas Europe.

The Cypriots needn't panic, at least not immediately. With the American market well supplied with shale gas, energy companies are not chasing every prospect as they once did. The future of gas markets has rarely been as cloudy, and no one can predict with certainty what the demand, supply and price of gas will be in the long term. If Iran were to launch a major drive to become a supplier to Europe, it would face severe obstacles. But it also could transform regional geopolitics. It would need an infrastructure to bring gas from its distant fields on the Persian Gulf to the Turkish border. From there it would connect to the so-called Southern Corridor, a superhighway of pipelines that envisions bringing gas to Europe via Turkey from Azerbaijan and other Central Asian countries, and possibly from the eastern Mediterranean. A key link in the corridor was chosen last year when Azerbaijan agreed with investors to build the TAP from Turkey through Greece, Albania and under the Adriatic Sea to Italy.

If all this became reality, Iranian gas could threaten Russian domination of the European market. "The only country right now that can give Russia a run for its money in its major gas export market, which is Europe, is Iran," Shaffer said in a telephone interview from Washington. And if the Southern Corridor is expanded to accommodate Iranian gas, it could develop tributaries to Eastern European markets that are now exclusively supplied by Russia. "I believe that once the highway is built, a lot of other vehicles will want to use it," she said. Russia, which ostensibly is Tehran's only friend among global powers, is likely to do all it can to keep Western investments out of Iran. "If Iranian volumes hit Europe, that would be intolerable" for Moscow, Shaffer said. "Their whole alliance with Iran could unravel."

Iran to use share of National Development Fund for upstream sector

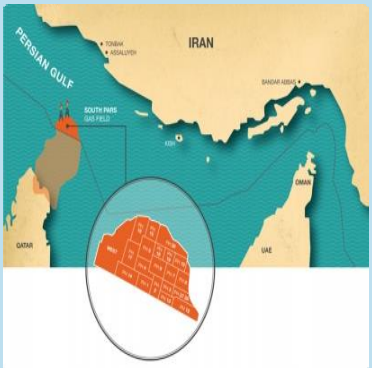
Natural Gas Asia, *27.01.2014*

Iran is looking to allocate a portion of National Development Fund towards investment in upstream sector. According to Shana News Agency, a parliamentary ad hoc committee studying Iran's next year budget bill decided Sunday to allocate 18 percent of NDF's resources to investment in the upstream oil and gas industries.

The committee also stressed the need for working out strategies to reduce crude oil selling and raising export of oil products instead, Shana said. Potential investors providing 50 percent of their planned investment will be compensated by NDF for the rest, the news agency added.

Iran speeding up South Pars gas field development

Natural Gas Asia, *26.01.2014*



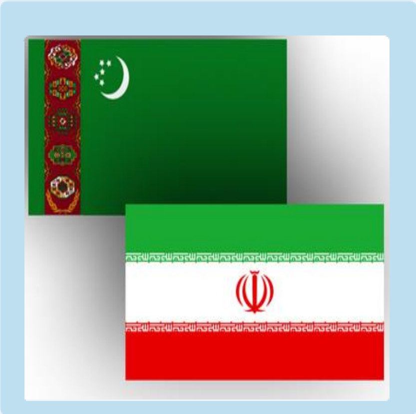
Iran is working at a great speed to develop its giant South Pars gas field, amid hopes of relief from sanctions, reports news agency AFP.

"We would welcome foreign companies and investors if they want to come back," said Massoudi, chief engineer at an unfinished South Pars refinery near the town of Assaluyeh, reports AFP. The gas field, located in the Persian Gulf is shared by Iran and Qatar. Iran calls it South Pars gas field and Qatar has named it North Dome field. According to IEA, the field holds an estimated 1,800 trillion cubic feet of in-situ gas and some 50 billion barrels of gas condensates.

Iran is unable to fully exploit its share due to lack of technology, a result of sanctions imposed on the country. President Hassan Rouhani's stated ambition to resolve the dispute with the West over Iran's nuclear drive has raised hopes of relief from financial sanctions and embargoes that have drastically curtailed oil production and vital exports. Oil Ministry officials tell AFP four plants in the field are near completion. Among them is Phase 12, one of the largest in South Pars, that once fully operational could produce 81 million cubic metres of gas daily, adds the news agency.

Iran, Turkmenistan agree to expand transport co-op

Trend.Az, *25.01.2014*



Iran and Turkmenistan have agreed to expand their cooperation in the field of transportation, ISNA reported on January 25. During their 13th joint economic committee meeting in Ashgabat, the two sides reached agreements to increase road transportation at border regions, building a new bridge over Tajan River, expand transit of goods and holding joint committee meetings on road transportation.

They also agreed to implement a four-sided agreement between Iran, Turkmenistan, Oman, and Uzbekistan, increase volume of rail transportation via Sarakhs border, and settle debts related to railway companies and airlines.

The two sides agreed to launch a Ro-Ro shipping line, finalize a previously signed MOU between their aviation organizations, and expand cooperation related to exports and imports via northern and southern ports. On January 20, Iran and Turkmenistan held their 13th joint economic committee meeting in Turkmenistan’s city of Ashgabat. Iranian foreign minister Mohammad Javad Zarif chaired the meeting jointly with his Turkmen counterpart. The managing director of the Trade Promotion Organization of Iran (TPOI), Valiollah Afkhami, has said necessary infrastructures for boosting trade ties with Turkmenistan should be provided, IRIB reported on Nov. 18. There are some bottlenecks in Iran-Turkmenistan trade, Afkhami said, adding that Turkmenistan has notable potential to increase the volume of trade. Iran mainly exports cement, potatoes, apples, types of flour, and pipe fittings to Turkmenistan.

In July 2013, the IRNA news agency reported that Iranian and Turkmen merchants plan to boost trade turnover by 100 percent reaching $10 billion. The Iran-Turkmenistan trade turnover reached some $5 billion in the last solar year (end on March 21). According to Iran Custom Administration report, Turkmenistan exported some $244 million worth of gas during the first three month of the current solar year. The value of imports was some $15 million in the same period. Iran imported 4.5 billion cubic meters of gas worth $3.5 billion from Turkmenistan in the last solar year. This indicates a 50 per cent decrease compared to the previous solar year. Iran is Turkmenistan’s second largest trade partner after Russia, the report said. Iran’s highest foreign trade balance was with Iraq, Afghanistan, Turkmenistan and Egypt during the first quarter of the current solar year.

OPEC producer UAE considers importing North American gas

Reuters, *27.01.2014*

The United Arab Emirates, a Gulf OPEC oil producer, said it was looking at the possibility of importing natural gas from North America, in what would be one of the most striking developments since the start of the U.S. shale boom.

