

Opening Statement

by Mr. Michalis Verriopoulos, Secretary General for Energy and Mineral Resources,

Ministry of Environment and Energy

Dear Executive Director of IENE

Distinguished guests

Ladies and Gentlemen

I would like to address a very warm welcome in this colloquium to all of you.

On behalf of the Ministry I would like to ensure all of you that gas is a critical regional issue for Greece. The previous years, we have created step by step all the appropriate conditions for the development of the cooperation and the synergies in Southeastern Europe.

Our vision is South Eastern Europe to be transformed soon to an integrated regional gas market that meets its needs. At the same time, we are promoting the Europe's main objective, which is the diversification of supply sources and its energy security.

The gas along with the Renewables are critical elements of a well-balanced energy mix in Greece. An energy mix fully compliant with the European energy policy and its commitment to achieve the Paris Agreement objectives.

In this context we are deploying a strategy based in four pillars.

First pillar the completion of liberalization of the wholesale and retail markets.

We are encouraging RAE and DESFA to make the appropriate changes in the regulatory framework on the way of full transposition of the European network codes. In parallel the Ministry continues to streamline the legal framework facilitating the implementation of these codes in Greece. Currently we are working on a new cluster of legal amendments of the fundamental energy law, so that a new balancing regime to come in reality establishing for the first time a volatile short-term market.

In the retail market we have fully changed the landscape, speeding up the liberalization process. It is about a revolution given that the new law led to the monopolies' abolishment, the unbundling of distribution from the supply and the establishment of a full eligibility status for all type of consumers. Currently a new Ministerial Decree on gas licensees is being elaborated by the Administration while a new Supply code is our next step. The intensive business interest on the retail market is definitely a sign that we are on the right track.

Second pillar the emergence of the country as a transit hub within the South and South East Corridor.

The third LNG tank in Revithoussa and TAP gas pipeline are already projects under construction. We remain ambitious that projects as the Alexandroupolis FSRU, the underground storage facility in South Kavala and last but not least the project of IGB could pave the way in the near future. East Med is also of high priority. To this direction, we are methodically preparing an Intergovernmental Agreement that could constitute a decisive step to the business maturing of this pipeline.

But infrastructure is not sufficient. Market integration means among others common and transparent rules. Greece welcomes the signing of the Interconnection agreement at the Greek Bulgarian Interconnection Point considering that is about a unique and excellent model of cooperation among the Commission, the regulatory authorities and the TSOs.

Third pillar the existing and future LNG entry points to be a new gate of the Balkan's region gas supply.

A new vertical corridor lies in the center of our efforts in the context of the CESEC initiative. We have already taken specific actions. Recently, in July 2017, a Memorandum of Understanding in support of the Vertical Corridor has been signed between Greek, Bulgarian, Romanian and Hungarian transmission system operators together with ICGB. Furthermore, the enabling of the physical reverse flow at the Interconnection Point Kulata- Sidirokastro in June 2017 is of outstanding importance. The benefits for security of supply coupled with the enhancement of the competition terms that impacts positively in gas prices are many of the main profits that are anticipated.

Fourth pillar, benefits for the final consumer.

Gas in affordable prices is prerequisite for a competitive economy. It was an overarching priority for our Ministry to take the appropriate legal initiatives that led to the rationalization of the transmission tariffs. We are very happy that RAE has recently concluded the revision of the national tariff regulation on this direction.

Coming back to the today event I am convinced that the colloquium will give the floor to the executives and market specialists to identify the prospects of an expanded South Corridor

Ending my intervention, I would like to wish success in our common effort, to diversify supply sources and routes and thus achieve Greece security of Supply and energy in sustainable and affordable prices for the benefit of consumers and Greece' economy growth.