



## A time of global changes

### Editorial

This latest issue of IENE News should have been produced much earlier as its contents refer to activities going as far back as January 2020. This did not happen as the publication had to be postponed because of complications which arose as a result of the COVID pandemic. This meant that office staff and external associates schedules were completely shuttered with new priorities emerging and completely unexpected tasks undertaken and therefore the reporting and retrospective angle, through which this newsletter views things, could wait. But this turned out to be a totally misguided approach since, in spite of all the shortcomings which came along with the pandemic, the Institute did not cease for one day to work, generate ideas, engage in new projects and generally produce worthwhile work in all different areas. These activities are recounted briefly or in more detail in the current issue in an effort not only to inform but also provide inspiration to members and associates for future activities.

The year before last kicked off with great enthusiasm with an IENE gas related event in Brussels co-organised with Eurogas, the European gas association, the leading industry body based in the Belgian capital. More than 100 people attended the event with heated debate ensuing with emphasis on the need to pursue further investment - on gas infrastructure across Europe and SEE in particular. The then prevailing -and amplified by the EU and the EIB - negative stand towards new gas investment came under heavy criticism, with IENE's position now fully vindicated if we are to judge from events which have been rapidly unfolding over the last 3 months as Europe is trying to decouple from Russian gas only to find out much to its chagrin that it is lacking the necessary infrastructure to enable her to do so. Reports on recently completed major IENE studies are also included in the newsletter and make interesting reading. One such study is the one dealing with "The Integrated Electricity Markets in Greece and SE Europe" and seeks to chart the evolving electricity landscape in SE Europe, in view of accelerating decarbonisation and the entry of large scale variable renewables in the electricity systems of the various countries.

During this unhappy and largely constrained period IENE was able to carry out a number of other studies including an analysis on the effects of the coronavirus on regional energy markets and a report on "Greece's Energy Sector for 2020".

In addition to the above studies the Institute produced a series of Analyses, Background Papers, Briefing Notes and Working Papers on subjects ranging from Energy Storage and its importance to Energy Transition, the EU Energy Taxonomy, the emergence of Gas Trading Hubs and their role in SEE, the Case of Hydrogen in SEE Europe and others. At the same time IENE, in order to keep its membership informed but also to cultivate links and promote cooperation with other think tanks and similar organisations in the region and beyond, introduced a series of webinars which proved a great success and attracted large number of participants. Going a step further IENE went ahead and during this period organised a number of major online conferences including the 12th SEE Energy Dialogue in December 2020, and the one on "Energy Efficiency" (January 2021). Another important conference which attracted huge interest from the industry was the one "Green Liquid Fuels of the Future" (February 2021). In this wavelength IENE and taking advantage of the ease of online communication and young professionals familiarity with the new medium, IENE conducted a series of high level educational courses entirely online covering subjects such as electricity markets and the European Target Model, Energy Efficiency and RES.

Last but not least IENE during this troubled, on account of the pandemic, period, in March 2021 launched its Advisory Services by announcing its approval to act as accredited Verifier for the issuance of Green Bonds, on behalf of UK based Green Bond Initiative, which is considered the global benchmark in green debt issuance.

## ■ Joint Eurogas - IENE workshop successfully held in Brussels



Eurogas, an association representing the European gas wholesale, retail and distribution sectors towards the EU institutions, and the Institute of Energy for SE Europe (IENE) joined forces and convened a half-day high-level workshop at Eurogas's offices in Brussels last Wednesday, January 22, in order to discuss latest developments related to **"Gas Supply and Competition in SE Europe"**.

The IENE-Eurogas workshop focused on the SE European energy perspective, bringing together some major gas and LNG actors from the region.

As the arrival of new gas volumes from several destinations in SE Europe is imminent and will take place almost simultaneously in the course of the next few months, there are bound to be important repercussions in terms of trading and supply patterns. Other topics covered in this highly motivating event included regional gas market issues and the key challenges that prevent their future developments such as lack of adequate gas interconnections and high dependence on hydrocarbon imports as well as the significant potential for upstream and downstream development.

The recently announced European Green Deal, which is a set of policy initiatives brought forward by the European Commission with the overarching aim of making Europe climate neutral in 2050 and the latest decision taken by the European Investment Bank to stop financing fossil fuel projects, including gas, as early as 2021, were extensively discussed, mainly by Ms. Maria Spyraiki, Member of the European Parliament and Member of the ITRE Committee, and by Mr. Costis Stambolis, Chairman and Executive Director, IENE in his opening address. Prof. Nicholas Farantouris, Jean Monnet Professor of EU Law, International & European Studies Dept., University of Piraeus, was the moderator of the first panel discussion, which focused mainly on the latest developments regarding gas infrastructure projects in the wider Eastern Mediterranean region.



The speakers of the first panel included Mr. Fernando Kalligas, Head of the Management Office, DESFA, Mr. Dimitris Mezartasoglou, Head of Research, IENE and Dr Charles Ellinas, Senior Fellow, Atlantic Council and Senior Research Associate of IENE, who also analysed the latest geopolitical issues related to the Exclusive Economic Zones of the East Mediterranean countries.

In addition, Mr. Gunnar Steck, Executive Advisor Wholesale, Eurogas, was the moderator of the second panel discussion, which mainly focused on the latest developments in the SE European gas markets from a TSO and DSO point of view.

The speakers of the second panel included Mr. Robert Bošnjak, Head of Strategic Development Department of Croatia's Plinacro, Ms. Aura Sabadus, Senior Journalist, ICIS, Mr. Milan Zdravković, DSO Executive Director of Serbia's JP SRBIJAGAS, Mr. Gokhan Yardim, Partner & Manager, ADG Anadolu Natural Gas Consultancy, Turkey and Mr. Andrii Prokofiev, Head of Business Development Division, Gas TSO of Ukraine. Dr. James Watson, Secretary General of Eurogas summed up the proceedings of the workshop in his closing remarks. The workshop was attended by more than 70 participants from across all sectors (policy makers, industry and media), highlighting the importance of gas trading and supply patterns in the SE European region.

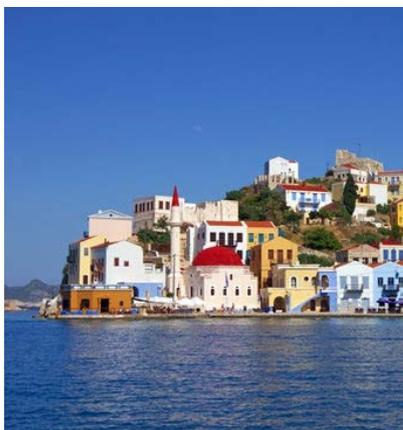


## ■ IENE Joins the Clean Energy for EU Islands Initiative as Supporting Organisation

IENE's research interest in the energy self-sufficiency of islands, especially the non-interconnected ones, through the introduction of clean energy solutions, has already been demonstrated by its recent study for the **"Energy Transition of the Island of Kastellorizo"**. The study presents a detailed plan to address the problem of power generation in non-interconnected islands by ensuring high reliability and resilience, while securing energy supply. The proposed main pillars of power generation include wind energy, solar energy and li-ion battery-based electricity storage, while promoting an extensive electrification scenario for the island's energy needs.

The system selection was designed to meet Kastellorizo's anticipated energy needs over the next 10-15 years and includes all the decision-making steps for the selection of the energy system's generating units.

In this context, IENE joined as a supporting organization the "Clean Energy for EU Islands Initiative" whereby the Institute is to contribute specific expertise for the full decarbonization of selected islands in the Mediterranean and elsewhere. The "Clean Energy for EU Islands" was created to facilitate the clean energy transition on EU islands from the bottom up. It is built on the vision that in order to assure the best environment for change and to benefit all members of the island communities, a balanced collaboration between public and private stakeholders is essential.



For this reason, the quadruple helix approach is used, helping citizens, local authorities, local businesses and academic institutions work together to advance the clean energy transition on their islands.

As a supporting organization, IENE will assist in obtaining relevant and accurate advice for the island communities to proceed with their Clean Energy Transition Agendas. The Institute will share knowledge, experiences, best practices, tools or resources relevant to the members of the Clean Energy for EU Islands Initiative while also promoting the Clean Energy for EU Islands Initiative. Finally, IENE will collaborate with existing and potential new members of the Clean Energy for EU Islands Community and with other Supporting Organisations of the Clean Energy for EU Islands Initiative in order to strengthen island communities and foster their joint and coordinated clean energy action plans.

## ■ In spite of the Coronavirus epidemic IENE continued to function and deliver useful and much needed information

Following introduction of lockdown conditions in mid March 2020 the Institute continued to function on a daily basis producing much needed information and analysis on the energy sector and SE Europe's energy markets in particular. Apart from a skeleton staff operating out of IENE's offices in central Athens all its researchers and analysts operated from home and were in regular touch with each other and with the management through mail and Skype.

It is important to note that during the entire lockdown periods in 2020 and 2021 the Institute carried on with its research and studies but also focused on the preparation and production of its regular information feed. Sent out to its members these publications include the **"Weekly Energy Review"**, the SE Europe Energy Market Watch which is part of the SEE Energy Briefing, and the SEE Electricity Market Analysis, Energy Market Fundamentals & Prices, The Energy & Geopolitics Bulletin and few other.



## ■ IENE's Chairman was keynote speaker in USAID/USEA Electricity Market Initiative Meeting in Vienna

Following an invitation by the organisers IENE's Chairman and Executive Director Mr. Costis Stambolis travelled to Vienna at the end of February (2020) where he participated in the closed workshop organised by USEA in association with USAID on the region's Electricity Market Initiative (EMI).

The above organisations have undertaken a multi-year programme to help enhance the integration and operation of power markets in Southeast Europe. Since April 2018, USAID/USEA has convened a series of working group meetings under the Electricity Market Initiative (EMI) to address regional gaps and opportunities for consolidation in electricity market and grid operations. Comprised of transmission system and market operators as members, as well as regulators and regional stakeholders as participants, the EMI Working Group (EMI WG) focuses on key issues and technical support in such areas as: regional market consolidation; renewable energy system (RES) integration; and system operations. Present in the February 25/26 Vienna meeting were approx. 80 participants from electricity utilities and electricity market operators from all different countries of SEE.

IENE's chairman had been asked by the organisers to present the Institute's outlook on the region's gas prospects and how these were to affect power generation at a time when decarbonisation of electricity generation is becoming a priority, especially following EU's New Green Deal as announced last December. In his presentation Costis Stambolis emphasised that the switch to natural gas for power generation was the only realistic immediate option available to power generators for fast decarbonisation while maintaining the necessary base load and market flexibility, which ultimately will see the transition to renewables and other future options (e.g. hydrogen).