The United States and Canada are producing record amounts of gas from shale rock formations, pulling down North American prices to levels that have attracted the interest of foreign buyers. Around a dozen long-term deals, each worth billions of dollars, have been signed behind closed doors between U.S. producers and buyers in China, Japan, Taiwan, Spain, France and Chile as global demand for gas increases.

“We may follow the same trend of considering investments in the United States and Canada to bring some of that gas back home,” UAE Oil Minister Suhail bin Mohammed al-Mazroui said on Monday at an energy conference in London. Rapidly rising demand and slow production growth have made the OPEC member a net importer of gas over the past few years. The UAE’s Abu Dhabi National Energy Company has already invested in Canada’s oil and gas sector but so far has not been publicly involved in North American natural gas export projects.

“The United Arab Emirates is seriously thinking about that now,” the minister said. The UAE last year awarded a contract to build a liquefied natural gas (LNG) import terminal at Fujairah on its east coast. It already gets a modest volume of Qatari gas by pipeline, which helps feed its power and desalination plants. “We have a team in Mubadala as well as in Taqa looking at the optionality. Any investment needs to go through the vetting of the board of directors, not to me as an energy minister,” Mazroui said, adding that it was premature to give any volume estimates of a potential deal.

Iraq advances new unit, improvement plans at Basra refinery

Oil&Gas Journal, *28.01.2014*

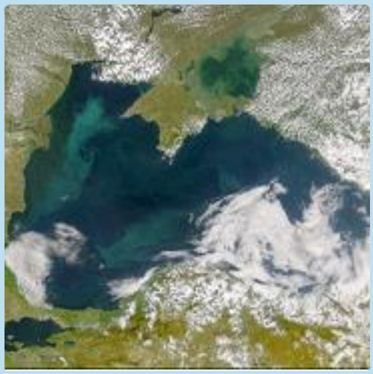
Iraq is nearing the start-up of a gasoline-producing unit that will boost overall processing capacity to more than 210,000 b/d at state-owned South Refineries Co.'s 140,000-b/d refinery in Basra Province. The 70,000-b/d unit is designed to help the country's manufacturing sector to meet rising local need for oil-derived products, Iraq's Minister Abdul Karim Laibi said.

Commissioning of the unit comes as part of a series of projects being implemented by the oil ministry to increase processing capacity at the refinery, which will include improvements to existing isomerization and naphtha units at the plant, Laibi said.

No specific timeframes were disclosed for either the unit's start-up or future improvement projects at the refinery.

Total, OMV, Repsol conclude Black Sea 3D seismic acquisition

Natural Gas Europe, *22.01.2014*



France's Total, Austria's OMV and Spain's Repsol completed their 3D seismic acquisition campaign in the 1-21 Han-Asparuh exploration block in Bulgaria's Black Sea after 2010 days of work.

"The interpretation of the data will enable us and our partners to define the drilling locations for the two exploration wells that are planned during 2015 and 2016 in order to assess potential hydrocarbon resources in this part of the Black Sea," Jaap Huijskes, OMV Executive Board member responsible for Exploration and Production, said in a note released on Wednesday.

The exploration, which OMV branded the largest acquisition in the entire Black Sea, has been carried out in the 1-21 Han-Asparuh block, an area of 14,220 km2 in the Bulgarian sector.Total, with 40% interest, is the operator of the drilling phase. OMV and Total hold 30% each.

‘Greek Cyprus’ LNG project continues despite complicating factors

Natural Gas Europe, *21.01.2014*

Substantial amounts of gas under Greek Cyprus’ seabed could turn the island into a regional energy hub that would transform its cash-strapped economy and provide Europe with a new source of natural gas. Eastern Mediterranean gas could contribute in increasing Europe’s energy security and diversifying its energy portfolio.

Noble Energy announced the discovery of the Aphrodite natural gas field in Greek Cyprus’ EEZ and revealed an estimated gross resource range of 5 to 8 trillion cubic feet (Tcf). Noble Energy operates the discovery with a 70 percent working interest.

The Aphrodite gas field is an offshore gas field off the southern coast of Greek Cyprus located at the exploratory drilling Block 12 in Greek Cyprus’ exclusive economic zone. Successful exploratory drillings offshore neighboring Israel encouraged the belief that Aphrodite could indeed hold substantial amounts of gas but it wasn’t until October 2013 that Noble Energy downsized the field to a range of 3.6 to 6 tcf, with a mean of approximately 5 tcf. Meanwhile, Greek Cyprus had developed ambitious plans. Successfully extracting the natural gas from its waters would allow the cash-strapped island to build an LNG terminal and reach European and East-Asian markets.

An LNG terminal on the island’s coast could also attract the natural gas found in the respective exclusive economic zones of Lebanon and Israel for liquefaction and shipping to international markets through the island’s facility. The natural gas finds off the island’s shores are also important for Greek Cyprus’ own electricity generation given that natural gas independence would result in substantial reductions in the price of electricity. The downsizing of the Lady of Greek Cyprus gas field in Block 12 raised the question of whether Greek Cyprus will still go ahead with its multi-billion dollar LNG plant, and in the affirmative, if it can proceed without a helping hand from its Eastern Mediterranean neighbors.

Lebanon, despite attracting more than 52 companies to its pre-qualification round, has not yet launched its first bidding round and hence has not awarded licenses that would allow the country to tap into the hydrocarbon wealth believed to be hidden off its shores. Recent estimates resulting from seismic surveys indicate that there is a 50% probability that 45% of Lebanese waters could contain up to 96 Tcf of natural gas, according to the Lebanese minister of Energy Gebran Bassil. Before such quantities are confirmed and activities commence, Lebanon needs to form a government that would pass two essential decrees. Israel, ahead in the game, has not yet formulated an export strategy that would shed the light on how it plans to transport and sell the gas of its 10 Tcf Tamar and 18 Tcf Leviathan fields.

Only in October 2013 did Israel confirm its decision to export around 40% of the natural gas found off its shores when its Supreme Court rejected a petition filed against Prime Minister Benjamin Netanyahu's cabinet June decision on gas exports. How the country will choose to direct its gas remains undecided. Pooling costs with Greek Cyprus would increase the island's chances of concretizing its LNG plans in the Vasiliko coastal area of Greek Cyprus located between Larnaca and Limassol, and in a shorter delay. Greek Cyprus repeatedly urged its Israeli neighbor to opt for energy collaboration through the island's facility. While Israel has shown interest in the project, it has not yet dismissed other possibilities, including for example a possible collaboration with Turkey that would involve building a pipeline connecting the Leviathan to Europe.

