Gas Exporters: Volumes and Partnerships

Presentation by John Roberts
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Round Table, Brussels Energy Club

EU Gas Import Mid-term Outlook: The Role and Strategies of the Gas Exporting Countries

Brussels, 7 July 2025

A Set of Prospective Suppliers

- East Med
- Northern Iraq
- Black Sea
- Azerbaijan
- Turkmenistan

East Med: Key Issues

- Egypt as market – or as dead end? It recently signed contracts to import $8bn worth of LNG.
- Israel's export halt. Previously Israel accounted for 15-20% of Egyptian consumption.
- The limitations of Cypriot discoveries. The failure of Elektra.
- The complexities of further LNG development
- The question of an East Med gasline
- The big question: Might Crete deliver?

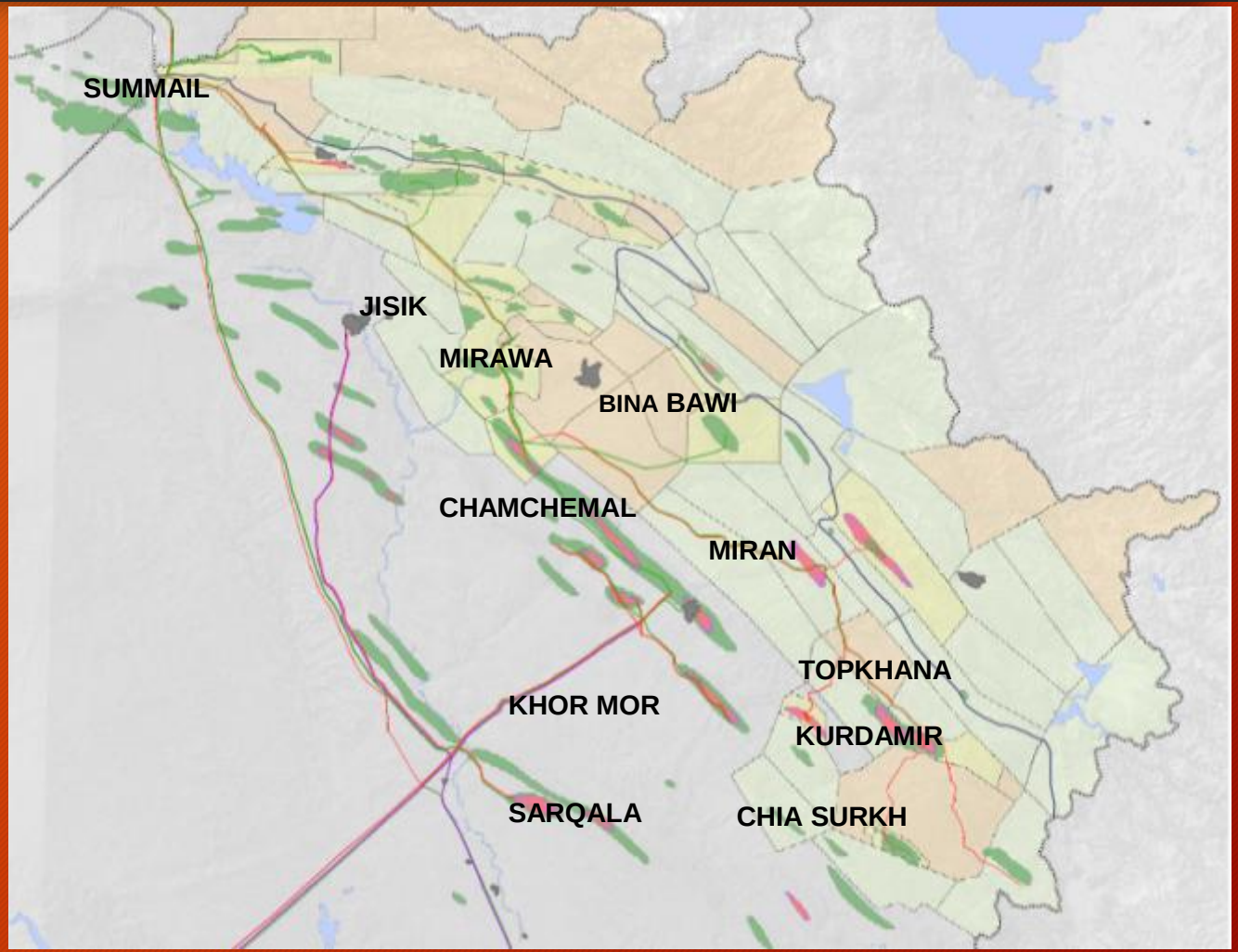
Kurdistan Region Gas Discoveries

Fields

- Oil Field/Discovery
- Gas/Condensate Field/Discovery

Pipelines

- Oil, Active
- Oil, Proposed
- Gas, Active
- Gas, Construction
- Gas, Proposed
- Product, Active



