



Natural Gas Supply in Europe

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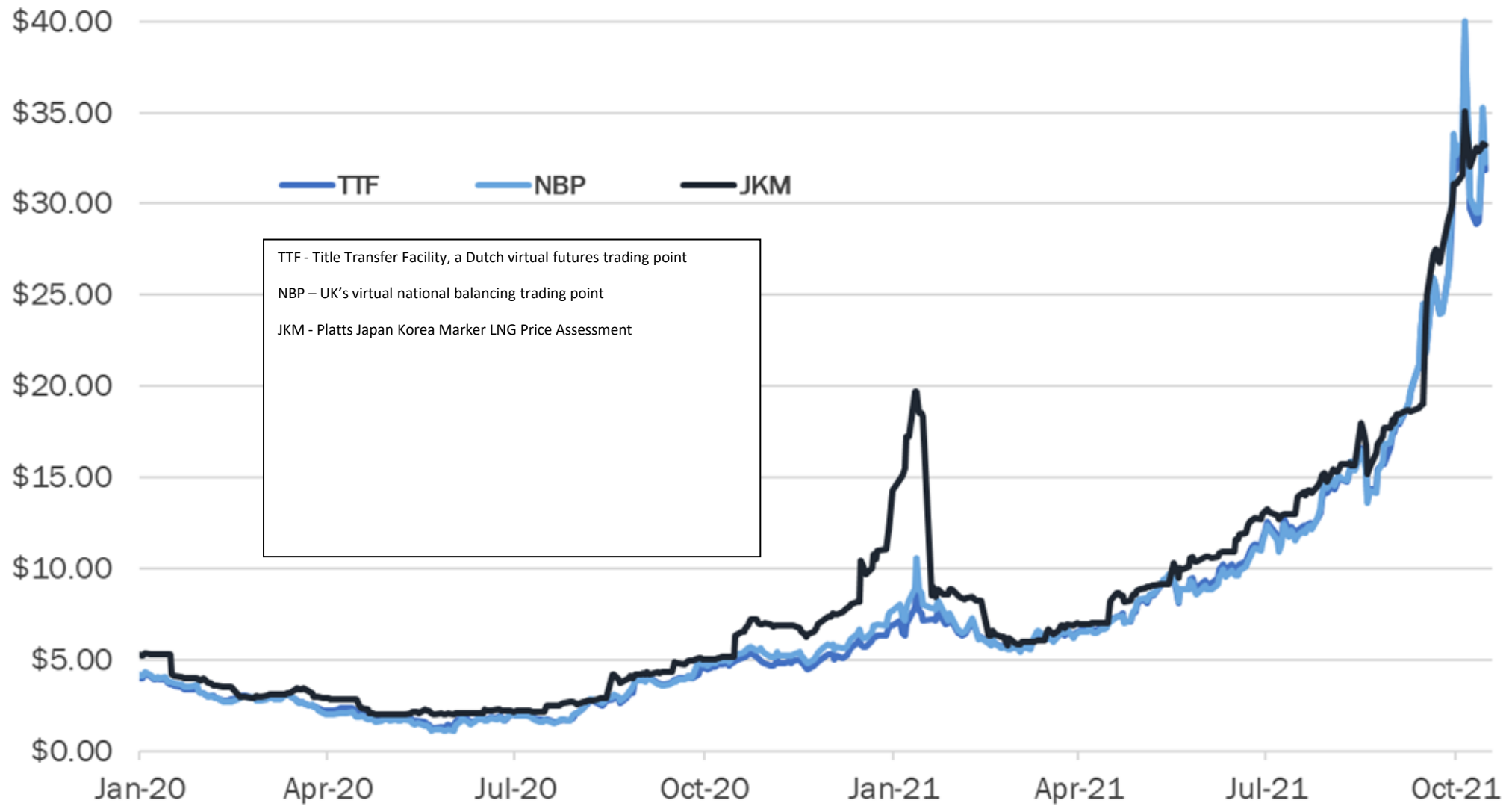


Figure 1: International Natural Gas Benchmarks, in \$/MMBtu. TTF - Title Transfer Facility, a Dutch virtual futures trading point; NBP – UK's virtual national balancing trading point; JKM - Platts Japan Korea Marker LNG Price Assessment. Source: <https://www.europeangashub.com/european-gas-prices-no-relief-in-november.html>



European supply update

- EU domestic production down, Groningen to shut in 2022
- Russia – uncertainly over North Stream 2, Ukraine-Poland-Belarus frictions
- North Africa – Algeria-Morocco tensions - 1 November Algeria stopped Maghreb pipeline
- Norway – gas to EU and UK, switch away from coal
- East Med – new supply from Israel, Cyprus, Egypt, relations with Turkey
- LNG supply down

Global LNG trends 2019-2021

- China - LNG imports up 17 bcm (30 %) due to a cold winter, restocking, economic recovery, switch away from coal. The Power of Siberia pipeline yet to kick in.
- Japan, South Korea, Taiwan – LNG imports up 9 bcm (7%)
- Latin America – LNG imports up 6 bcm (56 %) driven by drought in Brazil
- Europe/Turkey - LNG imports fell by 9 bcm, could fall as low as 15 bcm
- US export capacity doubled from 55 bcm to 97 bcm
- Egyptian capacity also doubled

UN focuses not the prices, but on their impact on development

- High prices have lowered the likelihood of achieving the UN 2030 development agenda
- Poverty, hunger, health, air quality, gender, economic development
- Climate action affected; gas prices not discussed at COP26
- New sport in EU: sliding down the Maslow's pyramid of need
- Affordability, availability, accessibility

Webinar: Gas prices and the UN development agenda

- Organized by the UNECE Group of Experts on Gas
- 13 December 2021, 14:30-16:30 CET
- Webex link: <https://unece.webex.com/unece/onstage/g.php?MTID=ee7ced7cccb1b5e15ac90543ae4e204e1>.
- Explores the recent swings in gas prices and their impact on the UN development agenda – climate action, energy transitions, social cohesion
- Will discuss three key questions:
 1. Gas and energy prices: where we are at?
 2. Can volatile energy prices kill the UN development agenda?
 3. Prolonged COVID + high gas prices = deep crisis?

Thank you!

Hvala!