Renewed diplomatic relations between Turkey and Israel after the March 2010 flotilla incident renders this scenario at least possible. Israel's collaboration with Greek Cyprus is still purely hypothetical. Lebanon's collaboration is too early to examine. The quantities of natural gas encountered today in Greek Cyprus might not justify alone the pursuit of the project. However, things are likely to change in the future. Noble Energy considered the results of the appraisal drilling in Aphrodite as encouraging further exploration activities within Block 12 of Greek Cyprus' EEZ. There are good indications from recent seismic surveys that two other fields in Block 12 could hold 2 Tcf each. Noble Energy, Delek Drilling and Avner Exploration plan to start exploration drilling at one of these fields in Q4 2014. Despite the recent developments, Greek Cyprus still has strong reasons to believe it can effectively bring its project to fruition.

Major international oil and gas companies have expressed their interest in joining in the project: Total, Noble, Delek and Avner through MOUs. ENI also showed interest in participating should the Italian giant encounter recoverable amounts of gas during its exploration activities. Greek Cyprus also has good relations with its neighbors, both Israel and the Arab neighbors. Greek Cyprus has reached maritime border agreements with Israel, Egypt and Lebanon. Greek Cyprus has also played an important role in facilitating Israeli-Lebanese dialogues aimed at the resolution of the pending Israeli-Lebanese maritime border conflict. Additionally, the fact Greek Cyprus is a Common Law jurisdiction is a major advantage given that common law is usually the system of choice when it comes to international commercial transactions.

Greek Cyprus' tax regime is another key point: the island has become a favored location for international commerce as well as for reputable multinationals seeking a legitimate tax efficient jurisdiction raising Greek Cyprus to a new level of international business. Moreover, Greek Cyprus' EU membership grants it reputation and stability. Finally, Greek Cyprus offers excellent services. Its banking system remains one of the strongest despite the crisis that hit the island earlier this year. The ancillary industries create the ideal environment for the development of the energy industry. Greek Cyprus has an excellent multi-lingual workforce that will no doubt contribute in ensuring the natural gas industry operates at a high level of excellence and professionalism. For all these reasons, major companies have elected Greek Cyprus as their place of incorporation and there is no doubt that the island's attractiveness will facilitate its transition into a regional energy hub.

Egypt: we will not halt gas supplies to Jordan

Natural Gas Europe, *23.01.2014*

Egyptian Ambassador to Jordan denied on Monday that Egypt will halt natural gas supplies to Jordan despite rumors that Egypt will soon terminate the natural gas deal between the two countries. Gas supply from Egypt to Jordan is completely halted at present.

Disruptions in the flow of gas from Egypt to the Hashemite Kingdom started occurring in the aftermath of the Egyptian revolution that toppled President Husni Mubarak in 2011. The severe reduction in the quantities of gas received by Jordan forced the Hashemite Kingdom to import expensive fuel products causing its energy bill to spike.

At one point flirting with some JD 4.4 billion and the cost of electricity subsidies to exceed JD 1 billion. The agreement between Amman and Cairo stipulates that Jordan would receive 240 mcf of natural gas per day. Acts of sabotage to the Arab Gas Pipeline connecting Egypt to Jordan caused the rate to plunge to as low as some 80 mcf a day in 2012, or the third of the rate outlined in the deal. The reasons for the drop given by the Egyptians were all of a technical nature. The impact of the cuts was grave given that Jordan relied on Egyptian natural gas imports to cover almost 80 % of the Kingdom's electricity generation needs. Egyptian officials have expressed their understanding of the gravity of the damage caused and promised to fix the situation.

While Jordan is currently developing its indigenous resources, an initiative that might take years to materialize, it is also looking for alternative, secure and cheaper sources for natural gas to make up for the shortfall. Egypt's alleged technical difficulties might not be the only ones standing in the way of Egypt honoring its obligations towards Jordan. Egypt is suffering from natural gas shortfalls at home and has even completely halted supplies to neighboring Israel. Israel is not equally impacted by the disruptions of Egyptian gas, if not at all. Substantial deposits of the same hydrocarbon in its exclusive economic zone constitute a lucrative answer to the country's natural gas needs, and for decades to come. The offshore finds could even resolve the energy needs of the two neighboring countries, Egypt and Jordan, as recently hinted by the plan of building a pipeline to connect Israel to Jordan by 2016 and by the progress of the Egyptian-Israeli gas deal talks.

Exporting the natural gas would ensure the inflow of billions of shekels in revenue for Israel and would allow the continued development of Israel's gas fields.While the Tamar field has already started supplying gas in March 2013, the Leviathan is expected to come online in 2017. Israel has recently signed an export agreement with its first customer, the Palestinian authority, in line with its strategy to export natural gas to immediate neighbors as a starting point. The geopolitics of the Eastern Mediterranean region are changing becoming tremendously shaped by new or/and improved - yet still subtle - energy collaborations and partnerships that translate into energy security and independence for some, and cheaper and more constant sources of natural gas for others.

Azerbaijan helping Europe to diversify its energy security strategy

Today.Az, *21.01.2014*

"Diversification is a key objective of Europe's energy security strategy, and Azerbaijan is helping us to meet this objective," Evangelos Venizelos, Deputy Prime Minister and Foreign Minister of Greece, which presides over the EU Council in the first half of this year, said in an interview with Trend on Jan.21.

The minister said that Azerbaijan's Shah Deniz 2 project will be a new source of natural gas for European markets, but at the same time, the TANAP/TAP projects constitute a new route - a southern corridor - and this strengthens European energy security even further.

Greek Foreign Minister went on to say that the TAP project will also have regional benefits, of course, beyond the cooperation between Greece, Albania and Italy. "We are already discussing plans for a branch lines that will carry natural gas to countries in the Western Balkans -including Croatia, the newest member of the European family - thereby further strengthening regional cooperation as well as economic synergies in the Western Balkans," Venizelos said. The Shah Deniz Stage 2 project will bring gas from the Caspian Sea to markets in Turkey and Europe, opening up the 'Southern Gas Corridor'.

Shah Deniz Stage 2 is expected to add a further 16 billion cubic meters per year (BCMA) of gas production to the approximately 9 BCMA from Shah Deniz Stage 1. This Stage 2 development of the Shah Deniz field, which lies some 70 kilometers offshore in the Azerbaijan sector of the Caspian Sea, is expected to include two new bridge-linked production platforms; 26 subsea wells to be drilled with 2 semi-submersible rigs; 500 kilometers of subsea pipelines built at up to 550 meters of water depth; a 16 bcma upgrade for the South Caucasus Pipeline (SCP); and expansion of the Sangachal Terminal.