Black Sea Potential

- Turkiye: Sakarya. Has just reached Phase One production level of 9.5 mcm/d, equivalent to 3.5 bcma. So progress certainly being made but goal of producing some 10 bcm per year by 2026-2027 looks unlikely to be met. Turkish consumption is still rising.
- Romania: Neptun Deep: Operated by OMV Petrom and Romgaz. First exploration well drilled in 2023 and production expected to start around 2027. Initial production of around 4 bcma and eventually around 8 bcma.
- Bulgaria. Han Asparuh. Operator is OMV Petrom (via its local subsidiary OMV Bulgaria). Decision to drill a second well, taken before drilling on the first well has begun, let alone produced any results for evaluation, is raising hopes that OMV and its Israeli partner, New Med Energy, may have another Neptun Deep on their hands. Results from first well expected in 1Q 2026.

Gas: Expanding the Southern Gas Corridor; Capacity and Putative Azerbaijani Supply Sources

SPARE CAPACITY:

SCP & SCP-X	**(Azerbaijan to Turkey)**	**4-5 bcma**
TANAP	**(Across Turkey)**	**Nil**
TAP	**(Turkey-Greece border to Italy)**	**Nil**
BOTAŞ system	**(Across Turkey)**	**Some**

PROSPECTIVE CAPACITY EXPANSION to 2027

SCP & SCP-X	**16**
TANAP	**16/10**
SGC	**10-12**

Theoretical expansion totals: c.20 bcma to Turkey; 10-12 bcma to SE Europe/Italy.

PUTATIVE AZERBAIJANI SUPPLY SOURCES

- **Renewable substitution**
- **Umid/Babek**
- **Absheron,**
- **Deep level ACG,**
- **Further development of Shah**
- **Deniz.**

Azerbaijan’s twin-track energy export policy

- Expand gas exports in line with the Memorandum of understanding concluded with the European Union in July 2022.
- Develop renewables, both for domestic use and for export via a Black Sea submarine cable.

Azerbaijan: Renewables power projects

1. Operational

- Karabagh & Zanzegur hydro 270 MW
- Garadagh solar plant 230 MW

4. Longer term – notably Caspian offshore wind

Masdar's potential 10 GW Projects: A June 2022 agreement envisages an initial 4GW phase comprising 1 GW of wind, 1 GW of solar, and 2 GW from an integrated offshore wind and hydrogen project. There are rights to develop a subsequent 6 GW of projects, with the scale indicating this would predominantly be from offshore wind.

ACWA's 2.5 GW wind projects: In February 2023, ACWA signed implementation agreements for 1 GW onshore wind, 1.5 GW offshore wind, and a battery energy storage project.

Fortescue's December 2022 12 GW framework agreement. This covers "up to 12GW of potential projects from renewable energy sources and green hydrogen production."

2. Under way

- 6 small hydroelectric plants in Karabagh and Zanzegur. 37.5 MW
- Absheron and Khizi wind farm, ACWA, 240MW

•MASDAR's three projects 1,000 MW

- Bilasuvar Solar PV Project; 445MW
- Neftchala Solar PV Project; 315MW
- Absheron-Garadagh Onshore Wind Project 240MW

3. In the pipeline

•The Shafaq (aka Sunrise) project in Jabrayil, BP. 240MW.

- Nakhichevan, Masdar and ACWA, 500 MW A set of projects. Masdar and ACWA. 500 MW.