The IEA, observed IENE's chairman, has found out that by switching to gas has already helped limit the rise in global emissions since 2010, alongside with the deployment of renewables and nuclear energy and improvements in energy efficiency. Today, noted IENE's head, the gas sector in SEE faces significant challenges which are mainly related to the ongoing process of market transformation within the EU but also as a result of global developments, where the fast rise of LNG is testing market norms. The market structure, in terms of ownership and regulation framework, being under consideration for a long time, is currently changing in many countries. The role of the state is being reconsidered and the level of privatization and liberalization of gas markets shapes the business environment in each country, creating new opportunities for market players, especially in the retail sector.



In the case of Turkey for example, the presence of new market entities, as a result of the privatization process, illustrates the magnitude of change that the gradual introduction of competition has brought about. In Greece where the gas market is fully liberalized, we have seen a radical shift in terms of imports, now dominated by cheap LNG, and huge changes at consumer market level. In the case of EU member states in SE Europe and those of the Energy Community, the main challenges include reform efforts for improving the gas market model in line with EU thinking and directives, while drawbacks can be seen in the continuing dominance in many countries' public gas markets structure, the absence of market competition and the lack of diversification of gas supply.

Special reference was made by Costis Stambolis on the LNG prospects in SE Europe and the East Mediterranean in particular, as those were far better placed today than they were five years ago, with new projects getting ready to progress and LNG clearly emerging as a priority fuel for several industrial consumer groups helped by lower prices and increased availability.

Hence, LNG has emerged as a realistic alternative fuel in SE Europe as it increases security of supply through multiple and independent supply sources, provides the opportunity for new LNG suppliers (e. g. USA, Australia) etc. to export gas to the region, enhances pricing flexibility and safer gas transportation and can also support underperforming gas pipeline projects.

The role of the South Corridor and its great importance in diversifying gas supplies in Europe and SEE in particular was further stressed by IENE's chairman. He went on to analyse a whole series of projects related to the South Corridor and its expanded version, which includes cross border interconnections, underground gas storage facilities, LNG terminals and additional major pipelines such as the East Med. Concluding his 50' long presentation Costis Stambolis made extensive reference to gas price formation and the increasingly important role of gas trading hubs.

## ■ Strong fall in demand due to coronavirus measures drives electricity prices to new lows



As reported in IENE's SEE Electricity Market Analysis which was sent to members on April 14, 2020 electricity demand throughout SE Europe during Week 15 kept sliding following the broadening of the coronavirus quarantine measures and the significantly warmer weather with plenty of sunshine across the region. Wholesale electricity prices fell in all regional markets, converging at 25 €/MWh, an 18 month low, affected by the slight decline in electricity prices in the spot markets of Central Europe, which receded as a result of very low wholesale prices in the French spot market (14.43 €/MWh). Electricity demand receded in all systems, but was most notably limited in Turkey, Hungary, Serbia, Croatia and Romania due to the tightening of quarantine measures, as most of the above countries had yet to significantly curtail their economic activity.

### Average Electricity Prices - Week 15: 6 – 12 April 2020



Moreover high windpower generation in Greece and Turkey, pushed wholesale electricity prices in both systems at significantly lower levels. Moreover, during Week 15 in 2020 the potential of existing Solar PV infrastructure was highly utilized in Greece, Italy and Romania, where Solar PV generation recorded an all-time high. In Romania the system was highly affected by the outage of Turceni TPP, which remained offline as a result of the quarantine measures, while in Bulgaria Kozloduy NPP's Unit 5 commenced its scheduled annual maintenance on Friday 10/4. In Croatia as demand slipped significantly the local system benefited from the high nuclear baseload availability of the Slovenian system as Croatia recorded seasonal high electricity volumes imported from Slovenia.

## ■ IENE participated in EMI conference on the European Green Deal and the Bulgarian energy transition



Following an invitation by the chairman of Bulgaria's Energy Management Institute (EMI) and IENE partner, Mr. Slavtcho Neykov, the Institute participated in this two day highly topical conference convened by the EMI in Sofia on October 15-16. Although arrangements had been made for IENE's chairman Costis Stambolis to fly to Sofia and actually participate in person, the deepening second wave Covid-19 pandemic forced a change of plans and as a result participation was virtual. Nevertheless, the topic chosen for presentation was well timed in view of EU's decision to adopt higher emission reduction targets and faster penetration of Renewables and Energy Efficiency in the various countries' energy mix.

In his presentation titled **"How effectively can EU's clean energy policies be applied in SE Europe"**, Costis Stambolis emphasized that the commitment by many countries in the region to solid fuels for power generation prevents them from making fast and effective progress in the adoption of clean technologies. Although Renewables, over the last ten years, have managed to make inroads in the energy mix their contribution -apart from hydro- in most countries is minimal. Several countries appear committed to solid fuels because of the still low cost and on account of the energy security they provide. However, as EU emission costs will start to be applied in most countries in the region over the coming years the low cost parameter will cease to play a role. Summing up his presentation IENE's chairman referred to the need for the introduction of appropriate policies which, backed by necessary funding, will enable many countries in the region to make the switch into clean technologies.

*"As technology costs are dropping and market integration is gradually becoming easier, this is the time for the adoption and implementation of clean energy policies across the region"*, Costis Stambolis underlined in his presentation.

Finally he referred to Greece's example which last year adopted an aggressive decarbonisation plan with the shutting down of all existing lignite power plans by 2023 while at the same time pushing hard for large scale use of RES and energy efficiency applications.

## ■ Broadening the energy debate at the time of the pandemic



As governments went ahead and enforced the lockdown of whole cities and countries across the globe during March -June 2020, in a desperate attempt to contain the coronavirus pandemic, business and scientific communication rapidly changed tack and switched into digital mode. Increased use of the internet, social media and the rise of webinars and teleconferencing became the main tools for the promotion of public debate as face-to-face meetings, social gatherings and conferences were scrapped from day one.

The Institute of Energy for SE Europe (IENE) was no exception to the rule as it first postponed and then cancelled all its scheduled conferences, open debates and educational seminars. The Institute soon endorsed the prevailing new digital trend and made full use of all available communication channels. As the great bulk of IENE's daily communication was already being conducted through the internet, the change over to a full digital environment was not that difficult.

The immediate impact to the operation of the Institute during the pandemic was the extensive use of online platforms for the organization of all internal committees (Executive Committee, Scientific Committees) and project group meetings with the participation of all team members. As the IENE has at any time a number of research and study projects running where in house staff and external contributors are involved, Skype, and later Zoom and Webex, proved to be most useful platforms. The pandemic and the realization that a lot more people were now following developments through social media forced the Institute to speed up its plans for the launching of its Facebook page while it upgraded its information flow through LinkedIn.

Next came the organization of well planned discussions through webinars with the first one taking place on May 14. By then the Institute had organized three such Webinars through which it sought to examine the impact of the pandemic on the energy markets including oil, natural gas and electricity with the participation of well known experts and industry executives from Greece. In the last Webinar of the series (May 22) a lively debate took place on how the upstream sector has been affected and the impact on planned exploration work. More webinars are now planned in June with a wider agenda in mind in order to examine in depth a whole range of issues involved in the Energy Transition.

## ■ Greece celebrates 200 years of independence, but energy independence still remains illusive

On March 25, 2021 Greece celebrated 200 years since the start of its struggle for independence from the Ottoman Empire on Thursday with a ceremony to mark a new beginning after years of financial crisis that had to be pared back due to coronavirus restrictions. Prince Charles, heir to the British throne whose father Prince Philip was born in Corfu as part of the Greek royal family, and Russian Prime Minister Mikhail Mishustin attended the annual independence day parade. Soon after taking power in 2019, the conservative government of Prime Minister Kyriakos Mitsotakis announced the celebrations as a symbol that Greece was back after a decade-long financial crisis that left half of young Greeks unemployed and sent some 500,000 people abroad in search of work. *"The challenge for our generation, 200 years after the 'Revolution of National Rebirth,' is to make it a 'Revolution of National Reinvigoration',"* Mitsotakis said in televised remarks. After almost 400 years under Ottoman Turkish rule, Greek revolutionaries launched an uprising in 1821, and with help from foreign sympathizers from countries including Britain, France and Russia, won their independence in 1832.

Saluting the resilience of the Greek people during the *"desperately difficult years"* of the economic crisis, Prince Charles said the world needed to rebuild after COVID-19,

which has plunged Greece back into deep recession. He added: *"perhaps we can take some inspiration from the courage, determination and the ambition of 1821."*

Upon the occasion of the celebration of Greece's independence the Chairman and Executive Director of IENE Costis Stambolis said, *"This year's celebration is remarkable by all counts because it gives us the opportunity to reflect on past achievements but also makes us think of the serious challenges ahead. The exploitation and utilisation of Greece's energy resources played a crucial role in its economic and social development, especially over the last 100 years or so. The energy sector not only continues to play a central role in the development of the country but it has emerged as a key factor of geopolitical stability."* He further added, *"Greece may have won its independence two centuries ago but has not managed to achieve energy independence."*



## ■ IENE participated in ACER's public consultation for the establishment of a regional coordination centre



Following publication by ACER of the TSO's proposal for the establishment of a Regional Coordination Center in accordance with Article 35 of the Regulation 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity, IENE participated in the public consultation which ended, October 2, 2020. In its contribution IENE noted that as electricity markets across Europe continue to develop and evolve with more consumers, higher and more variable loads, electricity mix differentiation and greater complexity in view of increased digitalisation, the need to provide better and more focused and reliable coordination is becoming all the more apparent. Hence, EU's, and Acer's in particular, decision to set up system operation regions as part of the overall effort to improve and optimise the internal market of electricity is more than welcomed.

Furthermore, ACER's proposal, backed by the TSOs, for the setting up on a priority basis the South East Europe System Operation Region, to be based in Thessaloniki, in Greece, comes at a very opportune moment as electricity market integration in the region comes closer with the anticipated implementation of the Target Model by Greece, as The Hellenic Energy Exchange gets ready to start full operation on November 1 and market coupling between Greece and Italy is scheduled to take place in the first quarter of 2021.

As explained in the posted ACER document, it seems that the framework and the tasks for the establishment of the Regional Coordination Centre (RCC) in the SEE System Operation Region are complete with regard to the operation of the transmission system and the internal market for electricity in the various countries which the RCC will cover.

However, in Article 5, Organisational and Operational Arrangements, and in addition to the tasks described in Article 10, more emphasis should be placed in two specific areas in supporting the TSOs and the region's transmission system and the overall operation of the market:

- In the organizational structure, due to the specific geography of the SEE region and the countries involved, the setting up of a team dedicated to the expansion of the existing transmission capacity, new transmission lines and the extension of the European system to the Eastern Mediterranean countries, including Cyprus, Israel, Egypt, would be extremely useful. This team should have a clear agenda to look into expansion prospects and be able to outline market opportunities and identify technical challenges.
- In view of the growing number of cyberattacks and hacking incidents against public utilities over the last few years, it is of paramount interest to anticipate the need for a dedicated RCC team, which will undertake to provide expert advice and services in order to ensure the safe operation of the systems involved. The prime function of such a team will be to safeguard against cyberattacks and hackers, but also provide full support to the TSO's and the IT platforms as necessary.