The Trans-Anatolian Pipeline (TANAP) will transport gas across Turkey and the Trans-Adriatic Pipeline will transport gas from the Turkish-Greek border to Italy. The Shah Deniz co-ventures are (after recent acquisitions): BP, operator (28.8 per cent), SOCAR (16.7 per cent), Statoil (15.5 per cent), Total (10 per cent), Lukoil (10 per cent), NICO (10 per cent) and TPAO (9 per cent). These percentages include the recent purchases of equity from Statoil by BP and SOCAR, respectively, which are subject to conditions that are expected to be satisfied in 2014 for completion of the transactions.

Greece's EU Presidency to place importance on gas sector

Natural Gas Europe, *23.01.2014*

Greece assumed the rotating six-month EU presidency on January 1st 2014. Amid a variety of set priorities, importance has been given to the natural gas market with regards to the investments, energy security and regulation.

Greek Energy Minister Ioannis Maniatis recently stated that "The Greek Presidency in the EU has three chief aims: The completion of the internal energy and gas market, the 2015 goal of interconnecting all member states through gas pipelines and the establishment of the framework for the 2015 international agreement on climate change which will be focused also on the expansion of the use of natural gas."

Furthermore, according to sources within the Greek Ministry, the EU Energy Council is to set forward the above subjects on March 4th so as to be decided upon by heads of state Council mid-March. The internal market homogenization process is mostly developed through the use of harmonizing regulation in gas issues amongst states and through the expansion of interconnectors of reverse flow and the establishment of gas hubs across the EU. Athens-based Institute of Energy of South East Europe estimated that in May 2014 "The Southern Corridor pipeline project, the Eastern Mediterranean offshore reserves and preferable routes and the Projects of Common Interest, will be discussed amongst the member states and they will represent the diversification tools for the energy security supply of Europe and the creation of a single energy market in terms of gas flow and trade."

At the June 2014 EU Council, the last meeting before Greece passes on Presidency to Italy, the SEE energy community and the international aspects of EU's gas policies will be discussed, which will revolve primarily around the bilateral relations between the European Commission and Gazprom. Concurrently, ongoing negotiations between the EU and US on a transatlantic free trade zone will also be a theme of interest for the coming months and will be discussed in various formal and informal occasions. Overall, the most pressing and ongoing issues of interest to date include the swift establishment of the Southern Corridor, which was awarded to the Trans-Adriatic Pipeline consortium together with the linking to the gasification project in the Western Balkans and the Ionian-Adriatic pipeline and additionally the interconnection with the Interconnector Greece-Bulgaria and on through rest of the ongoing interconnectors in Romania, Moldova, Serbia, Hungary and Croatia.

Another aspect is the gas reserves in East Mediterranean and the formation of a unified EU stance towards the creation of an East Med pipeline. Lastly, the Greek Presidency aims to push forward the likelihood of Greece's offshore reserves, so as to be able to announce and lobby for the realization of an "enchased Southern Corridor" that will diversify EU gas imports by using Azeri, Israeli, Cypriot and perhaps Greek energy sources. According to Athens-based Institute for Security and Defence Analysis (ISDA), "the Greek presidency places natural gas at the top of its EU agenda and also has been in negotiations with the forthcoming Italian Presidency (second half of 2014) to collaborate on the issue of the Southern Corridor and shape the EU agenda for the whole of 2014 in that respect."

Cameron pushes shale gas at Davos

Upstream Online, *24.01.2014*

British Prime Minister David Cameron has urged Europe against imposing any limits on shale gas exploration, arguing the resource could be a "fresh driver" for economic growth.

In Davos, Cameron said that any European moves to impose "burdensome, unjustified and premature" regulations on shale extraction would cause investment to go elsewhere, the BBC reported. Cameron pointed out that shale was "flooring" energy prices in the US and adding hundreds of thousands of manufacturing jobs by incentivizing industry growth. He also welcomed this week's decision by the European Commission to drop the idea of new EU-wide shale.

Dozens of oil & gas industry leaders from around the world are attending the annual economic forum in the Swiss ski resort town, including Christophe de Margerie of French major Total, which boosted UK shale's prospects with its entry to the play earlier this month. For its part, Greenpeace disputed the prime minister's view that the UK economy could be boosted by shale gas. Greenpeace UK Executive Director John Sauven said that Cameron "could do so much more for the UK if he took off his fracking blinkers and saw the real benefits of supporting the UK renewable energy sector that has the potential to be a world leader".

Expert Poll: UK shale gas impact will take a decade

Natural Gas Europe, *20.01.2014*

The vast majority of industry players expect the UK shale gas to take at least 10 years to have a significant impact on national energy supplies, a survey by Pinsent Masons reveals on Monday.

'The survey, which canvassed the views of 100 of the most prominent players in the UK shale industry, showed 64% of stakeholders believe that it will take at least 10 years for shale gas exploitation to make a meaningful impact, with a further 13% saying it could take up to 20 years,' reads a note released by the international law firm Pinsent Masons.

It also confirmed that local opposition and complex planning and licensing arrangements are considered the biggest industry fears in pursuit of shale. '55% of delegates cited local opposition and 'nimbyism' as the biggest challenge and barrier to the shale gas becoming a valuable domestic resource,' reads the report. Nimbyism is a word stemming from the acronym Not in My Backyard (NIMBY), indicating the practice of objecting exploration in proximity of communities. Despite a decrease of public support in the last months, 45% of respondents felt that protests in Balcombe, West Sussex, did not have any impact on the business case for investment in UK shale. 'There was a 45%-45% split of opinion on whether protests over exploratory drilling in Balcombe last summer would affect investment in UK shale,' Pinsent Masons wrote in the press release.

The survey, conducted in October and December 2013, also dealt with Scotland and politics. The majority of respondents suggested that Scottish independence would not impact on international investors' decisions, despite eventual delays due to a Scottish proposal that would require a certain distance between shale gas sites and settlements.'55% … thought a Scottish Government proposal for buffer zones around fracking sites would hinder the pace of development,' reads the note. Industry players felt confidence about British government's endorsement. The majority credit the Conservative Party with devising the clearest policies to promote exploration and production of shale gas.

Russia to double oil, gas flows to Asia by 2035

Reuters, *24.01.2014*

Russia plans to at least double its oil and gas flows to Asia over the next 20 years, a draft of its energy strategy showed on Friday, part of a pivot away from export routes to Europe.

