Oil & Gas Bulletin

▸ 15.10.2010

Turkey must offer tax privileges for Samsun-Ceyhan pipeline

RIA Novosti, *11.10.2010*

The Samsun-Ceyhan oil pipeline must have a privileged tax regime in Turkey to guarantee competitive tariffs, Nikolai Tokarev, head of Russia's oil pipeline monopoly Transneft, said on Monday.

"We expect Turkey, as the host country of the pipeline, to fully cooperate in the development of the project, according to international norms," Tokarev told Transneft's internal magazine. "In particular, it is necessary to set up tax privileges to guarantee that the oil transportation tariff on the route is competitive to tariffs in the Black Sea straits," Tokarev said.

The Samsun-Ceyhan oil pipeline is being constructed in a joint project between Transneft, Russia's top oil firm Rosneft, Sovcomflot shipping firm, Turkey's Calik group and Italy's Eni. It is hoped that the pipeline will ease tanker traffic in the Bosphorus and the Dardanelles straits. In September, Tokarev complained that Turkey was offering Russia unfavorable terms for the project. Moscow presented Turkey with a draft agreement, offering oil supplies of 25 million tons per year, well below the initially agreed volume of 60-70 million tons. "The Turkish side has given its preliminary consent to work with the Russian intergovernmental draft agreement and has taken some time to better consider our proposals," Tokarev said on Monday.

Brussels climbs down on oil drilling moratorium

EurActiv, *15.10.2010*

The European Commission has softened its call for a moratorium on oil drilling in deep water, calling instead for EU member states to stop granting licences for new installations until safety regimes have been assessed.

The call was a response to BP's accident in the Gulf of Mexico, but the idea has been rebuffed by the European Union's parliament and by Britain, the home of the EU's biggest oil explorers. "Safety is non-negotiable," said EU Energy Commissioner Günther Oettinger, presenting the plans on Wednesday.

"We have to make sure that a disaster similar to the one in the Gulf of Mexico will never happen in European waters. This is why we propose that best practices already existing in Europe will become the standard throughout the European Union." A draft paper last week called on EU governments to implement a drilling ban, but the final version of the plan now says it is a decision best made in national capitals. "National licensing procedures in all member states should be reviewed to reflect recognised best practices and to include EU-wide obligations for safety, health and environmental performance, risk management and independent verification," the paper says.

Key requirements for the licensing of hydrocarbon exploration and production "should be defined at EU level," the Commission adds, saying it will make proposals in 2011. Meanwhile, "a temporary suspension of future authorisations could be appropriate" for complex offshore operations, the Commission added, without recommending a full moratorium.

Oettinger said that Europe's current regulations for offshore exploration cannot cope with an industry that is drilling further offshore, under different safety regimes. "Such a fragmented regime may not provide an adequate response for the risks posed by the evolution of offshore oil and gas industrial activities," the plan says. Any legally binding proposals that emerge from the review would need to go before the European Parliament for debate and would need approval from all 27 EU member states before taking effect. "The licensing regime needs to be backed up by an unequivocal liability regime which must include adequate financial security instruments to cover major incidents," the document says.

During licensing, companies would have to prove the 'safety case' for each operation and demonstrate the company's ability to prevent and deal with crises. They might also have to prove their financial ability to handle the consequences of unforeseen events, possibly via insurance schemes or risk-coverage instruments.

Gazprom to produce 20 bcm of gas annually in Kamchatka

RIA Novosti, *12.10.2010*

Russia's state-controlled gas export monopoly Gazprom plans to produce 20 billion cubic meters of gas per annum at Kamchatka deposits in the Russian Far East, the company said on Tuesday.

In 2009, Gazprom completed preparatory and design works on the western Kamchatka licensed site and in January-September 2010 carried out seismographic surveys in the area. After the results of surveys are ready, the gas giant will launch the drilling of exploratory wells off Kamchatka in 2011, it said.