## ■ Flame virtual conference attracted record attendance- IENE actively participated



Following two postponements due to the coronavirus pandemic the 2020 Flame conference, the long established leading European gas event, convened in virtual format from October 12-15. With 273 speakers and panelists and hundreds of attendees this year's event proved highly successful given the adverse circumstances in the economic and business environment in Europe.

From the suppliers side Gazprom Export's CEO, Elena Burmistrova delivered a very inspiring presentation outlining the huge challenges which the company faced this year in view of fall in demand and prices and the need to maintain continuous supplies all over Europe. Also, Equinor's SVP, Martin Anfinsen expanded on the subject of "Increasing commoditization and the green wing of global gas", while well known analyst James Henderson discussed the decarbonization of the gas value chain. Extra sessions included a "Biogas Development Forum" and "Women at Flame on Demand". Keynote addresses included a presentation by IEA's senior analyst Lazlo Varo on the state and prospects of the global gas markets and an EC presentation on the role of gas in the future of the European power mix. A highly stimulating session proved the one "the prospects for hydrogen & bio methane to 2050- a reality check" which was chaired by Professor Jonathan Stern and included contributions by Tudor Constantinescu from DG Energy, James Watson from Eurogas and Marta Kamola-Martinez from Engie.

Following an invitation by the organisers the Institute's Executive Director and its current chairman, Costis Stambolis took part in one of the sessions dealing with the supply of natural gas to Europe and specifically the role of East Mediterranean gas resources. Mehmet Ogutcu, chairman of the Bosphorus Energy Club, ex Ambassador in Turkey's diplomatic corps and well known energy expert joined in the discussion which was chaired by Ana Stanic, Founder of London based E&A Law firm which specializes on energy law. between the countries in the region in monetizing the known and yet to be discovered gas resources.

## ■ The emerging role of Gas Trading Hubs underlined by IENE at Regional Gas Conference

In 2020, the annual Regional Gas Conference, convened by the Croatian Gas Center, celebrated its Jubilee by organizing from October 21-23 the 35th International Scientific & Expert Meeting of Gas Professionals. The meeting was held virtually and IENE participated in the conference by presenting a paper on the "Prospects for the Establishment of Gas Trading Hubs in SE Europe".

The paper was presented by its two authors: IENE's Chairman and Executive Director Mr. Costis Stambolis and IENE's Head of Research Mr. Dimitris Mezartasoglou and was based on the related study on the "Prospects for the Establishment of Gas Trading Hubs in SE Europe", which was completed in November 2019. The authors highlighted the latest developments regarding the conditions and prospects for establishing regional gas trading hub(s) in SE Europe. As the authors argued, there is now a number of nascent gas trading hubs in the region, which include those in Greece, Turkey, Bulgaria, Romania, Croatia, Slovenia and Ukraine.

According to the EFET's Annual Scorecard 2019, Greece is the frontrunner in SE Europe in its attempt to establish a regional gas trading hub, which is known as Hellenic Trading Point (HTP). The full operation of the Hellenic Energy Exchange, which is now scheduled for November 1, 2020, is expected to augment and strengthen the trading aspects of the HTP by facilitating "gas future" trading. It is also worth noting that currently there is not a single proper gas trading hub east and south east of Vienna, whose CEGH could act as a pivot for organizing and promoting gas trading in this region. The Virtual Jubilee 35th International Scientific & Expert Meeting of Gas Professionals was organized by the Croatian Gas Association and Croatian Gas Center Ltd.



**VIRTUAL, 21 - 23 OCTOBER 2020**  
INTERNATIONAL SCIENTIFIC & EXPERT  
MEETING OF GAS PROFESSIONALS

More information about the conference is available at:  
<https://susret.hsap.hr/en/>

## ■ IENE's position strengthened by the admission of new partners from SE European countries

Following the 32nd Annual General Meeting (AGM) of the Institute of Energy for SE Europe (IENE) which took place on Wednesday, October 21, 2020 and was organized online with the presence of almost all partners, IENE now has representation in all 13 countries that constitute the wider region within which it operates.

Apart from Greece, where IENE is based, the Institute is also active in the Western Balkans (Albania, Montenegro, Croatia, Kosovo, Bosnia and Herzegovina, North Macedonia, Serbia), and in Romania, Bulgaria, Turkey, Israel and Cyprus. Speaking at the recent AGM, Costis Stambolis, Chairman and Executive Director of IENE, said: *"Today is a historic day for our Institute as it is the first time that our partners from the countries of SE Europe participate, following the enlargement decided at the previous General Assembly, in February 2020. Today's meeting comes as the culmination of consistent work and efforts since the founding of the Institute in 2003.*

*We welcome our friends and associates to this upper governing body of the Institute and aspire to continue and strengthen our cooperation. Our goal remains constant and concerns the highlighting of the challenges and opportunities of the energy sector in the countries of the region while raising public and governments' awareness on key energy and environmental issues. Something that is achieved through the studies and research work carried out by IENE, from its public interventions but also through the regular and fully documented information that it produces on a continuous basis."*

On his part, Dr. John Desypris, former Chairman and co-founder of IENE, stated in this regard: *"I greet everyone participating today and also welcome the new partners-old friends and trusted collaborators - from our wider geographical region. The expansion of IENE with the participation of energy professionals from all countries in the region was from the beginning a vision of IENE that today, after a difficult journey of 17 years, is finally becoming a reality. I am absolutely sure that the active participation of the new partners will significantly help to strengthen the role and capabilities of our Institute so that it can contribute even more to the energy development of the region".*

Speaking on the same wavelength, the also former Chairman and co-founder of IENE, John Chadjivassiliadis, addressed the new partners whom he encouraged to participate equally actively in the work and research programmes of the Institute, contributing their valuable knowledge and experience. *"With your active participation as partners of IENE, you can be sure that you contribute to the goals of the Institute to substantially assist the governments and citizens of our countries, as well as the energy community, to face the very serious challenges during the energy transition."* Chadjivassiliadis said.

With the addition of the new partners, the total number of members of the General Assembly of IENE reached 42, of which 12 come from the countries of the region. The new partners, who are already actively involved in the work of the Institute include: Prof. Vesna Borozan (North Macedonia), Slavtcho Neykov (Bulgaria), Eugenia Gusilov (Romania), Mihailo Mihailovic (Serbia), Dr. Stavri Dhima (Albania), Gokhan Yardim (Turkey), Dr. Gina Cohen (Israel), Fadil Ismajli (Kosovo), Aleksandar Mijuskovic (Montenegro), Mirsad Sabanovic (Bosnia and Herzegovina), Robert Bosnjak (Croatia) and Iosif Iosif (Cyprus).



## ■ Greece's new Electricity Market officially launched on November 1, 2020

After several years of delays and the repeated postponement of the starting date, the new electricity market, operated by Greece's Energy Exchange (HEnEx), was launched on November 1, 2020 in adherence to EU's Target Model, while no major issues concerning procedural or technical matters were observed. The implementation of the Target Model includes the Day-Ahead Market (DAM), the Intraday Market (IDM), the Balancing Market and the Futures Market, already in operation since March this year. It is anticipated that the new markets will lead to increased competition, greater transparency and an integrated market for the benefit of participants and end consumers alike.

The operation of the day-ahead market started November 1 through the submission of bids by suppliers and producers, while the operation of the intraday market and the balancing market followed today (2/11).

More specifically, the launch of the intraday market was reported smooth, with prices clearing at levels set by the day-ahead market as no serious corrections were made. Greece's day-ahead electricity market is expected to couple with the Italian market in December 2020 and with the Bulgarian market in March 2021. Regarding the balancing market, which is operated by IPTO and cleared by HEnEx Clear, prices formed as anticipated, at levels set during the dry-run testing in the lead-up to the Target Model's launch. Greece's Environment and Energy Minister, Costis Hatzidakis, hailed the launching of the new market as a major reform of the energy sector in view of the wide-ranging implications which are expected in terms of market operation and price rationalization.

The reform is part of the so-called Target Model, the wholesale electricity market model for building a single European energy market. Greece was the only EU member state that had not implemented that model yet and, therefore, until recently it registered the highest wholesale electricity price in the bloc.

The new model will boost competition and transparency in the Greek electricity market, helping reduce energy costs for households and businesses and increase power exports. It is worth noting that IENE has been working closely with HEnEx over the last 18 months, having organized a series of four high-level seminars addressed to senior executives of market participants.



## ■ Regional energy issues hotly debated in IENE's 12th SE Europe Energy Dialogue held on-line



The international developments and prospects of the energy sector but also the impact of the pandemic and the challenges of the period in the Balkans and SE Europe were in focus of the first day (9/12) of the 12th SE Europe Energy Dialogue organized by the Institute of Energy for South-East Europe (IENE). This year's event - which was held exclusively online due to the pandemic - themed **"In Search of a New Energy Direction"**, managed to gather 52 keynote speakers from 18 different countries, despite the difficulties brings the pandemic, as the President and Executive Director of IENE, Costis Stambolis noted during his introductory comment.

The highlight of the first day of the 12th Energy Dialogue for SE Europe was the extensive presentation of World Energy Outlook 2020, the emblematic edition of the International Energy Agency (IEA) by the Organization's chief analyst Kieran McNamara, and Apostolos Petropoulos, Energy Modeler of the IEA. As McNamara pointed out in his presentation, whether the disruption caused to the system by the pandemic will ultimately appear to be helpful or slow down the pace of the Energy Transition and be an obstacle to achieving international energy and climate goals. will depend on how governments respond to these challenges.

During the first session of the forum, in his presentation the Head of Research of IENE, Dimitris Mezartasoglou, who referred to this year's annual report of IENE for the Greek Energy Sector.

Particularly important were the interventions of leading representatives of the energy sector of various Balkan countries and SE Europe and specifically of Dr. Yurdakul Yigitguden, Independent Energy Advisor and Former Coordinator of OSCE Economic and Environment Activities, Organization for Security and Cooperation in Europe from Turkey, Mihailo Mihailovic, Independent Energy Consultant from Serbia and Dr. Stavri Dhima, Independent Energy Consultant from Albania and Dr. Gina Cohen, Lecturer, Gas Analyst and Consultant on Natural Gas from Israel.