Russia's energy sector is undergoing a dramatic transformation, with oil flows being redirected to Asia via the East Siberia-Pacific Ocean pipeline and the gas sector boosted by a partial end of Gazprom's export monopoly. In a document published on its website, the Energy Ministry said one of Russia's goals was to diversify its exports, with the share of oil and oil products sent to Asia doubling to 23 percent by 2035.

By then, Russia aims to ship a total 32 percent of its oil to Asia, the Energy Ministry said, with gas rising to 31 percent from 6 percent. Europe is now Russia's main gas export market. Russia sent around 16 percent of its total oil exports to Asia last year and is exporting gas to Asia only from the Sakhalin-2 LNG plant, which has total annual capacity of 10 million tonnes. "Energy markets in Europe and the Commonwealth of Independent States (a collection of 11 former Soviet republics) will remain major export markets for Russian energy goods but export volumes after 2015 will decline to stay at 95 percent of 2010 levels by then (2035)," the document said.

A ministry spokeswoman said on Friday the document was a draft and a final version was expected to be published and approved later this year. State owned energy company Rosneft, which became the world's top listed oil producer by output last year, is leading the shift eastwards, preparing to triple oil exports to China in coming years to over 1 million barrels per day. Along with Novatek, both are eyeing fast-growing Asian markets to ship super-cooled gas close to the end of this decade, after the government limited state-owned Gazprom's control over gas exports to those sent via pipelines. Russia is now pumping oil near capacity of around 10.5 million bpd and a rapid increase is unlikely until the production of tight oil starts.

The process will need at least five years, officials and analysts say. Officials have said that increased exports to Asia will not hurt European clients because of new fields will come on stream in coming years. Russian oil exports declined by 2.5 percent to 228.5 million tonnes in 2013, according to Energy Ministry data, falling further to 225 million tonnes (4.5 million bpd) this year due to refineries upgrades. The document also showed that Russia plans to cut heavy oil export to 20 million tonnes in 2035 from 57 million tonnes in 2010 and increase shipments of motor fuels to 58 million tonnes from 44 million tonnes.

EBRD approves loan for Lukoil overseas within Shah Deniz project

Trend.Az, *24.01.2014*

The European Bank for Reconstruction and Development has approved a loan of 200 million dollars for the Lukoil Overseas Shah Deniz Ltd ("LSD") within the Shah Deniz gas and condensate field development project in Azerbaijan, according to the Bank's report.

The loan was approved by the Board on Jan. 15. LSD is Lukoil Overseas' 100-percent subsidiary. The company holds a 10-percent interest in the Shah Deniz field. The proposed financing is a pre-planned increase to the existing exposure of the Bank to the LSD relating to the development of the Shah Deniz field in Azerbaijan, the report said.

Financing is sought for the stage 1 extension of field development and implementation of the more advanced technologies, including on the existing terminal and platform. Total Shah Deniz Stage 1 extension and modernization project cost estimate is 2.128 billion dollars, according to the EBRD's data. LSD stage 1 project cost estimate is 212.8 million dollars. The contract for the development of the offshore Shah Deniz field was signed on June 4, 1996. Participants to the agreement are: BP (operator) - 28.8 percent, Statoil - 15.5 percent, NICO - 10 percent, Total - 10 percent, Lukoil - 10 percent, TPAO - 9 percent and SOCAR - 16.7 percent.

Croatia to promote offshore licensing round in Q2

Natural Gas Europe, *22.01.2014*

Croatia will promote a licensing round in the central and southern Adriatic in the second quarter of the year. "This is an extremely important project, which could turn Croatia into an important energy hub," Minister Ivan Vrdoljak told Reuters.

According to industry players, the deposits should resemble the ones found in Italy. "It is evident that there are promising deposits of hydrocarbons (in the Adriatic), and we hope to have the first commercial quantities of gas and oil ready in 2019-2020," Vrdoljak said on Tuesday.

Russia, China may sign gas supply deal in May

Natural Gas Asia, *22.01.2014*

Gazprom on Wednesday said that deal to export natural gas to China could be signed in May during Russian President Vladimir Putin's visit to the Asian nation.

The issue was discussed in Beijing during a meeting between Alexey Miller, Chairman of the Gazprom Management Committee and Zhou Jiping, Chairman of China National Petroleum Corporation (CNPC). "Both parties are interested in successful completion of the negotiations and looking forward to signing a contract as soon as possible," Gazprom said. Gazprom added that the contract would enter into force in accordance with the previously agreed Major Terms.

In March 2013 Gazprom and CNPC signed the Memorandum of Understanding (MoU) for cooperation between the two companies in pipeline gas deliveries to China via the eastern route. In September 2013 Gazprom and CNPC inked the agreement on the major terms and conditions of pipeline gas supply from Russia to China via the eastern route. News agency Reuters in a related report said that Gazprom may offer a lower price in return for billions of dollars in upfront payments. However, a source close to the Russian company told Reuters that price terms had still not been agreed.

Europe, Russia set up task force to proceed with South Stream

Natural Gas Europe, *20.01.2014*

Europe and Russia will set up a joint working group to evaluate the South Stream project, with a particular attention to environmental and antitrust laws. The decision stems from the meeting between European Commissioner Guenther Oettinger and Russian Minister Alexander Novak that took place in Moscow on Friday.

"It has been an important meeting," commented Oettinger on Monday, confirming the mandate of the joint task force. Earlier Russian and European declarations suggested a similar outcome. "South Stream can function normally under EC laws," Russian Minister Anatoly Yanovsky recently said.

European Commission intervened in the discussion in December, suggesting that Moscow should have formally asked for exemptions. Russia has entered into bi-lateral agreements for the construction of the South Stream pipeline with EU members Bulgaria, Hungary, Greece, Slovenia, Croatia and Austria, as well as Serbia, which is a member of the Energy Community. The formation of a task force suggests that the Commission wants to address technical and legal details of the gas pipeline, finding a solution to honour earlier agreements that technically break EU laws.

Qatar offers to lower price of LNG to Pakistan

Natural Gas Asia, *21.01.2014*

Qatar has offered lower the price of LNG that it plans to export to Pakistan. "Qatari government has agreed to slash the LNG price further compared to its earlier offer during talks in Islamabad early this month," a source told The Express Tribune.

The final price and volume would be discussed between ministers of the two countries in Doha on February 8, the newspaper reported. In the beginning Qatar had offered to export LNG at a price equivalent to 14.7% of Brent crude oil rate when it was hovering around $110 per barrel in the international market.

The price was later reduced to $17.437 per million British thermal units (mmbtu), a 0.5% discount over the previous rate of $18.002 per mmbtu for the 20-year lifetime of the project, The Express Tribune said. According to the newspaper, the two countries may also discuss the possibilities of forming joint ventures between state-owned companies of the two countries like Oil and Gas Development Company (OGDC) and Pakistan Petroleum Limited (PPL). Pakistan expects first delivery of Qatari LNG by November.