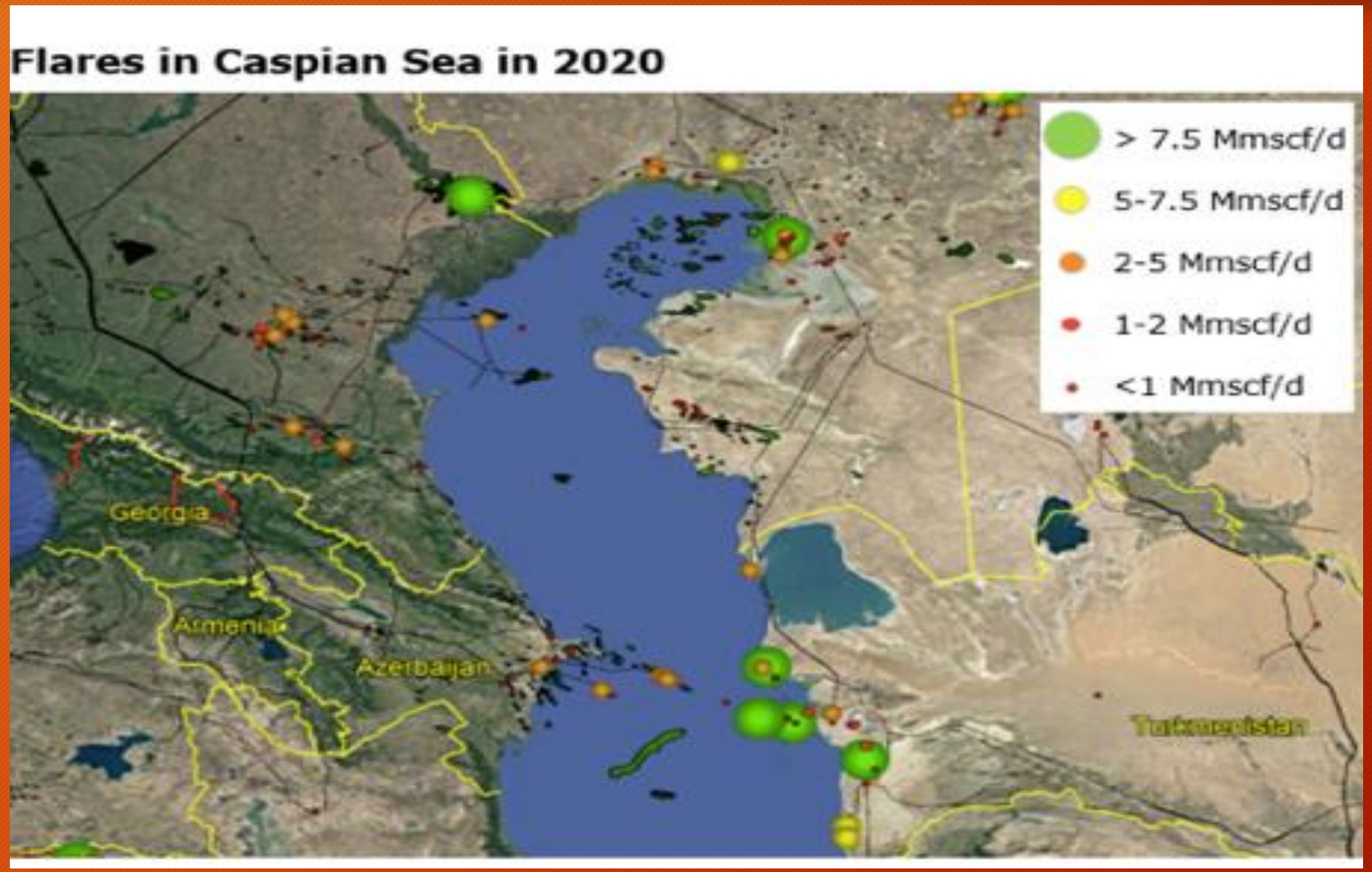
Source: Bowden & Roberts. Azerbaijan's Energy Transition in Light of Cop 29. Oxford Centre for Energy Studies, October 2024.

European Gas Demand: Issues for Azerbaijan

- **Commercial:**
- **The Future of the July 2022 MoU.**
- **There are major concerns over IFI inability or reluctance to finance fossil fuel development.**
- **Are European purchasers prepared to conclude contracts that have a sufficient life-span to enable developers to justify the necessary investments?**
- **Question: What is the difference between short-term and long-term? There is a short-term requirement for gas – as gas. But is there a longer-term requirement for gas as backup to renewables?**