The international speakers spoke at length about the conditions that are developing in the energy sectors of their countries and the wider region as well as the general geopolitical, economic and energy challenges, with Dr. Gina Cohen pointing out the serious problems caused by Turkey's stance in the region. The second session of the forum was entitled **"Key Policy Issues and Critical Choices in SEE's Energy Sector"** and was moderated by Miltos Aslanoglou, independent energy analyst. In the context of this discussion, Pantelis Kapros, Professor of Energy Economics and Business Research at the School of Electrical and Computer Engineering of the National Technical University of Athens and head of E3MLab underlined the highest priority given by the EU. in energy tax reform. Prof. Capros was succeeded on the Internet by Vesna Borozan, Professor at the Department of Electrical Engineering & Information Technologies, University of St. Cyril and Methodius and IENE partner from Northern Macedonia, Aleksandar Mijuskovic, Advisor to the Executive Director, Coordinated Auction Office in South East Europe (SECAO) and IENE member from Montenegro, Nenad Stefanovic, Senior Expert for Electricity, Energy Agency of the Republic of Serbia (AERS), from Serbia and George Polychroniou, Executive Director of Strategy and Business Development of DEPA.



Also, in the online discussion that followed, moderated by the New Europe journalist from Brussels, Kostis Geropoulos, Dr. Charles Ellinas, Senior Fellow, Atlantic Council, from the United Kingdom and Julian Bowden, Senior Visiting Research Fellow, Oxford Institute for Energy Studies, also from the United Kingdom.

The third session of the 12th SEE Energy Dialogue on **“Gas Supply Prospects and Energy Security in SE Europe”** was moderated by John Roberts, Energy Security Specialist, from the United Kingdom. The keynote speaker was Dr. Katja Yafimava, Senior Research Fellow, Oxford Institute for Energy Studies, UK. Dr. Yafimava gave an overview of the situation in the energy market after the Ukrainian gas crisis and the impact it had on the fuel supply of SE Europe.



The first day of the 12th SE Europe Energy Dialogue ended with the fourth session on **“LNG and Tomorrow’s Gas Markets”** and moderated by Costis Stambolis, Chairman of IENE. Keynote speaker was Spyros Paleogiannis, Managing Partner, Medgas & More Services Ltd and member of IENE, from Cyprus, followed by Robert Bosnjak, Development and Investment Division, Plinacro, from Croatia and Nikos Satras, Investments Special Analyst in the Strategic Planning Department of Motor Oil.

The necessary innovations and infrastructures development for the greater penetration of Renewable Energy Sources (RES), the strengthening of competition in electricity markets, the challenges of decarbonization in SE Europe, the example of Hellenic Petroleum as an integrated energy company, the global and regional dimension of energy developments, but also the geopolitical role of energy in the European area were fully analyzed and hotly debated in the second and last day of the 12th Energy Dialogue for SE Europe last Thursday.

**“In Search of a New Energy Direction in SE Europe”** was the conference’s main theme and was organized by the Institute of Energy for SE Europe (IENE). The event, which this year took place exclusively online, on December 9–10, and attracted more than 50 speakers and panellists and 150 attendees. Once again, the SEE Energy Dialogue attracted several of the region’s top experts as well as senior executives from major energy and financial institutions and institutions from all over the world.

The proceedings of the second day commenced with Session V whose theme focused on **“Networks, Storage and Innovation for Higher RES Penetration”** and was moderated by Andreas Petropouleas, Director of Energy Management at Elpedison and Chairman of the Electricity Committee of IENE. In the context of this session, Dr. Ioannis Kambouris, Chairman of the Regional Electricity Control Center of SE Europe, based in Thessaloniki, focused on the different scenarios for the penetration of RES in distributed energy by 2050 and the importance of energy storage in achieving the set targets.

The 12th Energy Dialogue for SE Europe continued with the Session VI on **“Transition to more competitive Electricity Markets”** which was coordinated by Nickos Frydas, Principal, Head of Electricity, Grant Thornton and member of IENE.

The keynote speaker was Prof. George Ioannou, CEO, EnEx Group, who spoke at length about the new electricity market that started operating in Greece in early November on the basis of the European **“Target Model”**, and the challenges arising from the opening of the energy market.



Ahmet Turkoglu, CEO, of the Energy Exchange Istanbul (EXIST), from Turkey contributed a comprehensive presentation on EXIST and its role in promoting energy trade and investments in Turkey. Konstantin Konstantinov, CEO, Independent Bulgarian Energy Exchange (IBEX), from Bulgaria, Milos Mladenovic, Managing Director, South East European Power Exchange (SEEPEX) from Serbia and Sokol Dishnica, CEO, Albanian Power Exchange (ALPEX) from Albania presented their respective viewpoints on the operation of electricity markets in their countries and the problems they face on the way to Energy Transition. Session VII on **“Decarbonization Challenges in SE Europe”** was moderated by Dr. Ioannis Desypris, Director of Regulatory Affairs of the Mytilineos Group and past Chairman of IENE.



The keynote speaker was Dr. Ioannis Tzortzis, Legal Adviser of the Just Transition Development Plan (SDAM) Steering Committee, Ministry of Environment and Energy, Attorney at Law at the Supreme Court of the Regulatory Authority for Energy (RAE), who spoke in detail about the challenges and prospects for the Western Macedonia and Megalopolis regions following the government’s decision to decarbonize fully by 2028 but also made extensive reference to the government plans and its Master Plan for decarbonizing Greece’s remote Aegean islands and the need for them to switch to RES. Slavtcho Neykov, Chairman of the BoD, Energy Management Institute (EMI), from Bulgaria, and Fotis Kalantzis, Senior Economist, European Investment Bank (EIB), from Luxembourg, contributed useful ideas and comments in the same session.

Session VII **“Towards an Integrated Energy Company: The example of Hellenic Petroleum”** was the title of a session devoted corporate transformation. The keynote speaker of the session, George Alexopoulos, General Manager Group Strategic Planning & New Activities, Executive Member of the BOD of Hellenic Petroleum, presented in detail the activities of the “Hellenic Petroleum” Group, their role in the development of the Greek economy, but also outlined plans for the groups’ further involvement in the energy markets of SE Europe.

The role and plans of HELPE in the RES sector were presented by Dr. Sotiris Kapellos, Operation & Development Manager, BoD Member, ELPE Renewables, Hellenic Petroleum, while Liana Gouta, Group Director Energy Policy & International Affairs, at HELPE referred to the new types of “green” fuels that will soon be introduced in the market by the Group.

**“The Global and Regional Dimension of Energy Efficiency”** was the topic of Session IX with invited keynote speaker Mr. Jeremy Sung, Energy Efficiency Policy Analyst at the IEA in Paris who presented the Agency’s latest work on energy efficiency and the serious policy implications. Costas Theofylaktos, Chairman of the Energy Efficiency Committee of IENE and a Partner of the Institute reviewed progress made across SE Europe and described some of the key issues facing the sector in SEE.

The last session of the 12th Energy Dialogue focused on the Geopolitical Dimension of Energy from a European Perspective. The session was moderated by Christos Dimas, Chairman of the Energy and Geopolitics Committee of IENE and Partner of the Institute. Contributors to the Session included: John Roberts, Independent Energy Consultant, from the United Kingdom, Dr. Marika Karagianni, Energy expert, Research Associate- Visiting lecturer, University of Peloponnese - PEDIS, Dr. George Filis, Assistant Professor of International Relations and Strategy at Ledra College, Nicosia, Prof. Ionut Purica, Executive Director, Advisory Center for Energy and Environment, Romanian Academy, Romania, and Chen Dong, Deputy CEO, Independent Power Transmission Operator (IPTO).



In view of the 12th SEE Dialogue which was convened by IENE on December 9/10 a **Background Paper** entitled **“SE Europe’s Changing Energy Direction”** was prepared and released in advance by the Institute and is available together with the conference’s microsite.



These are to be found in the following address:

<https://www.iene.eu/en/ congress/29/12th-se-europe- energy- dialogue?p=143>

## ■ Annual IENE - FMW Cyprus Energy Symposium held hybrid and attracted high regional interest



The 8th Cyprus Energy Symposium was held on December 15, 2020 and took the form of a hybrid event with the local organizers assembled in a conference room in Nicosia but almost all participants attending online. Despite these obstructive conditions the Symposium was conducted smoothly with a total of 16 speakers and more than 150 attendees.

The Symposium was jointly organized by IENE and FMW -Financial Media Way, a Cyprus based advertising and publishing company. Costis Stambolis, Chairman and Executive Director of IENE and Iosif Iosif, the CEO of Financial Media Way, contributed opening remarks at the start of the Symposium. The Chairman of the Cyprus Chamber of Commerce and Industry (KEBE), under whose auspices the Symposium was organized, welcomed the opportunity presented by this year's event to help further investment and business activity in the broad energy sector. Opening the Symposium the President of the Republic of Cyprus Mr. Nikos Anastasiadis expressed his optimism that the present pandemic will eventually be overcome and the country's ambitious hydrocarbon exploration programme, which was seriously interrupted due to the coronavirus mitigation measures, will resume as originally planned. President Anastasiadis made reference to detailed discussions which recently took place with all major companies involved in the above programme which reassured the government of Cyprus of their continuous commitment.

Furthermore the President of Cyprus stressed the importance of the energy sector in the economic and social developing and underlined the key role that the Eurasia Interconnector will play in connecting the electricity grid of Cyprus to those of Israel and Greece thus ending the energy isolation of the island.

*"The introduction of natural gas by means of imported LNG in two years from now will further enhance Cyprus's energy security",* noted Anastasiadis. He then went on to describe the consistent efforts made over the last years by government and private sector to develop further Renewable Energy Sources (RES), especially solar photovoltaics, solar thermal and wind which between them cover 15% of the gross final consumption, way above the agreed with the EU targets for 2020.

With RES contributing only 10% of electricity generation, President Anastasiadis observed that there we have substantial growth potential with Cyprus being ideally placed to take advantage of high solar radiation and offering high returns to investors.

The Chairman of the Cyprus Energy Authority, Dr. Andreas Poullikkas, expanded on Cyprus's present energy system and the prospects which lie ahead for its transformation, by means of clean energy technologies, as the drive towards lower GHG emissions intensifies and the country has entered into an Energy Transition path.

Other speakers included, Dr. Dimitris Fessas, Acting General Manager at Cyprus Hydrocarbons Company, Mr. Thanos Patrikis, Commercial Director at VTT Vasiliko Limited, Mr. Dimitris Mezartasoglou, Head of Research at IENE, Mr. George Chrysochos, CEO at Powerenergy Cyprus (PEC), Ms. Anthi Charalambous, Director of Energy & Environment at Cyprus Employers & Industrialists Federation (OEB), Mr. Fanos Karantonis, Chairman at Cyprus Association of Renewable Energy Enterprises (SEAPEK) and Mr. Christos Tsingis, Executive Director of the Cyprus Wind Energy Association.

The last session of this highly focused Symposium covered energy efficiency and RES and was moderated by Mr. Costas Theofylactos, a partner of the Institute who also chairs IENE's Energy Efficiency Committee. Once again the Cyprus Energy Symposium provided the opportunity to review progress in all facets of the island's vibrant energy sector but also discuss the challenges faced by the different players in this particular time juncture.

