

Opening Remarks by Costis Stambolis at the 13th SEE Energy Dialogue

Thessaloniki, 16, June 2022

Dear Colleagues, Dear Partners and Members of IENE, ^[1]_[SEP] Ladies and gentlemen

It gives me enormous pleasure to welcome you to this year's Energy Dialogue which once again is taking place in Thessaloniki, a town known for its deep historic routes and its unique location in the Thermaic gulf.

May I remind you that the last time that the SEEED was organised was in June 2018 in the equally beautiful city of Belgrade. Then in June 2019 we had a most informative Energy Transition event in Vienna, and then the two unfortunate years of the pandemic followed.

In between 2019 and now we had some major developments at IENE as we managed to expand the partnership base of the Institute by including all 13 countries of the so called core area of the region. With at least one partner in each country the Institute is now in a much better position to address the challenges which lie ahead and tackle all the different energy issues faced in the region. So, IENE now has partners in 13 countries including Bulgaria, Romania, Serbia, Croatia, Bosnia & Herzegovina, Montenegro, North Macedonia, Kosovo, Albania, Turkey, Israel, Cyprus and Greece. Branching out to Austria, Slovenia, Hungary and Egypt is in our immediate plans.

Today, we are back with the 13th edition of this major regional energy event which right from the start it was conceived as a unique gathering spanning the

entire energy spectrum. A gathering of interested energy professionals and company executives willing to commit their efforts in strengthening cooperation between all different countries in the region, improve understanding and foster closer energy links by overcoming year old problems, historic differences and social antipathies. Have we succeeded in this ambitious goal?

Yes and no. In a practical sense and as far as energy matters are concerned we have indeed managed to bring round the same table almost all countries in the region. In a political sense maybe we have not managed as much. And this is understandable because the SEED is not a political forum. Also, because politicians, although they could, they choose not to get involved with forums like ours. But when they do they get astonished on how effective the regional network we have established over the years can be. So let us hope that for the good and the prosperity of the region politicians can take advantage of the excellent working relations that have been established over the years through our Institute and this Forum in particular.

We are gathered here today, many colleagues, associates and friends, some of us going back many years, as we are brought together by a common vision and aspiration. We believe that through our cooperation and mutual understanding we can overcome political and cultural differences and work for the benefit of the people in our different countries. For energy in its various facets has proved to be, and we can attest to that through our relevant experiences, an important facilitator and cohesive force in regional collaboration. Indeed today we have many important projects of truly regional importance - which were not here 15 years ago when we first started this series of meetings- which proves the ability for countries and governments, when there is a need, to overcome differences

and work together. Just mentioning few of these projects makes an impressive list:

- Greek Turkish gas Interconnector (completed in 2009)
- TANAP-TAP system
- Interconnector Greece-Bulgaria
- Several cross border electricity interconnections and some of them subsea
- A number of new LNG plants, mostly FSRU's which helped improve gas supply conditions
- New underground gas storage facilities
- A major new nuclear power plant, in Akuyu in Turkey
- Huge rise in RES plant capacity, mostly wind and photovoltaics.
- Large scale introduction of energy efficiency, especially in buildings
- New electricity and gas market structure (European target model, gas hubs)

In the course of the last 15 years a lot has changed in terms of energy market structure and operation. Market liberalisation which was once an illusive dream is now considered normal with electricity and gas market competition well established at retail level in most countries. And although admirable progress has been achieved in year long problems related to market operation ow as a result of the brewing crisis over the last 12 months priorities have changed once more.

Following speedy recovery from the coronavirus pandemic and global energy demand recovery, energy markets, long before war in Ukraine, had started to upend. This had become particularly obvious in the case of Europe since the

summer last year. Today global energy markets are on the edge, with mounting supply problems in oil, gas and electricity. Prices appear to be spiralling out of control. Europe, energy wise, is in a truly perilous situation far worse than other parts of the world. Energy security has returned as number one priority in energy policy as governments are obviously concerned with the very real possibility that uninterrupted energy flows can no longer be taken for granted. The question naturally arises if we can afford to guarantee continuous energy provision while at the same time pursuing unsustainable and expensive green policies. These are no doubt hard choices and present major challenges which will be hotly debated in the sessions which will follow.

Summing up, let me reiterate that there is not the slightest doubt in my mind, and I believe this thought is shared by many of my colleagues and partners at IENE, that there is still an important role that energy could play in fostering cooperation and friendship among the different countries in the region no matter what and which type and form their differences may take.

Energy, in all its forms, could indeed emerge in the years ahead as a key area of cooperation incorporating common planning and strategic actions. The social and financial benefits to all, from such an approach, could be enormous but most important of all could be the ensuing peace dividend that such cooperation could bring.

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