Curbs on deepwater drilling lifted early

Financial Times, *12.10.2010*

The Obama administration lifted its moratorium on deepwater drilling ahead of schedule, saying new environmental and safety regulations had significantly reduced the risks of a big accident.

"We are in a new day in respect to oil and gas drilling in the outer continental shelf," said Ken Salazar, the interior secretary. "There are requirements that will have to be met by industry and there will be costs associated with compliance with those requirements."

While oil companies have lobbied hard for an end to the moratorium, imposed after the BP catastrophe in the Gulf of Mexico and originally due to end on November 30, some cautioned that the decision was a meaningless gesture. Oil groups still faced a long process before oil production could be ramped up, observers said. "There is a difference between lifting the moratorium and securing the drilling permits needed to return to work," said Marvin Odum, Royal Dutch Shell's head of oil and gas production in the US. "It's imperative to ensure agencies have the capacity to process the backlog of drilling permits in a timely manner and consistent with the new safety rules."

The American Petroleum Institute said that, without additional resources to process and approve permits quickly, the moratorium would give way to a 'de facto moratorium'. Michael Bromwich, the new head of the Bureau of Ocean Energy Management, the oil and gas regulator, said the decision to lift the moratorium early was made in large part because companies engaged in deepwater drilling would be forced to comply with extensive new rules.

They affect everything from environmental impact schemes companies must put forward, to third party inspections of equipment and plans on how companies would deal with a blowout. But Bromwich also said BOEM did not yet have additional inspectors available in the gulf. The agency – previously known as the Minerals Management Service – was heavily criticised in the aftermath of the BP disaster for not strictly enforcing environmental rules and having only 60 inspectors available to monitor 4,000 facilities.

Bromwich said on Tuesday that BOEM had 'job notices out' for additional inspectors and that BOEM had a pending request for more funds for additional resources. "We wish there were more," he said. With the moratorium lifted, Bromwich said that any company that was in compliance with the new regulations could submit applications to renew drilling, though he added that it was anyone's guess how long the process would take. "My sense is that permits will be approved by the end of this year," Bromwich said.

Medvedev: EU builds Great Wall of China in gas sector

Reuters, *14.10.2010*

Gazprom warned the European Union that proceeding with the bloc's gas industry reforms would mean the end of stable supplies as the company would send more gas to Asia.

Gazprom's export chief, Alexander Medvedev, said that Europe's gas-sector initiatives would build "a sort of Great Wall of China" that would cut off his company, which supplies a quarter of the EU's gas needs, from gas transmission infrastructure. EU legislation requires pipelines to be open to all companies, which threatens Gazprom's position in countries such as Poland where it is a dominant supplier via its Yamal pipeline.

"Having no opportunity to get reasonable income while the gas pipeline is operating or take part in its operation, the suppliers will not wish to make such significant investments. They will start searching for more attractive markets," said Medvedev.

The EU's gas reform has figured at the centre of Russia's inability to strike a gas-supply deal with Poland, whose current deal runs out on Oct. 20, and whose supplies from its main Yamal pipeline fall short of annual gas needs. Last October Warsaw and Moscow, as well as Gazprom and Polish gas monopoly PGNiG, clinched a deal prolonging the Yamal contract to 2037 and increasing supplies by some 2.5 bcm annually to 10 bcm. But the European Union blocked the deal, saying it violated the 27-nation bloc's energy policy and forcing Warsaw into last-minute renegotiations.

Poland imports from Russia about two-thirds of the 14 bcm of natural gas it uses annually. The European Union is trying to pull together the fragmented energy policies of its 27 member states into a single, unified strategy, which aims to reduce the risk of sudden energy shortages and open energy markets to more competition.

Gazprom says this new gas market model creates supply-side risks because it favours competition between producers bound to short-term supply contracts over traditional long-term supply 'take-or-pay' contracts, which Russia usually insists on.

"Without long-term price contracts, the volume of gas coming to market starts depending on the price appeal. The gas will be available when the price is high. If the price is low, the volumes may outflow to more attractive markets," said Medvedev. "The reliability of European gas supply will be determined by the competition with other global gas markets, primarily with Asian ones," he said.