You can see the whole conference on the following link  
[https://www.youtube.com/watch?v=3o\\_-NdiEXEE](https://www.youtube.com/watch?v=3o_-NdiEXEE)

## ■ Energy Efficiency on-line conference attracted huge interest



More than 400 participants took part in the online one day conference which was organised by IENE on Tuesday, January 12, 2021 and examine latest developments and the outlook for building centred Energy Efficiency policies and projects. Although the conference focused on initiatives and programmes related to Greece it also covered global and European angles with the help of internationally recognised authorities.

EU's ambitious targets for 32,5% improvement in energy efficiency by 2030 for all 27 Member States has provided the impetus for the introduction of relevant country wide programmes at various levels of application. In his opening remarks IENE's chairman Costis Stambolis stressed the importance of the building sector in achieving actual improvements in energy efficiency given the major role that the built environment plays in national energy demand in Greece, where 75% of the country's 4,3 million buildings stock corresponds to houses.

*"The scope is really enormous and EU- government backed energy efficiency measures could indeed mobilise a wide range of crafts and businesses and provide a much needed economic stimulus",* observed Stambolis. *"According to IENE estimates energy efficiency projects at housing and and public building level in Greece alone are likely to attract some € 12- €14 billion of investments by 2030",* added IENE's chairman.

Speaking in the same wavelength the chairman of IENE's Energy Efficiency Committee and conference coordinator Costas Theofylactos noted that Energy Efficiency is now regarded as a key pillar of EU's Green Deal which aims to Europe's Climate Neutral Economy by 2030. In this respect, noted Theofylactos, *"Besides large scale energy efficiency applications in the building sector contribute in lowering air pollution while helping promote ecosystem biodiversity and also enhance basic research and the drive towards innovative solutions"*.

In her introductory statement Mrs Alexandra Sdoukou, Secretary General for Energy & Mineral Resources of the Hellenic Ministry of Environment and Energy, underlined the great importance. *"We have already drawn plans for tapping €3 billion from Greece's share in the EU Recovery Fund and assign them to energy efficiency related projects to be implemented over the next 18-24 months. Furthermore, we see energy efficiency programmers as an opportunity to upgrade and modernize the country's aging building stock"* said Sdoukou.

In her keynote address Jessica Glicker, project manager at the Building Performance Institute (BPIE) a non-profit organization based in Brussels, at the start of the 2nd Session presented an outline of major international and European developments but also explained BPIE's priorities in promoting and supporting instruments to increase the energy performance

of buildings. *"Increasing buildings' energy performance is one of the most cost effective ways to reach the EU climate goals and to stimulate sustainable growth. It will lead to important social and environmental benefits and give a boost to Europe's economy",* said Jessica Glicker.

Mrs Joanna Nickou, head of Economic Assistance programmes at the Ministry of Environment and Energy, presented an overview of government backed energy efficiency programmes focusing on the latest **"Saving Autonomous Programme"** while Dr. Apostolos Efthimiadis, energy advisor to Hellenic Properties Federation (POMIDA) offered his insight on the practical problems and difficulties involved in implementing the above programme.

The third session of the conference, which was moderated by Savvas Louzides senior consultant and head of the energy unit at LDK engineering firm, focused on energy diagnostics and the technologies involved in energy efficiency applications. Technology oriented presentations were made by representatives of companies and industries which between them covered the whole range of energy efficiency applications.

The fourth session covered public sector buildings and commercial/ industrial properties and was moderated by Dr. Konstantinos Balaras, head of the Energy Efficiency Group at the Institute of Environmental Research and Sustainable Development of the National Observatory of Athens. Zero energy buildings and the financial aspects in the application of the latest government backed energy efficiency programme were discussed at length by energy engineers and banking executives. Conference sponsors included "Elval Colour", a subsidiary company of the Viochenco group, the EsEnCon consulting company and the ENSCO group while Energia.gr acted as media partner.

## ■ "Green Liquid Fuels: The future is now" Conference proves a great success



The multiple uses and prospects of green liquid fuels, the challenges that arise as well as the role that green liquid fuels will be called to play in the energy transition - especially in Industry and Transport - were discussed extensively at a two-day online conference entitled **"Green Liquid Fuels of the Future"**, held by the Institute of Energy for South-East Europe (IENE) on 11 and 12 February 2021, with the Leading Sponsorship of Hellenic Petroleum SA.

At the conference, important representatives of the political leadership and the business world from Greece and abroad discussed a wide range of issues related to liquid fuels. The conference covered a diverge range of topics spanning from the political context, as set by the European Green Deal and the climate neutrality targets of 2050, to the decarbonization of industry, the transformation of road transport and the energy future of shipping and air transport. Rising to the challenge of the conference speakers were able to present a particularly comprehensive picture of developments around energy fuels and the dynamic environment that is taking shape.

Speaking at the opening of the conference, Liana Gouta, Energy Policy and International Affairs Director of the Hellenic Petroleum Group and Chairwoman of IENE's Downstream Committee and head of the conference steering committee, pointed out that *"as we head towards Climate Neutrality with the EU having set very specific targets for 2050 many new technologies will be needed to cover the full spectrum of changes. In this context a missing link is the Green Liquid Fuels that will be needed to achieve*

*neutrality in all transport sectors including road, aviation and marine. Hence a whole range of Green Liquid Products will be needed to decarbonise the industrial value chain, such as the petrochemical sector, and in the process transform the Oil industry into a Fuels industry"*.

*"So far" when we talk about fuels, we only think of fossil hydrocarbons produced from crude oil. Can black become Green? Can we have low or even zero liquid fuels in the coming years? Can we produce fuels such as advanced biofuels or synthetic fuels, from completely new raw materials? Sustainable biomass, algae, recycled cooking oil, domestic waste, non-recyclable plastic, green hydrogen or even CO2 captured from the atmosphere? This is no science fiction, it is Science" added Gouta.*

The conference was addressed by the Minister of Environment and Energy, Constantinos Skrekas and the Chairman of the Technical Chamber of Greece (TEE), George Stasinou, while addresses were made by the Chief Advisor to the Prime Minister on Energy, Climate and Circular Economy, Dr. George Kremlis and the Deputy Minister for Transport Affairs of the Ministry of Infrastructure and Transport, Giannis Kefalogiannis.

Also, representatives of some of the most important companies in Greece and worldwide, from the Energy Industry, Road and Air Transport and the Shipping sectors participated in the conference. These included BP UK, REPSOL, TOTAL, OMV, NESTE and the leading European organizations in the industry, FuelsEurope and UPEI as well as emblematic Greek groups such as Hellenic Petroleum SA, Aegean Airlines, Motor Oil Hellas and ELINOIL.

A common point stressed by all speakers was that green liquid fuels are not just a matter for future debate, but they concern the present, as they are considered essential to the transition to a low-carbon economy by 2050, as envisaged by

European Union targets.

New, green fuels play a key role in the decarbonization of industrial production, by providing the basic fuel for the European transport sector while retaining the advantages of traditional liquid fuels and providing significant social and economic benefits. The contribution of green liquid fuels to decarbonization is expected to be crucial, especially in aviation, shipping and heavy road transport, for which these no technological alternatives, while enhancing energy security, reducing energy dependence from imports. Although we expect that demand for liquid fuels in Europe will gradually decrease over time due to the higher energy efficiency of traditional engines, but also the greater penetration of electric and hybrid vehicles, nevertheless, liquid fuels will remain at the top of demand for all types of transport.

In addition, green liquid fuels provide consumers with a choice, making the transition to a climate-neutral economy accessible to all and making a decisive contribution to the development of European society and the economy. Upon completion of this latest event the Chairman and Executive Director of IENE, Costis Stambolis, stressed: *"The" Green Liquid Fuels of the Future" conference was an excellent opportunity to discuss and reflect on the present and future of liquid fuels. We are deeply pleased that this event attracted the interest of hundreds of users who attended the livestreaming discussions, and we remain committed to our mission, to act as a tank of knowledge, reflection and information on energy issues in Greece and Southeast Europe"*.

The conference was held with the Leading Sponsorship of Hellenic Petroleum SA, while Motor Oil Hellas SA was also a sponsor to the event. Media sponsors were the European newspaper New Europe and the energy site Energia.gr.

## ■ IENE to offer services as a Climate Bonds approved verifier



IENE was confirmed by the UK based Climate Bonds Standard Board as an Approved Verifier under the Climate Bonds Standard. IENE will be expanding its services to industry by providing third-party verification, assessing the credentials of issued green debt under the Climate Bonds Standard. IENE's verification role in the issuance of Green Bonds has been added to the wide range of services which it already offers through its research staff and its network of energy professionals in Greece and SE Europe. Now, through a team of expert advisory and assurance professionals, IENE is in a position to provide a new range of services, in connection with Green Bonds, especially providing Verification services to Issuers interested in receiving Certification on the rigorous Climate Bonds Standard.

Costis Stambolis, Chairman, IENE:

*"We are more than happy for IENE to be associated with CBI and offer its services as an Approved Verifier in connection with the issuance of Green debt by major companies and corporations in Greece and the rest of SEE. As an important stake holder in the energy sector, IENE is committed to EU's sustainable goals and the energy transition to clean fuels. In this respect, Green Bonds have a crucial role to play in helping companies which are involved in clean technology projects to raise the required finance. We look forward to working closely with CBI in this major undertaking."*

Sean Kidney, CEO, Climate Bonds Initiative:

*"Green investment in Europe is rapidly expanding. IENE as an Approved Verifier in Greece and Southeastern Europe meets the demand of Investors seeking best practice, innovation and rigorous standards around their investment. Congratulations!"*

The services to be provided by IENE related to Green Bonds comprise the following:

- (a) Review of financing options for specific projects promoted by investors in the broad fields of renewable energy and energy efficiency.
- (b) Establishment of Green Bond criteria for projects which require financial support through funding to be provided by the issuance of Green Bonds.
- (c) Execution supervision: IENE's Green Bond team will undertake the promotion of the Green Bond to potential investors while undertaking the issuance process of the debt in liaison with stakeholders, in this context, IENE can:
  - > Prepare the necessary "Green Bond" report (i.e. Verifier's Report)
  - > Secure a decision on Pre-Issuance Certification
  - > Fast track the issuance of a "Green Bond" using the Certified Climate Bond mark
- (d) Ongoing stakeholder management through which IENE will keep track of the funds from the proceeds raised from the Green Bond.
- (e) Third-party independent assurance: To increase the credibility of the Green Bond, IENE can provide assurance services on the issuer's processes and control for selecting green projects and the managing of proceeds, as well preparation of the issuer's progress reports.
- (f) Monitoring and reporting: IENE undertakes the development of performance indicators and project evaluation metrics to monitor and report on the financial and environmental outcomes of projects.

## ■ IENE: Research, innovation, education and financial support to local communities is crucial for the transition of lignite areas to the clean energy era

The multiple benefits of the energy transition at local and national level, the adaptation capacity of the lignite areas, but also a series of good practices and necessary interventions for the successful implementation of the government backed de-lignification plan are highlighted, in a major study conducted by the Institute. The study forms part of the supporting material of the Fair Development Plan for Lignite Areas, which was put to public consultation by the Greek government in December 2020.