Iran ready to mull over idea of undersea gas pipeline to India

Natural Gas Asia, *18.01.2014*

Iran is focusing on exporting natural gas to India along a deep-sea route, Press Trust of India reported its Ambassador to India Gholam Reza Ansari as saying.

"Indians are looking for deep-sea natural gas pipeline which seems to be feasible with regard to investment and available technology. We are seeing how we can go about this project," Ansari told reporters on the sidelines of an event in Southern Indian city of Bangalore. South Asia Gas Enterprises, has undertaken a project called "Middle East to India Deepwater Pipeline", which will connect the gas rich Gulf & Middle East regions to India, for the transportation of natural gas.

Gazprom's gas output in Uzbekistan up 5% in 2013

Natural Gas Asia, *18.01.2014*

Gazprom's gas production in Uzbekistan in 2013 was 315 million cubic meters, a 5% increase over 2012, Agency reported citing a statement by Gazprom EP International. The Russia giant produces natural gas at the Shakhpakhty field in North-West Uzbekistan. During 2013, Gazprom International experts carried out repairs on seven wells at the field and commissioned four new ones, said Trend. The Shakhpakhty gas condensate field was opened in 1962.

Initial gas reserves of an industrial category were approved to 46.5 billion cubic meters and industrial production began in 1974 and reached 2.5 billion cubic meters per year.

Gas produced at Shakhpakhty is delivered to the Karakalpakstan compressor station and then supplied to consumers via Central Asia-Centre gas pipeline. The total volume of gas produced by Gazprom in the field since 2004 is 2.5 billion cubic meters, added Trend.

US reiterate preference of TAPI over Iran-Pakistan pipeline

Natural Gas Asia, *19.01.2014*

US has reiterated that Iran-Pakistan gas pipeline project is not credible and it favours TAPI pipeline project instead.

In an interview given to local Pakistani Urdu daily Nawa-i-Waqt, the US Consular in Pakistan said energy crisis in the South Asia nation has reached a critical stage and the government needs to expedite its efforts for the exploration of international options particularly the TAPI pipeline, reports newspapers. "The TAPI gas pipeline is viable option for Pakistan and US positively favours this long-term project as it would leave positive and durable economic impacts in the region," Baren was quoted as saying.

GDF looks to energy services, not big takeovers, for growth

Reuters, *21.01.2014*

GDF Suez can achieve most of its planned growth without resorting to acquisitions, its chief executive said on Tuesday, after banking and industry sources said Talisman Energy had rebuffed a takeover approach by the French utility.

The sources said that GDF was still seeking acquisitions of up to $20 billion outside Europe and had looked into buying companies including U.S. utility AES Corp after being rejected by Canadian oil and gas producer Talisman. CEO Gerard denied any such plans and insisted on the strong organic growth prospects of the gas and power utility's existing businesses, notably its energy provider Cofely.

GDF is playing down the prospect of game-changing, multi-billion-dollar tie-ups for now. Cofely said last month it wanted to buy several smaller peers with combined revenue of 1 billion euros ($1.4 billion) to drive home its advantage as Europe's biggest provider of energy services for buildings. "In an environment with economic growth around zero and with energy demand falling by 1 to 2 percent per year, we are seeing growth of around 2.5 percent per year in demand for energy efficiency services," Mestrallet told reporters in Paris. Alongside its push in energy efficiency services, GDF wants to consolidate its position this year as the biggest independent power producer in emerging economies, in particular by expanding its energy services in those countries too.

"I believe efficiency needs will also grow in the emerging world," Mestrallet said, adding that this was why GDF last year bought a 51 percent stake in Emac, a Brazilian air-conditioning maintenance company with 850 staff. In 2012, GDF also bought Chilean energy services firm Termika and invested in the urban cooling network of Cyberjaya city in Malaysia. Mestrallet said GDF had no plans for major takeovers, and voiced confidence in the group's current balance of traditional, asset-heavy power generation and labour-intensive and capital-light energy services. With its 90,000 staff, Cofely represents 60 percent of GDF Suez's headcount but just 15 percent of its 2012 sales and 7 percent of core earnings. It earned 2012 core profit of 1 billion euros on sales of nearly 15 billion euros.

Following the 190-million-pound acquisition of the facilities management unit of Britain's Balfour Beatty (BALF.L) last year, Cofely now has turnover of around 16 billion, Mestrallet said. GDF had 97 billion euros of revenue in 2012. In France, Cofely competes with Dalkia, Vinci Energies (SGEF.PA), Sodexo (EXHO.PA) and privately held Spie, which is considering an IPO later this year. Mestrallet said energy services remained fragmented and unstructured worldwide, effectively making GDF Suez-Cofely the world's number one player in the business, even if the bulk of its activity is in Europe. "This industry is fragmented, and we want to take advantage of that to further develop our energy services," he said.

Mestrallet said GDF’s main competitor in France, state-controlled utility EDF (EDF.PA), did not have an energy services activity and was now acquiring one by buying the French arm of Dalkia in a deal with Veolia. “We are years ahead in this business. We do not want to lose this advantage,” Mestrallet said. He ruled out an IPO for Cofely. “It is out of the question that we would part with this activity. It is an enormous asset,” Mestrallet said. GDF stock, which had fallen as much as 3 percent on the news of its interest in Talisman and AES, retraced half of that drop and stood 1.6 percent lower in early afternoon trade.

IEA predicts global oil demand growth at 1.3 million bpd in 2014

Trend.Az, *21.01.2014*

Global oil demand growth will amount to 1.3 million barrels per day (bpd) in 2014 compared to 1.2 million bpd in 2013, according to the International Energy Agency’s (IEA) report on oil market published on Jan. 21.

The global oil demand estimate for the fourth quarter of 2013 was raised by 135,000 bpd on unexpectedly strong US deliveries, partly offset by curtailments in China and elsewhere, the report said. IEA’s estimates show that global supplies inched down by 25,000 bpd month-on-month in December to 92.23 million bpd, with a seasonal fall in biofuel output cutting non-OPEC liquids supplies by 340,000 bpd.

Non-OPEC production grew by 1.63 million bpd year-on-year, partly offset by a 535,000 bpd drop in OPEC crude oil supply. OPEC crude oil supply rebounded by 310,000 bpd to 29.82 million bpd in December, reversing four months of decline, according to the IEA’s estimates.