Ukraine to renegotiate 'unfair' gas deal with Russia

EurActiv, *14.10.2010*

Ukrainian Prime Minister Mykola Azarov told yesterday that he will seek to renegotiate the country's 'unfair' gas agreement with Russia when he meets his counterpart Vladimir Putin on 27 October.

Azarov said his country was not seeking any 'discount' or 'privileged quotas' for imported Russian gas, but insisted that the current agreement, signed by his predecessor Yulia Tymoshenko, was unfair. Ukraine and Russia signed a 10-year agreement on gas supplies in January 2009 after a price dispute between the two neighbours left the European Union without fuel for two weeks amid freezing temperatures.

"Russia doesn't want to revise [the gas agreement]. Why? Because it's profitable for them. Why do we want to revise it? Because we believe this is an ill-profitable agreement for us," Azarov said. "How much time should an agreement live for, if one party sees it as profitable, and the other as highly unprofitable? Something needs to be done with this agreement. Quite obviously, it is not viable."

The Ukrainian prime minister also spoke against the planned South Stream gas pipeline project, led by Gazprom, which is designed to bypass his country. "We tell Russia that Ukraine is a reliable transit country for Russian gas in whatever direction you wish. We have traditional pipeline routes [like] Pomary–Urengoy–Uzhgorod. We are ready to upgrade our southern capacity and access the same city of Burgas in Bulgaria, which South Stream has as its objective via an offshore pipeline under the Black Sea," Azarov said.

Azarov's visit was largely seen as preparation for the EU-Ukraine Summit on 22 November. During his time in Brussels, the prime minister repeated that his country's objective remained European integration but said Kiev would not apply for EU membership before planned reforms had created the right conditions. "The most important thing for us is to do ourselves the work necessary to bring Ukraine closer to European standards. We view this as a process. Step by step, we will get closer to the way of life of the EU and European standards," Azarov said. As a first step, he expressed hope that Ukraine would sign a free trade agreement with the EU during the first half of 2011.

Azarov added he saw no conflict between developing relations with the EU and with Russia. "We are calm and confident negotiators. And we have the same stance with Russia and with the EU," he said. Azarov rejected allegations that his country was returning to an authoritarian state model following recent constitutional reform. Responding to a question from EurActiv on press freedom, he said he was "not making a tragedy from the fact that from time to time tendentious articles appear". Such articles, he said, were "obviously commissioned" by the government's political opponents.

Iraq and Shell near gas deal

Upstream Online, *13.10.2010*

Iraq is in the final stages of agreeing on a draft of its $12 billion gas contract with Shell, the country's oil minister said today, allaying fears the project was mired in a legal dispute.

Speaking upon his arrival in Vienna for an OPEC meeting, Hussein Shahristani also said a planned bidding round for three major gas fields would go ahead as planned on 20 October after being delayed twice before. Asked about the reported delay of the Shell deal, Shahristani said: "We are in the final stages of agreeing on the draft before we take it on the cabinet again," adding "There has been no dispute" over the deal.

The Iraqi cabinet last month delayed the finalisation of the project with Shell and Japan's Mitsubishi to capture gas from Basra's oilfields because of legal issues related to the joint venture, the website of Iraq Business News reported at the time. The cabinet already had approved the planned investment in June, but it is now waiting to sign the final draft once it is resubmitted by the oil ministry. Shahristani said 13 companies had bought tender documents for the coming auction of the Akkas, Mansouriya and Siba gas fields. "But I don't know how many are going to bid," he added.

Companies previously linked with the tender include Eni and Edison, both of Italy, Japan's Mitsubishi, France's Total, South Korea's Kogas and Russia's TNK-BP. Iraq is intent on developing the fields to help boost its creaking levels of electricity supply, which still stand at only a few hours a day in some parts of the country. Aiming to exploit estimated reserves of around 11.23 trillion cubic feet of gas in the three fields, Baghdad has already twice delayed the bids to accommodate foreign bidders, and has sweetened terms of the eventual deal.