The purpose of the study entitled **“Current situation and Prospects for energy transition areas in Greece”** - which was undertaken by IENE upon assignment by the Coordinating Committee of the Plan - was to contribute towards the preparation of the Master Plan of de-lignification, but also to the **“2021-2027 Fair Development Transition Operational Program”**. The study describes in detail the current situation in the areas under energy transition, with the immediate decoupling of electricity generation from fossil fuels, such as lignite and oil, which is already under way. Furthermore, the study focuses on the existing energy potential and the corresponding infrastructure, the economy, employment and existing business activities in the areas under consideration.

Thus, the possibilities and prospects that exist in the assigned areas for job creation and economic development in a lignite-free environment are identified. At the same time, IENE's research sheds light on the real costs of attachment to lignite. According to a series of analyses, if the current fleet of lignite power plants remains as it is, then over the next 3.5 years the lignite industry will accumulate losses of up to € 1.3 billion, an unbearable cost for PPC and the national economy, and a burden to the environment and public health.

The IENE study focuses on the energy transition in the regions of Western Macedonia, Megalopolis, the Aegean islands and Crete. The proposed interventions in the specific areas include a series of actions and projects, such as installation of RES units (photovoltaic, solar thermal systems, wind turbines and biomass), electricity storage systems, restoration of areas where PPC mines and lignite units currently operate, creation of new industrial activities, such as manufacturing of batteries, production of battery chargers, assembly of electric vehicle parts and development of hydrogen production units, and more.

Also, the maintenance of district heating in the specific areas, with the use of biomass or natural gas, is expected to play a particularly important role, while the study also emphasizes the special importance of a revised spatial planning which is needed in order to clarify the permitted activities and land uses, taking into account the needs of de-lignification.

Furthermore, research and innovation are highlighted by the study as two key areas where new activity in the areas under consideration could focus. In this context the role of the University of Western Macedonia is regarded as crucial, as it could lead research into relevant fields and at the same time develop innovative, exportable products, but also undertake the intensive training of redundant and/or new personnel from the regions under consideration, in order to facilitate transition for the local communities.

The IENE study, having as its main goal the creation of jobs and the protection of the environment, refers to the actions required for the implementation of the Plan's projects and for the support of local communities. Finally, examples are given of good practices that have been applied in other countries around the world which have followed decarbonization policies, and can be useful as a guide in the broader effort to achieve transition in a carbon free environment for regions in Greece.

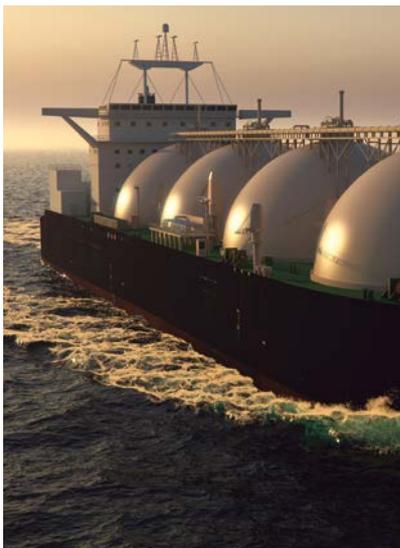


## ■ IENE advances debate on gas use in SE European energy markets through the publication of two new working papers

As opposition to the use of gas as substitute fuel in the drive towards decarbonization is growing daily in EC's senior echelons, most energy corporations which use coal or lignite for power generation in SE Europe are looking forward to the switch to gas as this is the fastest and most efficient way to remain in business. With coal use becoming more and more marginalized in economic terms, gas offers a real alternative which can help electricity companies provide competitively priced base load which is essential if we are to aim for further renewables penetration.

With RES making slow advances in gaining greater share in the energy mix in most countries in SE Europe, natural gas is proving to be the only realistic option for a fast move away from coal or fuel oil power generation.

Hence, and much to the chagrin of European bureaucrats who are eager to stop financing gas infrastructure projects in Europe's southern flank, in a hopeless effort to discourage the use of gas, gas markets are not only proving to be resilient but are expanding especially since a lot more gas volumes are now flowing into SEE.



The completion almost simultaneously of a number of major gas arteries including the TurkStream and TAP and the upgrade of key LNG terminals such as Revithoussa in Greece, has ensured the flow of substantial new gas volumes into the region. With a series of new gas interconnectors and LNG floating terminals at an advanced planning stage or under construction (e.g. the IGB interconnector) gas markets are set for a major regional expansion to be facilitated by more flexible gas pricing mechanisms.

The two new Working Papers authored by IENE staff and a senior associate published today focus on the evolving gas markets in SE Europe, the challenges faced under the new European energy environment, the introduction of new gas pricing mechanisms through the operation of gas trading hubs and the challenges posed by the need for additional gas infrastructure facilities.

The paper by Dr. Charles Ellinas on "the Role of gas in the new European energy environment and the importance of East Mediterranean" throws a lot of light on the constraints currently faced which hinder further gas market development at this stage.

The second paper jointly authored by Dimitris Mezartasoglou and Costis Stambolis "Prospects for the Establishment of Gas Trading Hubs in SE Europe" focuses on the new gas pricing mechanisms provided by gas trading hubs, now in nascent form in various SEE countries, which will facilitate gas to gas completion and hopefully achieve cheaper gas prices for the consumer.

## ■ IENE publishes new series of fact sheets on SEE electricity

At the start of 2020, IENE introduced a series of Fact Sheets which aim to present in a comprehensive yet concise manner a broad range of subjects related to the energy sector in SE Europe. Following the publication last January of the first two Fact Sheets on SEE Gas Markets, the Institute has just released three new Fact Sheets on electricity markets and infrastructure.

The first one covers Electricity Markets in general, the second one is concerned with the region's Electricity Exchanges and the third one focuses on the region's Electricity Infrastructure.

IENE has now scheduled, the publication of additional fact sheets which will deal with quite diverse subjects such as Energy Efficiency, Renewable Energy Sources, Upstream Oil and Downstream Oil as well as Energy and Geopolitics and energy investments in SE Europe.

The access to the Electricity Fact Sheets is free through the following links:  
[https://www.iene.eu/articlefiles/iene\\_electricity\\_3.pdf](https://www.iene.eu/articlefiles/iene_electricity_3.pdf)  
[https://www.iene.eu/articlefiles/iene\\_electricity\\_4.pdf](https://www.iene.eu/articlefiles/iene_electricity_4.pdf)  
[https://www.iene.eu/articlefiles/iene\\_electricity\\_5.pdf](https://www.iene.eu/articlefiles/iene_electricity_5.pdf)



## ■ IENE completed major Electricity Market study for Greece and SE Europe

On April 2020, IENE completed a major study on “The Integrated Electricity Markets in Greece and SE Europe, the Role of the International Electricity Interconnections and the Impact on Industry”. The main objective of this multi-client study was to analyze the framework within which energy-intensive industries in Greece and SE Europe will perform in the years ahead in view of the implementation of the Target Model in Greece, now slated for fall this year.

This study was undertaken by IENE upon the request of a group of energy intensive industries in the region which wanted to ascertain how wholesale and retail electricity prices are to shape in the years ahead, following full market coupling in the region. More specifically, the study focused on two main areas: (a) an understanding of the functioning of regional electricity markets through the imminent changes, and (b) an examination of the prospects and the repercussions of the electricity market integration among the SEE countries. Regarding part (b), the integration refers to the market coupling and the increase of electricity flows, through the related interconnections, and the implementation of the Target Model in many countries of SE Europe. In this context, the study focused on the quantitative evaluation of the regional electricity market with specific focus on electricity market prices on retail and wholesale level and the opportunities risen for industrial consumers and electricity market participants.

The evaluation was made for different sets of assumptions with the development of the costs of carbon emissions being a common parameter. For this specific issue, IENE cooperated closely with Professor Pantelis Capros, Scientific Coordinator of E3 Modelling, and his team, who used PRIMES model and two specially developed mathematical sub-models deployed to

perform system and market simulation and retail price estimation respectively. The analysis was held under various plausible scenarios developed by E3 Modelling. A broad summary of the study and its main findings will be published by IENE sometime later in the year in the form of a Working Paper. A separate announcement will be made by IENE once the WP become available. IENE would like to thank its external senior consultants, who participated in the study, and provided valuable data and their insights on SE Europe’s electricity markets and infrastructure. These included Mr. Shkelqim Bozgo and Mr. Abaz Aliko from Albania, Mr. Stefan Borozan and Prof. Vesna Borozan from North Macedonia, Mr. Aleksandar Mijušković from Montenegro, Mr. Mihailo Mihailovic and Mr. Nenad Stefanovic from Serbia, Mr. Mirsad Sabanovic from Bosnia and Herzegovina, Mr. Fadil Ismajli from Kosovo and Dr. Vasilis Rallis from Greece who contributed in the introductory Chapters of the Study. Last but not least, IENE would like to thank the companies which contributed financially, but also provided essential information that enabled it to carry out the aforementioned study. More specifically, the IENE wishes to thank ElvalHalcor SA, Elpedison SA, Mytilineos SA, Heracles Group of Companies, the TITAN Cement Group, as well as the Hellenic Union of Industrial Consumers of Energy (UNICEN).



## ■ IENE released its annual report for 2019

The Institute’s Annual Report for 2019 which also covers activities for the first half of 2020, has been uploaded on IENE’s website. The Annual Report provides accurate information about the Institute of Energy of South-East Europe (IENE) and its activities and is mainly addressed to its Partners, its members, its institutional stake holders as well as to energy professionals, to government agencies and state supervised organizations in SE Europe. The first part of this report covers the Institute’s activities including financial data, while the second half presents an account of its proceedings for the first half of 2020. The Annual Report and IENE’s Balance Sheet for 2019 was approved by the Annual General Meeting (AGM) of October 21, 2020. A quick glance at the Annual Report helps to understand the work carried out by IENE including the regular information gathered, analysed and subsequently sent to its members which constitutes one of the Institute’s core activities, in addition to research, study work and educational activities

undertaken by it. Furthermore, the report describes IENE’s activities in the area of events including conferences, workshops, discussion groups in Greece but also in other countries of SE Europe. The second part of the Annual Report focuses on the research and study activities of the Institute, which constitutes another highly important activity. The retrieval and presentation of relevant data originating from completed studies, reveals the depth and breadth of the work undertaken by the Institute. Finally, an account is presented of the conferences and other events organized by the Institute in Greece and in other countries of SE Europe, as well as of its educational work, which has focused mostly on high level specialized professional courses. The overall aim of the Annual Report is to present the reader with a comprehensive picture of IENE, its organization and range of activities. IENE is essentially a regional institute operating in the broader area of South East Europe.