China and the U.S. in a changing energy landscape

Natural Gas Asia, *29.01.2014*

China's growing dependence on foreign energy markets could force it to rethink its historical policy of nonintervention, at least in major energy producing regions. The U.S. Energy Information Agency released data Oct. 9 showing that China had officially passed the United States as the world's largest importer of oil.

While the precise moment that the United States passed the torch to China is insignificant, the data highlights a growing trend that will continue over the next decade: The United States is becoming less of a global oil importer while China's appetite for oil imports is rising.

Underlying the Chinese economic miracle has been the rapid growth in China's demand for all forms of energy. China is by far the world's largest coal consumer and is well on its way to passing the United States as the world's largest oil consumer. China's oil consumption rose from 2.3 million barrels per day in 1990 to 4.7 million barrels per day in 2000 and is now approaching 11 million barrels per day. The United States consumes roughly 15 million barrels per day. Even though the growth of China's economy is slowing and will not return to sustained rates above 10 percent, the country's rising oil demand should be quite resilient. Much of China's population is entering the phase of economic development in which it can afford passenger vehicles; when most economies reach annual per capita levels between $10,000 and $20,000, the ratio of cars to people rises dramatically.

Although the ratio of cars to people in China is unlikely to reach what it is in the United States, the sheer size of China's population means that even small changes in the percentage of car owners will translate into large absolute change in the volume of fuel needed. Simply put, China's oil imports will continue to increase over the next decade, cementing its position as the world's top oil importer. This will have several implications for Beijing. China's three major national oil companies will continue their aggressive international expansion. Particular attention will be paid to countries where oil production levels have the potential to increase, such as Iraq, Brazil and Venezuela, despite the high political and logistical complications surrounding energy development in these countries.

While part of this expansion is intended to secure oil supplies for China, it is also about minimizing risk and becoming a globally integrated oil company. This means that the companies will also continue to expand into places such as the United States and Canada, where oil production will likely be destined for markets other than China. For instance, China National Offshore Oil Corp. and Sinopec have invested several billion dollars into U.S. shale formations. These investments also serve to increase the companies' technological capabilities, which perhaps one day -- probably at least 15 years away -- could lead to a rejuvenation of Chinese oil production.

Additionally, with the growth of China’s domestic economy slowing down and the country undergoing a shift from an export-oriented economic model to one that Beijing hopes will be more dependent on domestic consumption-led growth, there will be a decline in China’s trade balance. Increased imports of oil and other forms of energy will only hasten the erosion of China’s positive trade balance, although that shift will play out over several years. It also increases Beijing’s vulnerabilities to external forces -- not only economic forces but also maritime supply risks. Beijing has attempted to mitigate these risks by increasing imports from land-based routes such as Russia and Central Asia, but ultimately it will depend on whoever secures the sea lines of communication, a role long occupied by the United States.

At the same time that China’s increased consumption is leading to higher imports, the United States is reducing its dependence on foreign oil imports. The U.S. oil industry has experienced a dramatic technological revolution that has increased the country’s oil production by nearly 40 percent over the past three years, sending domestic production to levels not seen since before the first Gulf War. While that alone has contributed to a dramatic drop in U.S. oil imports, Canada has dramatically increased its oil production and is exporting to the United States by land. The result has been an even greater decline in maritime oil imports by the United States. These trends are expected to continue throughout the rest of the decade as the United States and Canada continue to increase their own production.

However, U.S. and Canadian oil production is unlikely to reach levels high enough that Washington will no longer have to import oil from other partners. Moreover, the United States is highly integrated into global trade flows and financial markets. As a result, the United States will remain highly interested in the international oil market as well as in securing sea lines of communication for not only energy transit but also other commodity trade flows. For example, even if U.S. energy imports from the Middle East are reduced, any significant disruption in the Middle East will result in catastrophic economic consequences in China and other Asian countries, thus eventually hurting the United States.

Nevertheless, the US will continue to import Middle Eastern oil for structural reasons. For instance, California and other West Coast states are not connected to the rest of the continent by pipeline, and building pipelines in these areas has been difficult. As a result, refiners there will continue to seek Middle Eastern crude, even as the United States continues to produce oil at increasing rates.The increases in U.S. energy production can be attributed in part to high oil prices. This is not the first time high oil prices have led to technological revolutions in developed economies, unlocking vast amounts of production. During the 1970s oil shocks, high oil prices led oil producers to develop more expensive areas leading to sustained growth in non-OPEC supplies during most of the 1980s.

Saudi Arabia and other OPEC producers initially attempted to restrict oil output to increase the price, but they were unable to significantly affect oil prices because non-OPEC production was rising too quickly. This ultimately broke when Saudi Arabia ramped up production in order to gain market share, setting up oil prices to remain relatively low until the 2000s, when a new trend emerged -- massive demand increases from emerging countries. Today, increased production in the United States, Canada, Russia and Brazil has eroded OPEC’s ability to influence prices. However, contrary to historical examples of increased production, the sustained, strong growth of demand in China, India and other emerging markets has so far mitigated the impact of increased non-OPEC production, and continued strong growth will be needed in order to keep oil prices at current levels.

This is important for many Middle Eastern countries because their ability to restrict oil output is now in question. Not only have Saudi Arabia, Oman and other Middle Eastern oil producers increased their own domestic consumption, but in response to the 2011 Arab uprising, many of these countries relied on increased social spending -- financed by oil revenue -- to weather the storm. These countries all need oil prices to remain at current levels in order to finance their budgets and may even need prices to continue to increase. China's increased dependence on foreign energy markets will also require China to become increasingly more interested in geopolitical developments in the Middle East and other energy producing regions. Beijing's historical policy in such disputes has been not to intervene, but with rising dependence, this policy could become less tenable.

Japan Imported Record LNG in 2013

Natural Gas Asia, *18.01.2014*

Japan imported record LNG in 2013 as demand for the fuel saw strong rise due to shut down of its nuclear stations since the Fukushima disaster in 2011.

The country imported 87.49 million tonnes of LNG last year, up 0.2 percent, Ministry of Finance data released Monday showed. Total value of imports stood at 7.06 trillion yen ($68.98 billion), which is also a record. In December, Japan imported 8.09 million tonnes of LNG, up 4.9 percent from last year. Japan is world biggest importer of LNG.

Obama to stick with ‘all-of-the-above’ energy strategy

Oil&Gas Journal, *29.01.2014*

US President Obama quickly cited the US oil and gas renaissance for helping the nation’s economy recover in the last 5 years, and said in his fifth State of the Union address that gas will need to play an even bigger part in the future.