It has promised to end the extra 'signature bonus' payments of several hundred million dollars made by successful bidders in previous auctions, and will take or pay for all of the gas produced from these three fields. According to Iraq's oil ministry, Akkas field in Anbar province has around 5.6 trillion cubic feet of gas; Mansouriya in Diyala province has reserves of about 4.5 trillion cubic feet; and Siba, located in Basra province, contains around 1.13 trillion cubic feet.

Russia mulls tax breaks to boost LNG and shelf gas

CNBC, *11.09.2010*

Russia is considering giving tax breaks to operators of offshore and LNG gas projects in the Arctic. "We may think of tax breaks for gas, for offshore and LNG," Prime Minister Vladimir Putin told journalists after launching the third production phase at gas firm Novatek's Arcaptic Yurkharovskoye field.

"New projects are in the pipeline. First of all, we are talking about large-scale LNG production on Yamal," he added. Novatek is gearing up to develop South Tambey fields in the remote Yamal-Nenets region to supply its LNG project, which would produce 16 million tonnes of LNG per year.

Putin also said Russian production from the Gazprom-led Sakhalin-2 LNG project accounts for 5 percent of the global LNG market but that the market would double by 2015. "We need to take this trend into account," he said, adding that companies might raise output to 1 trillion cubic metres by 2030 from today's level of 650 billion cubic metres. In line with this strategic vision, Putin has ordered that the licence for the Kharasavei gas field, also on the remote Yamal peninsula, be transferred to Gazprom, said Igor Sechin, Russia's top energy official.

But Putin's vision of the country's growing production potential depends largely on a recovery in global demand and the extent to which shale gas and other unconventional gas developments make inroads in Russia's export markets. Gas sales to Europe, Russia's historical export market, are seen staying flat at best in the near-to-mid term, and more countries are demanding a higher degree of spot-pricing elements in their contracts. Meanwhile, energy-hungry China, which will receive 30 bcm of gas from its northern neighbour for 30 years beginning in 2015, may also start tapping domestic shale gas reserves, which analysts say could supply a quarter of its gas needs by 2030. Russian gas producers say their investment programmes will be hampered in the future by a proposed 61 percent increase in the mineral extraction tax for gas and the introduction of taxes on state-owned infrastructure, including pipelines.

Gazprom Chief Executive Alexei Miller said on Monday during the meeting on Russia's 2030 gas strategy that taken together the tax hikes would cost the firm $6.7 billion over the next three years. "I believe it would be a timely and correct decision to set the mineral extraction tax to zero for gas extraction in Yamal, and, by the looks of it, for deposits in East Siberia, the Far-East and on the shelf," Miller said. "We should also be considering lowering the export duty on gas produced from these regions." Miller said the government proposal to apply a property tax to state-owned infrastructure such as pipelines would cost Gazprom an extra 29 billion roubles in 2012 and 57 billion roubles in 2013. Russia's Finance Ministry, battling a 5.9 budget deficit and inflation of around 7-8 percent, drafted a bill in August that would require natural monopolies to pay a 1.1 percent property tax from 2012, raising it to 2.2 percent in 2013.

Chevron and Total to discuss Caspian shelf development with Turkmenistan

RIA Novosti, *09.10.2010*

Heads of the international energy corporations Chevron and Total and the Turkmen leadership will discuss participation in developing the country's Caspian shelf, the Turkmen Foreign Ministry said.

Turkmen President Kurbanguly Berdymukhamedov has "placed emphasis on boosting cooperation with foreign states and international companies" as they are strategic for the country's oil and gas sphere, the ministry said in a statement. In August, Berdymukhamedov ordered his nation's fuel and energy sector managers to speed up development of oil and gas fields on the Caspian Sea shelf.

Turkmenistan's Caspian Sea sector is divided into 32 blocks. Companies which have signed a production-sharing contract with the Turkmenistan government usually get a license for exploratory work at one of the blocks for six years. If the company discovers hydrocarbons, it receives a commercial production license for 25 years.