## ■ Financial Times publishes letter by IENE's chairman concerning the cost of decarbonisation

On August 4, 2020 the Financial Times published a letter, in both their electronic and print editions, by IENE's chairman, Mr. Costis Stambolis, in which he argues that the EU has a binding obligation to pay in full the costs to all local communities affected by its ambitious decarbonisation plans. EU's new green agenda, says IENE's chairman, raises the very legitimate issue of compensation to workers and communities alike who will become redundant as a result of EU's ill conceived decarbonisation plans. "Adding insult to injury, the EU's recent summit agreed to reduce available funds for coal Transition as part of the horse trading involved to cap the stimulus package", says IENE's chairman. The full letter as published by the Financial Times follows:



### Coal communities should be part of EU green plans

Sir, the excellent article by James Shotter and Agata Majos ("Poland debates the future of coal", FT Big Read, July 29) raises the very legitimate issue of compensation to workers and communities alike who will become redundant as a result of EU's ill-conceived decarbonisation plans. As it is rightly pointed out in the article "a coal exit in Poland's power sector... would have a huge spill over effect". Not only will jobs in coal mining and power plants be permanently lost, but the communities involved will greatly suffer as the major activity on which they depend will suddenly vanish. This will happen because the EU has agreed on tight decarbonisation schedules, unlike the UK, where the coal communities had time to adjust. Now coal mining communities across south east Europe in countries like Greece, Bulgaria, Romania and Serbia are facing a similar, if not worse, predicament to that of Poland. It is true that funds on offer from the EU to support the green transition will provide some comfort to coal regions but will by no means enable them to make the switch to clean energy and create alternative employment for all. Adding insult to injury the EU's recent summit agreed to reduce available funds for coal transition as part of the horse-trading involved to cap the stimulus package. However, as the EU is so keen to save the planet and reorganise the energy mix to that end, it has an obligation to take care and fully fund the employment transition of the communities involved.

Costis Stambolis Chairman  
Institute of Energy for SE Europe (IENE) Athens, Greece

## ■ IENE publishes critical briefing note on EU's energy taxonomy



On May 21, 2021 IENE released its Briefing Note No. 12 entitled "**Energy Taxonomy Poses Serious Challenges to EU's Economy**" which was sent to its Members on the same day. This latest Briefing Note deals with the "hot" subject of the creation of a common classification system for sustainable economic activities, known as "EU taxonomy". According to European Commission's thinking and in order to meet the EU's climate and energy targets for 2030 and in line with the European Green Deal, it is important to direct investments towards sustainable projects and activities. "*The current COVID19 pandemic has reinforced the need to redirect capital flows towards sustainable projects in order to make our economies, businesses and societies, in particular health systems, more resilient against climate and environmental shocks and risks with clear co-benefits for health*", underlines the EC.

To achieve this, a common language and a clear definition of what is "sustainable" is needed. With the final proposal still pending, the task at hand is to ensure that taxonomy criteria and thresholds are established with foresight and broaden the scope of technological climate solutions.

The EU taxonomy has the potential to be a game-changer, but it must adopt a holistic approach, examining all possible solutions to meet climate objectives, moving beyond a narrow confine with labels such as a "brown list" that appear to dictate what is "good" and "bad" technologies.

But there is a much broader critique at play and this has to do with EC's increasingly interventionist role when it comes to micromanagement and basic planning and the urge by EU bureaucrats to control everything that moves. In this sense, there is growing criticism by several economists who argue that EU's obsession with an ever-expanding list of prohibited activities for the shake of climate change policies and precise guidance on doing things in core power generation activities, is reminiscent of Soviet era type central planning.

IENE's latest Briefing Note can be  
[https://eurogas.org/media\\_centre/eurogas-and-iene-workshop-gas-](https://eurogas.org/media_centre/eurogas-and-iene-workshop-gas)  
<https://www.iene.eu/1/briefing-notes-c24.html>

## ■ IENE analysis: The case for Hydrogen in SE Europe



On February 23, 2021 the Institute sent to its members its “Monthly Analysis” (Issue No. 328) which was dedicated on the hot topic of hydrogen and how it could affect the energy sector in (SE) Europe, in terms of demand, supply and investments. In order to address this multifaceted topic, the Analysis first considered the European Green Deal since it identifies clean hydrogen as a priority area for achieving carbon neutrality by 2050.

Then, it presented the current status of EU’s hydrogen supply and demand, highlighting the different types of hydrogen (grey, blue, green, etc.), before focusing on the SE European region, providing a country-by-country analysis of latest hydrogen developments.

The projects aim to create a green hydrogen value chain connecting the RES capacities in SE Europe with the growing interest in hydrogen in Western Europe. Recently announced investments in (SE) Europe will undoubtedly give a strong impetus to the technologies involved in hydrogen production, storage and transport, as well as for its conversion back to energy. The aim of the EU member states of SE Europe is to meet their targets for hydrogen deployment, according to the goals stated in their NECPs, provided they have set up such targets. In the case of the Western Balkans’ countries that are not EU member states, the main challenge is to develop a hydrogen strategy. In addition, several projects for the sustainable production of both green and blue hydrogen should be promoted and the majority, if not all, of the SEE countries should join in.

## ■ IENE working paper highlighted the integration of SEE Electricity Markets and the impact on industry



On January 19, 2021 the IENE uploaded an important **Working Paper No. 30**, on its website. The paper addresses the future of electricity market in Greece and in SE Europe following latest developments by making a projection of the operation of the electricity market at regional level. An extensive record of current and anticipated changes in the organizational framework of the regional electricity markets and electricity system infrastructure of Greece, Albania, Bulgaria, Romania, Serbia, Kosovo, Montenegro, Bosnia and Herzegovina and North Macedonia is presented.

This is followed by a comprehensive modeling simulation of the performance of the regional Electricity Market of SE Europe that provides a glimpse of all aspects of the operation of the regional electricity market, as well as the volume of cross border electricity trade and electricity prices for all regional consumers at wholesale and retail level for the period 2020-2030. In short, the present Working Paper constitutes a useful tool for understanding the structure of electricity markets in SE Europe and in assessing future electricity market performance in the SEE region under a certain set of parameters.

The quantitative analysis of the Electricity Market of SE Europe was performed by E3 Modelling, under the guidance of Prof. Pantelis Capros, Scientific Coordinator of E3 Modelling, Professor of Energy Economics at National Technical University of Athens and Chairman of IENE’s Scientific Council. This Working Paper is in essence the Executive Summary of IENE’s Study on the “The Integrated Electricity Markets in Greece and SE Europe, the Role of the International Electricity Interconnections and the Impact on Industry” (IENE Study M54), which was completed in April 2020.

This major IENE Study Project was financially supported by a number of companies and organizations whose valuable contribution and support is acknowledged with great thanks. The following companies acted as sponsors of the Study: Hellenic Union of Industrial Consumers of Energy (UNICEN), Elpedison SA, HERACLES Group of companies, Mytilineos SA, ElvalHalcor SA and TITAN Cement Group.

See link to read the working paper:  
[www.iene.eu/xxxxxxxxxxx](http://www.iene.eu/xxxxxxxxxxx)

## ■ Greek government aims for cleaner transport by promoting electric cars – IENE 2018 pioneering study proved pivotal

On June 5, 2020, Greece unveiled the legal framework and tax incentives to promote the use of electric cars, motorcycles and bicycles, as part of its 10-year climate plan for lower carbon emissions. Greece now has only about 1,000 electric cars - 0.3% of its fleet - on its roads, a very low rate compared to other EU countries, such as Germany, where they account for about 10% of the fleet. Presenting the country's plan for moving to low-carbon mobility, Prime Minister Kyriakos Mitsotakis said that Athens will aim for one in three new vehicles to be electric by 2030. *"We are subsidising the purchase of new types of cars with 100 million euros for 18 months at the first stage,"* Mitsotakis said. *"This is expected to cover 25% of the cost for about 14,000 new electric cars."*

The plan also includes subsidies for the purchase of electric taxis and motorbikes and for setting up charging stations across the country. Drivers of the new vehicles will be also exempted from any parking fees for two years. A recent study showed that carbon emissions dropped by about 40% in Athens amid a coronavirus-prompted lockdown from March to April as most Greeks stopped commuting by car.

To meet EU-wide climate targets by 2030, Greece has also vowed to close down all but one of its coal-fired electricity plants by 2023. The plants use lignite, a highly pollutant brown coal. Most of them operate in northern Greece and the southern Peloponnese. Mitsotakis announced tax breaks for new factories that will produce electric cars in those regions.



The government has been keen to promote electric vehicles as part of a broader push for environmentally friendly policies as the cars on Greece's roads are among the oldest in Europe. The average of a car in Greece is 15.5 years, putting the country fourth from the bottom of the list of 27 European Union member -states, ahead of Romania, Lithuania and Latvia. The average car age in the EU is 11 years. Greece is in the same spot, fourth from last, among its EU peers when it comes to sales of low-emissions vehicles, with a rate of 0.5 per 1,000 residents, just ahead of Bulgaria, Latvia and Romania.

According to government projections, between, 4,500 and 5,000 electric cars will be on Greek roads by next year. The aim is for one in three cars sold in Greece by 2030 to be electric. The IENE Study In May 2018 IENE completed a major multiclient study on the Prospects of the Electric Vehicle Market in Greece and SE Europe. Several of the measures, incentives and technical features adopted by the Greek government in its latest drive to promote electric vehicles had been analysed and proposed in the above IENE study



IENE's study: <https://www.iene.eu/iene-completed-major-study-on-electric-vehicle-market-p4298.html>  
<https://www.iene.gr/articlefiles/working%20paper%20no%2024.pdf>

## ■ SE Europe's uphill battle to Energy Transition fully explained in timely IENE analysis

At a time when the European Commission is setting new and more ambitious Climate targets, to reduce its greenhouse gas emissions by 55 percent from 1990 levels by 2030, most countries in the SE European area are still debating if and when they should give up coal use for power generation. With the exception of Greece, which has embarked upon an aggressive decarbonisation plan, and Albania - which uses only hydro for its power generation - all other countries appear bent in prolonging thermal coal and lignite use.

The reason being that solid fuels until recently provided the bulk of power generation across the region thanks to abundant deposits and relatively cheap open cast mining extraction. With the arrival of expensive emission charges and stricter EU air quality rules and the push for greater RES use SE European countries are now under intense pressure to decarbonise.

And although this may be achievable in the case of Greece, Bulgaria, Romania, Croatia and Slovenia as strict EU targets for 2030 already apply it looks almost impossible for the

countries in the West Balkan region. Turkey, although quite advanced in terms of RES penetration and contribution to its energy mix, is a most challenging case because of the huge size of its economy, compared to the rest of the SEE countries, and the substantial investment in solid fuel use. However, targets may still be achieved thanks to the coming of nuclear power from 2023 onwards.