“One of the biggest factors in bringing more jobs back is our commitment to American energy,” Obama said in his Jan. 28 address to Congress and the nation. “The all-of-the-above energy strategy I announced a few years ago is working, and today, America is closer to energy independence than we’ve been in decades.” Gas is one of the reasons why, he continued.

“Businesses plan to invest almost $100 billion in new factories that use gas,” the president said. “I’ll cut red tape to help states get those factories built, and this Congress can help by putting people to work building fueling stations that shift more cars and trucks from foreign oil to American natural gas.” He said his administration would keep working with the industry to sustain production and job growth while strengthening protection of air, water, and communities. “And while we’re at it, I’ll use my authority to protect more of our pristine federal lands for future generations,” Obama said. US energy leadership extends to solar power, according to the president, where “every 4 min another American home or business goes solar, every panel pounded into place by a worker whose job can’t be outsourced.”

He said, “Let’s continue that progress with a smarter tax policy that stops giving $4 billion/year to fossil fuel industries that don’t need it, so that we can invest more in fuels of the future that do.” Oil and gas association leaders welcomed the president’s endorsement of more US gas production and deployment, but criticized his suggestion that federal tax provisions producers consider essential be repealed to encourage more development of solar power and other alternatives. It is clear from tonight’s speech that the president recognizes the role gas is playing in meeting our nation’s economic and environmental needs,” said Martin J. Durbin, president of America’s Natural Gas Alliance.

“As the president mentioned, there is great promise for gas in our transportation sector as trucks, trains, and cargo ships transition to this clean and abundant fuel. The 1.4 million well-paying jobs that gas development will support in 2015 can help narrow America’s income inequality.” American Petroleum Institute Pres. Jack N. Gerard noted the oil and gas renaissance gives the US a unique opportunity to revitalize its economy and become a global energy superpower while helping Americans get back to work. “The president has the opportunity to seize this moment by approving the Keystone XL pipeline, opening up new areas for responsible energy development, and pulling back unnecessary and costly new regulations,” he said.

“Unfortunately, the president called for increased taxes on the oil and gas industry he needs to close the income gap and create jobs,” Gerard said, adding, “Punishing energy companies by raising taxes is not sound energy policy and could lead to less energy, less government revenue, and fewer jobs.” Obama continued to take credit for higher US oil and gas production when almost all of the increase took place on private and state lands, National Ocean Industries Association Pres. Randall B. Luthi observed. “The president spoke again about the need for more jobs,” Luthi said following Obama’s address. “Yet his administration continues to block expanded domestic offshore energy production on the 85% of the US Outer Continental Shelf that remains off-limits for political reasons, even though developing those areas would usher in an economic renaissance, generating tens of thousands of new jobs and billions of dollars in new revenue to federal and state governments.”

Luthi, who was US Minerals Management Service director during US President George W. Bush’s second term, said he thought it also was inconsistent for Obama to promise he would help states cut red tape so more manufacturing plants can be built while committing himself to prevent more energy development on public lands. Environmental organizations’ responses to Obama’s address also were mixed. His all-of-the-above energy policy is simply “drill, baby, drill” by another name, Earthworks Executive Director Jennifer Krill said prior to the address. “There is yet hope for President Obama’s vision of a clean energy future, if he turns away from the oil and gas industry and towards truly renewable energy,” she maintained.

But Jamie Williams, president of The Wilderness Society, said following the speech that he was excited to hear Obama commit himself to protect more American cultural and scenic treasures, and urged the president to be ready to use the Antiquities Act to set aside more public land as national monuments. Obama said the US has reduced its carbon pollution in the last 8 years more than any other country, but needs to do more. “The debate is settled,” he declared. “Climate change is a fact. And when our children’s children look us in the eye and ask if we did all we could to leave them a safer, more stable world, with new sources of energy, I want us to be able to say yes, we did.”

Announcements & Reports

► *Gobitec and Asian Super Grid for Renewable Energies in Northeast Asia*

Source : Energy Charter
Weblink : http://www.encharter.org/fileadmin/user_upload/Publications/Gobitec_and_the_Asian_Supergrid_2014_ENG.pdf

► *Transition to Sustainable Buildings*

Source : IEA
Weblink : http://www.iea.org/w/bookshop/add.aspx?id=457

► *Petroleum Supply Monthly (Nov. 2013)*

Source : IEA
Weblink : http://www.eia.gov/petroleum/supply/monthly/

► *Monthly Energy Review (Jan. 2014)*

Source : IEA
Weblink : http://www.eia.gov/totalenergy/data/monthly/pdf/mer.pdf

► *Liquid Fuels and Natural Gas in the Americas*

Source : IEA
Weblink : http://www.eia.gov/countries/americas/pdf/americas.pdf

► *Qatar Country Analysis Brief*

Source : IEA
Weblink : http://www.eia.gov/countries/cab.cfm?fips=QA

► *Congo (Brazzaville) Country Analysis Brief*

Source : IEA
Weblink : http://www.eia.gov/countries/cab.cfm?fips=CF

Upcoming Events

► CIPPE 2014

Date : 19 – 21 March 2014
Place : Beijing – China
Website : http://www.cippe.com.cn/2014/en/

► Unconventional Gas Aberdeen 2014

Date : 25 – 26 March 2014
Place : Aberdeen – UK
Website : http://www.unconventionalgasaberdeen.com/

► 8th Atyrau Regional Petroleum Technology Conference

Date : 1 – 2 April 2014
Place : Atyrau – Kazakhstan
Website : http://www.oiltech-atyrau.com/

► TUROGE 2014

Date : 9 – 10 April 2014
Place : Ankara – Turkey
Website : http://www.turoge.com/

► 13th Uzbekistan International Oil & Gas Exhibition

Date : 13 – 15 May 2014
Place : Tashkent – Uzbekistan
Website : http://www.oguzbekistan.com/

► 5th Turkmenistan Gas Conference

Date : 21 – 22 May 2014
Place : Ashgabat – Turkmenistan
Website : http://www.turkmenistangascongress.com/

► 21st Caspian International Oil & Gas Exhibition

Date : 3 – 6 June 2014
Place : Baku – Azerbaijan
Website : http://www.caspianoil-gas.com/

► *4th Erbil Oil & Gas International Exhibition*

Date : 1 – 4 September 2014
Place : Erbil – Iraq
Website : http://www.erbiloilgas.com/

► *South Russia Oil & Gas Exhibition*

Date : 2 – 4 September 2014
Place : Krasnodar – Russia
Website : http://oilgas-expo.su/

► *2nd East Mediterranean Oil & Gas Conference*

Date : 9 – 10 September 2014
Place : Paphos – Greek Cyprus
Website : http://www.eastmed-og.com/Home.aspx