Sakhalin to increase oil and gas output

RIA Novosti, *12.10.2010*

Natural gas output in Russia's Sakhalin region will rise 160 percent to 62.93 bcm by 2020, while annual oil and condensate output will grow 60 percent to 24.8 million tons, the region's natural resources and environmental protection minister said.

"We'll continue developing Sakhalin-3 and Sakhalin-5 projects in 2015-2020 and expect oil and gas production to reach 24 million tons and 62 bcm respectively by 2010," Nikolai Ushakov said at a meeting of the Natural Resources Committee of the Federation Council upper house of parliament.

He said expected output of oil and gas condensate in 2010 totaled about 15.179 million tons, while expected gas output amounted to 24.522 bcm. He said the volumes would be reached thanks to the Sakhalin-1 and Sakhalin-2 projects.

Russia considering more tax on oil products-paper

Reuters (Toni Vorobyova), *12.10.2010*

Russia's Energy Ministry has proposed raising tax on oil products and reducing duties on crude oil, potentially earning an extra 8.55 trillion roubles ($286 billion) for the state over 10 years.

The ministry has suggested reducing the maximum level of oil export duties a key expense for producers to 55 percent from 65 percent, according to documents obtained by the paper. For new fields which Russia seeks to develop to keep production levels as older deposits are used up the current minerals extraction tax could be replaced with a 27 percent excess profit levy, Vedomosti said in its Tuesday edition.

It did not say by how much duties for oil products would be increased, but said the Energy Ministry's proposals due to be discussed at a meeting with the Finance Ministry officials would boost the budget coffers by 8.55 trillion roubles over 10 years if they are introduced from 2012. The Finance Ministry however may not agree to lower revenues in the short-term in exchange for more gains in the future as it is determined to eliminate Russia's budget deficit by 2015. Vedomosti also said that by shifting the tax burden more towards oil products and away from crude, the proposals also contradict the government's ambition to stimulate exports of goods with a higher added value.

Azerbaijan sees slightly lower oil output in 2011

Reuters (Lada Yevgrashina), *12.10.2010*

Azerbaijan plans to produce 51.6 million tonnes of oil in 2011, slightly less than 52.0 million tonnes expected in 2010, but expects a rise in production by 2014, Economy Minister Shahin Mustafayev said on Tuesday.

"Oil production in Azerbaijan in the next four years will be 223 million tonnes, 51.6 million tonnes out of which will be produced in 2011 and 62.4 million tonnes - in 2014," Mustafayev said. He added that the country planned to increase its gas production to 29 bcm from 28 bcm in 2010 and boost output to 32 bcm by 2014.

Lower oil production next year is linked to an expected reduction in output from a BP-led group at Chirag oilfield in the Caspian Sea, a government source told Reuters. New layers are expected to be developed at Chirag by 2014, increasing output, the source added.

OPEC revises higher its forecast for this year and next

The New York Times, *12.10.2010*

The oil cartel OPEC revised its forecast for growth in oil demand slightly higher for this year and next, noting Tuesday that China's 'overheated' economy remained a crucial driver for energy use in a world still struggling to emerge from its worst recession in decades.

The OPEC which supplies about 35 percent of the world's oil said the world economy continued to expand at below-average levels. It said a depletion of recession-busting government stimulus and sovereign debt worries in Europe still stoked uncertainty about oil demand and the pace of the global economic recovery.

"Despite some turbulence and setbacks, the global economic recovery continues to provide support for oil consumption," OPEC said in its October oil market report. But it stressed that oil demand growth next year would be "highly sensitive to China's energy policies," even as American demand remained the "wild card." "Should China emphasize its energy consumption policy," the report said, "then this move will negatively affect world energy usage."

OPEC projected oil demand would hit 85.59 million barrels in 2010 and 86.64 million barrels a day in 2011. In both years, those figures represented an 80,000-barrel-a-day upward revision in demand. The increase for this year was built on stronger-than-expected stimulus-led growth in the first half of 2010, OPEC said.

