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News Flash

**IEA Releases 10 Point Plan to Reduce
the EU's Reliance on Russian Gas**



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Europe's reliance on imported natural gas from Russia has been highlighted over the last few weeks, especially following Russia's invasion of Ukraine on February 24. Following a three part meeting yesterday between the Executive Director of the International Energy Agency (IEA), the European Commissioner for Energy and the French Minister for Ecological Transition (as France holds the current chair of the rotating EU Presidency), the IEA released a 10 Point Plan ([here](#)) calling for an end to new gas supply contracts with Gazprom.

The IEA urged the EU to sign no new supply contracts with Gazprom as it set out a 10-point plan to reduce the region's imports of Russian gas by a third within a year.

Gas import contracts covering more than 15 billion cubic metres (bcm) of annual gas, roughly 12 per cent of Russian supplies into Europe, are due to expire this year and should not be renewed, Fatih Birol, IEA executive director said at a press conference with EU officials on Thursday (3/3). Russia, which provides as much as 40 per cent of Europe's gas, was using its resources "as an economic and political weapon" Birol said, making it more important than ever to reduce the EU's dependence on Russian supplies and hasten the region's transition to greener fuels.

The IEA's proposals, which include increasing gas flows from other countries, expanding renewables, introducing minimum gas storage obligations for EU members, and improving energy efficiency, come against the backdrop of the deepening war in Ukraine and soaring energy costs.

Wholesale European gas prices jumped another 13 per cent on Thursday (3/3) to a record €199 a megawatt hour, as analysts said companies with short-term Gazprom contracts were seeking to exit those deals and find alternative sources of supply.

According to IEA analysis, the EU could increase gas imports from other sources, including piped gas from Norway and Azerbaijan and liquefied natural gas from countries such as Qatar, by 30 bcm over the next year. Accelerating new wind and solar projects and maximising the use of bioenergy and nuclear could cut gas use by 19 bcm, it said.

Birol presented the plan alongside Kadri Simson, the European commissioner for energy, and Barbara Pompili, French minister for ecological transition in France, which holds the rotating presidency of the EU. "Ending our dependency on Russian fossil fuels, and on fossil fuels in general, is essential," Pompili said. The IEA's proposed measures were aligned with the EU's climate target of reaching net zero greenhouse gases by 2050, Birol said. "We are not making a compromise here." He further added that the question of whether to delay the planned retirement of European nuclear plants was a "delicate issue . . . which may merit debate.

Additional measures could lessen Europe's reliance on Russian gas more quickly, but would involve "significant trade-offs," the IEA said. The bloc could increase coal- and oil-fired power generation, for example, but that would not be aligned with its climate commitments.

Speaking alongside Birol, Simson said the bloc must move to renewables “as fast as technically possible”. The EU has also held recent talks with oil-producing countries in a bid to ensure additional emergency supplies of crude are available in case of disruption to Russian deliveries. Russia supplies about a quarter of the EU’s oil needs. Under EU rules, member states are obliged to keep emergency stocks of oil, equivalent to at least 90 days of imports.

Kadri said yesterday if there was any disruption to oil deliveries, Europe would be “prepared”. Addressing the European parliament, he said: “Across Europe a robust structure of oil reserves is in place.”

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