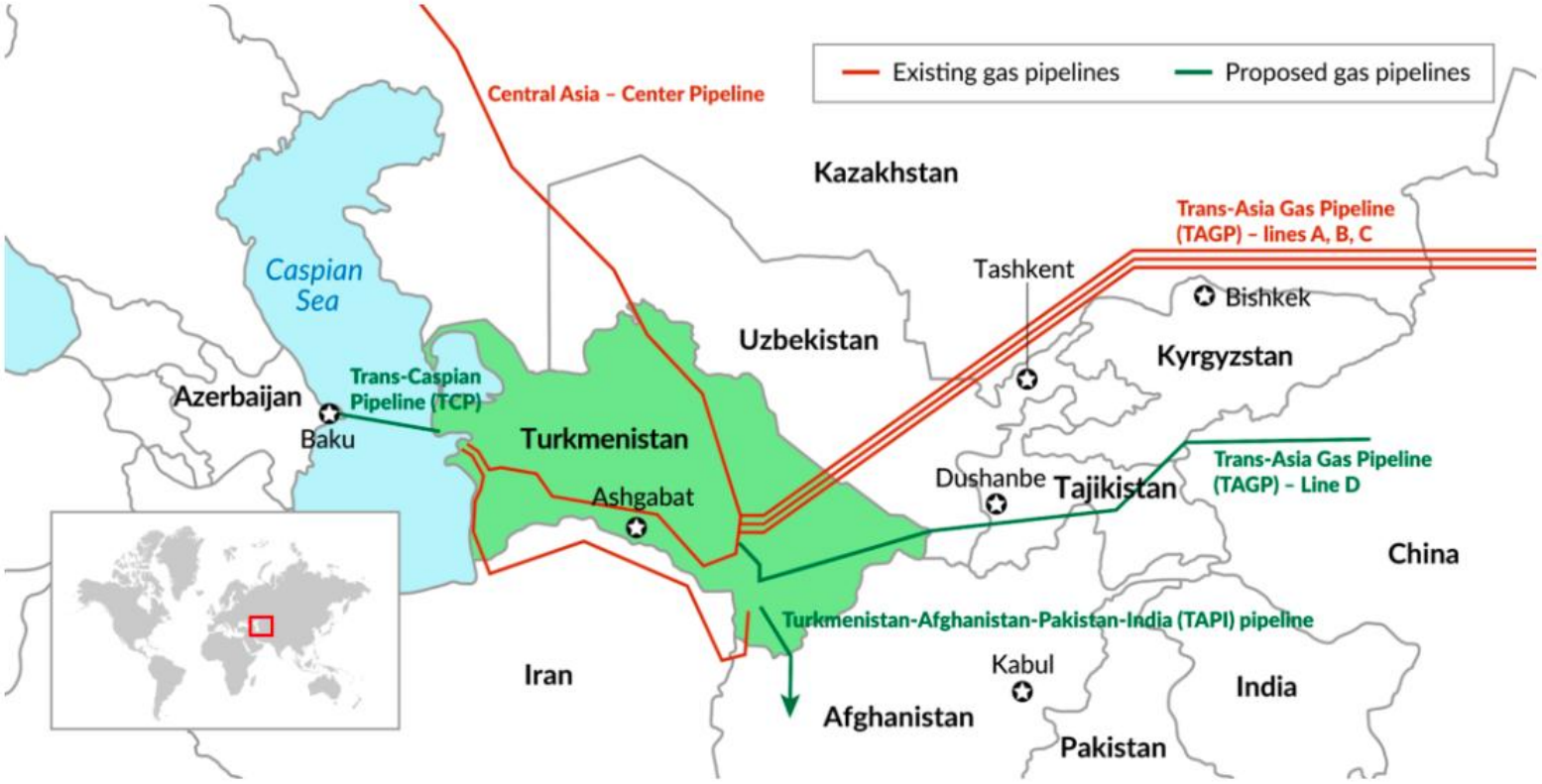
Gas Flaring in the Caspian Sea in 2020: Satellite Data

Source: Natural Gas News 21 May 2021.
Satellite data provided by GGFR/World Bank and Capterio's Global Flaring Intelligence Tool.



What prospects for small companies to engage in production remediation and reduced flaring and venting at existing fields ?????

Turkmenistan's Gas Network



Turkmenistan looms large in Chinese and Russian strategic calculations because of its natural gas deposits and central location on pipeline routes. © macpixxel for GIS

Source:
Stefan Hedlund, Turkmenistan comes into focus. Uppsala University, Sweden. 25 March 2019. https://www.gisreportsonline.com/r/turkmenistan-international-politics/

Turkmenistan: The Caspian Connector

- 10 to 12 bcma
- leverage existing infrastructure
- reduce flaring
- proof of concept

Questions?

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