The inching up of demand amid lingering uncertainty about the global recovery will probably factor prominently in the 12-nation producer bloc's meeting this week in Vienna. Several oil ministers have indicated that they are comfortable with crude's current price level, and it appeared unlikely that the group would change its output quotas. OPEC has left its production quotas unchanged since December 2008, afraid of jarring prices and derailing the recovery.

OPEC also said that non-OPEC supply was projected to rise this year by 1.01 million barrels a day, its highest growth level since 2002. It revised up its non-OPEC supply by 170,000 barrels a day compared to its September forecast, with the uptick based on revisions in supply in the United States and elsewhere. For 2011, non-OPEC supply was projected to reach 52.59 million barrels a day, an upward revision of 170,000 barrels a day.

Kazakhstan seeks $100B in oil and gas investments

Rigzone (Dow Jones), *13.10.2010*

Kazakhstan is seeking up to $100 billion in investment in its oil and gas exploration and production sector over the next decade as the nation seeks to more than double crude exports and sustain rapid economic growth, Prime Minister Karim Massimov said on Wednesday.

"We are currently exporting 1.31 million barrels (of crude oil) a day and we aim to take it to 3 million barrels a day," by 2020, Massimov told Dow Jones Newswires in an interview in Singapore. "KazMunaiGas [the national oil company of Kazakhstan] cannot do it alone. We are looking for partners for KMG's projects," he said.

Kazakhstan will sign a deal for a $400 million fund for investments in the Central Asian country with Hong Kong-based investors, including Cheung Kong, controlled by billionaire Li Ka-shing. The Kazakh government will contribute $100 million to the fund while the rest will come from Hong Kong families, Massimov, 45, said. The oil-rich country is also planning to list some of its mining and resources companies in Hong Kong, said Massimov, who is on a three-day visit to Singapore and Hong Kong.

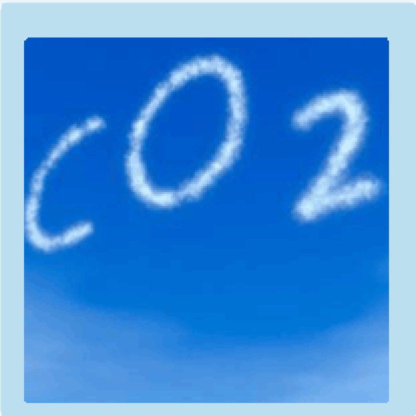
Kazakhstan is the world's top uranium producer, with 2009 output of 14,000 tons. "We are looking at initial public offers of some of our mining and resources companies in Hong Kong. For Singapore (IPOs), we will start the negotiations," the prime minister said, without naming any companies or giving details about the amount of funds they sought to raise.

Some of the world's biggest energy companies have already invested heavily in Kazakhstan. Approval was expected soon on a proposed partnership between India's Oil & Natural Gas Corp. and KazMunaiGas at the Satpayev exploration block, Massimov said.

Chevron heads up the Tengizchevroil consortium developing the Tengiz field, which produced nearly 500,000 barrels a day in 2009, while Eni and BG lead a consortium developing the Karachaganak project, producing 11 million tons of oil equivalents annually. The North Caspian Operating Company a consortium which includes Eni, Total and Exxon Mobil among others--is developing the Kashagan oil field, where output is due to start in 2012.

Debate on CO2 target exposes rift among EU businesses

EurActiv, *15.10.2010*



Environment ministers postponed a decision on whether the EU should raise its 2020 emissions reduction target, in a debate that brought to the surface a division between businesses.

Meeting in Luxembourg, the 27 EU environment ministers requested the European Commission to present further analyses of the consequences for individual member states of moving beyond the EU's existing 20% CO2 reduction goal for 2020. The Commission's 2050 roadmap for a low-carbon economy, scheduled for publication next year, "should also inform this analysis of policy options up to 2020," they said.

The debate surrounding upgrading the European Union's target has divided EU member states, as some say that 20% simply represents business as usual as emissions have already fallen by 17% in the downturn. Meanwhile, others say higher goals are a liability in terms of competitiveness unless other major economies adopt similar targets. Maybe more surprising is that the same contrast is now evident among businesses as well.

Ahead of the meeting, BusinessEurope, which represents EU employers, sent a letter to the Belgian EU Presidency arguing that increasing the EU's emissions reduction target would be "premature and even counterproductive". But at the same time, 29 major companies issued a joint declaration urging the EU to up its target on emissions cuts to 30% from 1990 levels by 2020, sparking comments that BusinessEurope should not speak for the whole business community when it comes to environmental matters.

The declaration, led by the Climate Group, the Cambridge Programme for Sustainability Leadership and WWF Climate Savers Programme, was sent to all EU institutions to call for more ambitious climate targets. The businesses, including BNP Paribas, GE Energy, Marks and Spencer, Nike and Vodafone argued that a higher emissions reduction target would not only bring the benefits of lower emissions but also "spur innovation and investment thus creating millions of new jobs in a low carbon economy".

"BusinessEurope no longer reflects the voice that these companies want to convey on climate change," said Sandrine Dixson-Decleve, director of the Prince of Wales's EU Corporate Leaders Group on Climate Change and director of the Brussels Office of the University of Cambridge Programme for Sustainability Leadership.

She argued that while some of the companies are members of the association, they do it for representation on other key issues such as trade, competition and innovation. “BusinessEurope claims to represent European companies, but is in fact the lobbying front group for a handful of oil and chemical industries holding back European competitiveness,” claimed Greenpeace EU climate policy director Joris den Blanken. He added that smart companies want to break free of business as usual and put the EU on top of the global green technology race.

“BusinessEurope fully supports the objectives of the EU’s climate and energy package,” a representative of the association said in an email to EurActiv. “An important element of this package is to work towards the conclusion of a comprehensive international climate change agreement. Climate change can only be tackled globally,” he said, justifying the association’s stance.

The business association, however, refuted attempts to impose border adjustment measures as a way to safeguard Europe’s carbon-intensive industries from competition from countries with less stringent climate legislation. It argued that given the EU’s dependency on open markets, such unilateral measures would not resolve competitiveness concerns. “Only if import restrictions were taken by main trading partners (e.g. the USA) would the EU have to consider appropriate reactions,” the business lobby said in a statement.

The European Commission and several member states have raised concerns that carbon border taxes would jeopardise the EU’s chances of getting other countries to agree on a new climate treaty and potentially expose the Union to a dispute in the World Trade Organisation (WTO).

French President Nicolas Sarkozy has been the driving force behind the campaign for requiring importers of goods manufactured outside Europe to buy pollution permits from the EU’s emissions trading scheme (EU ETS). He has the support of European steel industry association Eurofer. But with the major European business lobby distancing itself from such measures, the proponents of border tariffs will have a more difficult time arguing that they will serve European industries.

Announcements & Reports

► *Tables Forming Basis to 2011 Tariffs*

Source : Energy Market Regulatory Authority
Weblink : http://www.epdk.org.tr/tarife/dogalgaz/2011/index.html

► *OPEC Oil Market Report (Oct 2010)*

Source : Organization of the Petroleum Exporting Countries
Weblink : http://www.opec.org/opec_web/static_files_project/media/downloads/publications/MOMR_October_2010.pdf

► *OPEC Bulletin (Oct 2010)*

Source : Organization of the Petroleum Exporting Countries
Weblink : http://www.opec.org/opec_web/static_files_project/media/downloads/publications/OB102010.pdf

Upcoming Events

► *New Era in Oil, Gas & Power Value Creation*

Date : 18 – 29 October 2010
Place : Houston – USA
Website : http://www.beg.utexas.edu/energyecon/new-era/

► *Iraq's Oil & Gas Contracts* ***(in Turkey)***

Date : 19 – 21 October 2010
Place : Istanbul – Turkey
Website : www.cwcschool.com

► *Gas Russia 2010*

Date : 20 – 22 October 2010
Place : Krasnodar – Russia
Website : http://www.gasrussia-expo.ru/

► CIS Oil & Gas Transportation *(in Turkey)*

Date : 26 – 28 October 2010
Place : Istanbul – Turkey
Website : www.theenergyexchange.co.uk/cistrans

► PETROTECH 2010

9th International Oil and Gas Conference & Exhibition

Date : 31 October – 3 November 2010
Place : New Delhi – India
Website : http://www.petrotech.in/

► Offshore Production Facilities & Operations *(in Turkey)*

Date : 1 – 3 November 2010
Place : Istanbul – Turkey
Website : http://www.magenta-global.com.sg/

► Mangystau Oil & Gas 2010

5th Mangystau Regional Oil, Gas and Infrastructure Exhibition

Date : 2 – 4 November 2010
Place : Aktau – Kazakhstan
Website : http://www.mangystauoilgas.com/2010

► 6th Emerging Europe Energy Summit *(in Turkey)*

Date : 4 – 5 November 2010
Place : Istanbul – Turkey
Website : http://www.conventure.ro/

► OGT 2010

15th Turkmenistan International Oil & Gas Conference

Date : 17 – 19 November 2010
Place : Ashgabat – Turkmenistan
Website : http://www.summittradeevents.com/ourevents.php

► Basra Oil & Gas
International Oil & Gas Conference – Exhibition

Date : 25 – 28 November 2010
Place : Basra – Iraq
Website : www.basraoilgas.com

► CEVI Energy School *(in Turkey)*

Date : 7 – 11 February 2011
Place : Istanbul – Turkey
Website : - - - - -

► TUROGE 2011 *(in Turkey)*
10th Turkish International Oil & Gas Conference & Showcase

Date : 16 – 17 March 2011
Place : Ankara – Turkey
Website : http://www.turoge.com/

► International Oil & Gas Law *(in Turkey)*

Date : 21 – 25 March 2011
Place : Istanbul – Turkey
Website : www.rmmlf.org

► GIOGIE 2011
10th Georgian International Oil, Gas, Energy and Infrastructure Conference

Date : 29 – 30 March 2011
Place : Tblisi – Georgia
Website : http://www.giogie.com/2011/

► Atyrau Oil & Gas 2011
10th North Caspian Regional Atyrau Oil, Gas and Infrastructure Exhibition

Date : 5 – 7 April 2011
Place : Atyrau – Kazakhstan
Website : http://www.atyrauoilgas.com/2011/

► TGC 2011
2nd Turkmenistan Gas Congress

Date : 13 – 14 April 2011
Place : Avaza – Turkmenistan
Website : http://www.summittradeevents.com/ourevents.php

► Oil & Gas Siberia 2011
7th International Specialized Exhibition of Equipment & Technologies for Extraction, Processing and Transportation of Energy Resources

Date : 27 – 29 April 2011
Place : Novosibirsk – Russia
Website : http://petroleum.sibfair.ru/eng/

► OGU 2011
15th Uzbekistan International Oil & Gas Exhibition & Conference

Date : 17 – 19 May 2011
Place : Tashkent – Uzbekistan
Website : http://www.oguzbekistan.com/2011/

► SEA 5 2011
Algerian Energy Week

Date : 21 – 25 May 2011
Place : Oran – Algeria
Website : http://www.sea5-algeria.com/

► Caspian Oil & Gas 2011
18th Caspian International Oil & Gas Exhibition & Conference Incorporating Refining & Petrochemicals

Date : 7 – 10 June 2011
Place : Baku – Azerbaijan
Website : http://www.caspianoil-gas.com/2011/

► MIOGE 2011
11th Moscow International Oil & Gas Exhibition

Date : 21 – 24 June 2011
Place : Moscow – Russia
Website : http://www.mioge.com/2011/