In its monthly analysis for July – August 2020, IENE discusses how effectively EU decarbonisation and clean energy policies can be applied in SE Europe and what are the real challenges ahead. As the IENE Analysis points out there is a need for the transformation of existing and highly polluting energy systems employed across SEE, into sustainable ones to be achieved through localized policies and differentiated energy sources aiming towards higher energy efficiency and greater RES penetration. Energy cooperation between the various countries in the region is of paramount importance and necessary in order to introduce lasting changes aiming towards sustainability.

## ■ Energy charter publishes latest “Energy Investment Risk Assessment” Report - acknowledgement of IENE’s contribution



In October 2020 the Brussels based “Energy Charter” published its long awaited Energy Investment Risk Assessment Report (EIRA2020) which has been developed under Azerbaijan’s chairmanship of the Energy Charter Conference.

This year’s report focuses on policy implementation and summarises the actions taken by governments to mitigate the EIRA risks and address the improvements recommended in the Report’s previous edition. It also includes statistics from the Orbis Cross border investment database on the investment trends in the participating countries over the last five years, the target industries that received the most attention, the number of projects and deals completed in this timeframe, and their monetary value.

As Energy Charter’s Secretary General Urban Rusnak points out in his introduction,

*“This year, the world is facing an extraordinary crisis with severe socio-economic consequences. The Covid 19 pandemic has substantially impacted the energy sector and it has led to an unprecedented fall in energy investment, a decline in energy demand, and reduced energy revenues for many countries. While it is critical to take emergency support measures, we should not lose focus on the long term perspective. Well-designed long-term policy responses can help countries tide over the immediate challenges and also present them with opportunities to steer investments that support sustainable development, minimise job losses, and boost the global decarbonisation agenda.”*

It is worth noting that the EIRA report evaluates three types of risk:

- (1) unpredictable policy and regulatory change
- (2) discrimination between domestic and foreign investors, and
- (3) breach of State obligations.

Furthermore the EIRA report highlights the key strengths and areas for improvement in each country, provides qualified recommendations to improve results, and assists policy makers in designing risk mitigation plans. In addition EIRA recognises that various factors outside its scope can shape investment decision and for this reason it does not claim to give a complete picture regarding the investment prospects or attractiveness of a country.

Similarly, it does not judge or indicate if one country is better to invest in over another. Nevertheless, the EIRA report provides a most useful tool when it comes to assess the attractiveness and suitability of a country when considering major energy related investment. By visiting the link below one can access valuable information on this year’s report and country assessments. In his letter of October 10 addressed to IENE’s chairman Costis Stambolis, the Secretary General of the Energy Charter thanks and acknowledges the Institute’s contribution in this year’s EIRA report. On its part IENE contributed with information and comments on the energy investment situation in Greece and Cyprus.



Energy Charter link: <https://www.eira.energycharter.org>

## ■ IENE publishes report on “Greece’s Energy Sector in 2020”



High expectations for a new growth dynamic in the Greek energy market became clearly evident in 2020, despite the significant impact that the coronavirus had on domestic demand, as shown in its report for 2020 on **“Greece’s Energy Sector”** by IENE, which was presented in an online event that took place on, Wednesday, November 25, with the participation of senior executives from the Greek energy sector and by Media representatives.

The Chairman of IENE, Costis Stambolis, who “opened” the online event, after introductory comments, gave the floor to Dimitris Mezartasoglou, Head of Research at IENE and Alexandros Koutroumbousis, IENE Research Associate, who presented the Institute’s Report for the Greek Energy Sector for 2020. After a brief presentation of the trends and prospects of the Greek and global economy as well as of the global and regional energy markets, special emphasis was given to the data highlighted by the Report on the Greek energy market.

According to the Report, a particularly strong dynamic of Greece’s energy landscape is in place as a result of important developments such as the decarbonization plan, the large penetration of RES, the electricity interconnection of the islands, the initiatives to enhance electromobility and clean fuels, etc. At the same time, new trade and investment opportunities are being created at the regional level, with the Greek energy system developing closer collaborations with neighboring countries (e.g. electricity market coupling, new gas interconnectors, etc.).

According to the conclusions of the Report, as presented at the event, this year consumers have benefited significantly from the development of healthy competition in the electricity retail market - where, based on data for October 2020, there are 30 suppliers - and natural gas, where 24 suppliers are active. Greece’s Regulatory Energy Authority (RAE) new tool for comparing electricity and gas prices also played a positive role, while the “Save-Autonomy” Program (“Save at Home”) also went ahead.

In addition, the implementation of the Target Model since November 1st and the launch of the Energy Exchange are recorded as a key development, while the Report also stressed that in 2021 a fully fledged gas trading hub is expected to come into operation through HEnEx. Forthcoming Energy privatizations including HEDNO, DEPA Commerce and DEPA Infrastructure, the further sale of IPTO, a reduction of the State’s participation in Hellenic Petroleum are also highlighted in the Report.

The Report further notes that the development of new energy infrastructure and the expansion of existing ones should be pursued, as well as the facilitation of the entry of new players in the electricity and gas markets. In addition, the Report emphasizes the need for a regulatory framework for offshore wind, a greater focus on the transition to clean energy and the tackling of energy poverty. The Report also identifies the need for the Ministry of Environment and Energy to set up a group of high-level experts, in order to formulate a regulatory framework for battery storage and hydrogen.

The IENE’s Annual Report for the Greek Energy Sector also refers to Environmental Law 4685/2020, which concludes that it simplifies the licensing of RES projects and environmental licensing, while introducing a new, European framework for protected areas.

Commentary on the presentation of IENE’s 2020 Annual Report was contributed by Professor of Energy Economics at the National Technical University of Athens, Scientific Coordinator of E3Modelling and Chairman of the Scientific Committee of IENE, Prof. Pantelis Capros, while Alexandra Sdoukou, Secretary General of Energy and Mineral Resources of the Ministry of Environment and Energy, also shared her thoughts on the developments in Greece’s energy sector. In addition, Prof. George Ioannou, CEO of the Hellenic Energy Exchange, Mrs. Chen Dong, Deputy CEO of IPTO, Yiannis Yiarentis, Chairman and CEO of DAPEEP and Anastasia Chatziantoniou, Communications & CSR Manager of DESFA, also commented in their area of expertise.

The full archive of the latest IENE report will be available:  
[www.iene.gr](http://www.iene.gr)



## ■ IENE successfully delivers two high-level seminars on the Electricity “Target Model”



**The new market framework and the latest parameters which will shape Greece’s electricity market was the focus of two high-level online educational seminars** held by the IENE under the auspices of the Hellenic Energy Exchange (HEnEx) and sponsored by Elpedison, a leading electricity supplier. **The first seminar** was held on September 15&16, 2021 and was conducted exclusively in English on account of the large participation from overseas, while **the second** one took place between 19 and 23 October, 2020. More than 100 energy professionals in total attended the above series of highly focused seminars.

The seminar which took place in September was designed to meet the needs of overseas participants stressed the new market framework and the latest parameters which will shape Greece’s electricity markets following the launching of the Target Model, as applied in Greece’s daily electricity market, by the Hellenic Energy Exchange. The CEO of HEnEx, Prof. George Ioannou, who opened the seminar, in his presentation, he underlined the extremely topical character of this educational event since the Target Model application in Greece was expected to become fully operational on November 1, 2020.

The seminar, which followed two similar seminars conducted by IENE in 2019, concentrated on the operation of the new electricity market by the Energy Exchange, in the context of the implementation of the Target Model as advanced by the European Commission and ENTSO-E, as well as the changes that will take place during the transitional period. Changes which, as was explained by the Seminar speakers will lead to increased competition and greater transparency, thus working for the benefit of all participants and the final consumer. The seminar participants had the opportunity to deepen their knowledge in regulatory and legislative issues and to be introduced to the new reality of the Greek electricity market, which is based on the operation of the European Target Model and the four sub-markets that will operate in parallel from the HEnEx platform. That is, (a) the Day Ahead Market, (b) the Intraday Market, (c) the Forward Market, (d) the Balancing Market, operated by IPTO. The gradual integration of electricity markets at regional level and the increasingly important role of energy exchanges are two more factors that determine the energy landscape in Greece and Europe, as was presented by the speakers of

the seminar. Speaking during the opening of the seminar the Chairman of the Institute of Energy for South East Europe, Costis Stambolis, underlined IENE’s contribution with regard to the launching of HEnEx’s new market: *“IENE actively participates and supports the effort of HEnEx for the introduction of the Target Model through highly focused educational courses addressed exclusively to senior executives and market operators. In this context, we were very happy to welcome such a diverse audience at the seminar, since all those who attended were executives of large energy companies, not only from Greece but also from 5 other countries: Cyprus, England, Spain, Portugal and Israel. IENE will continue to provoke much needed discussion but also provide, analysis and synthesis and most importantly address the “hot” energy issues which confront us globally, but also in the wider region of Southeastern Europe”.*

The second such seminar was conducted over the course of one full week (October 19-23) with a series of late afternoon lectures and exercises which covered the entire span of the new market fundamentals and was designed in such a way as to accommodate the needs of market operators and their supervisors in companies which participate in Greece’s daily electricity market. More relevant than ever, the seminar took place shortly before the launch of the Energy Exchange under the EU Target Model, on November 1st. Through a series of well documented presentations, the seminar managed to inform comprehensively the participants about the new framework of the electricity market both in Greece and in Europe, in view of the latest guidelines issued by the European Commission for the “coupling” of electricity markets at regional level, illuminating, in this context, the growing role of energy exchanges. Emphasis was placed on the transition process itself and the changes it brings, creating an integrated market with increased competition and transparency, for the benefit of both participants and end consumers.

Speakers at the seminar were renowned experts, senior executives of energy companies and leading academics specializing in the Greek electricity sector, with deep knowledge of the electricity market and the operation of the Hellenic Energy Exchange. HEnEx CEO, Dr. George Ioannou, HEnEx Director of Strategy & Business Development, Dr. Vassilios Gountis, HEnEx Director of Market Operations, Dr. Christoforos Anestis Zoumas and the CEO of HEnEx subsidiary, EnExClear, Dr. Christos Nikolaidis, were among the speakers. Upon conclusion of the Seminar the Chairman of IENE, Mr. Costis Stambolis, stated: *“This latest online seminar of IENE regarding the New Electricity Market was completed with success. The event was attended by more than 50 senior executives of Greece’s energy sector, who had the opportunity to learn about the radical changes that the Target Model will bring to the electricity market, a few days before it came into force. The participation of high-ranking executives of the Hellenic Energy Exchange was particularly valuable and rewarding”.*

## ■ Energy efficiency in buildings and industry crucial in achieving climate neutrality by 2050

A very timely online seminar was organised by the Institute on “Energy Efficiency for Buildings and Industry”. As Energy Efficiency is one of the EU’s key objectives under the European Green Deal, IENE took the initiative to prepare this training seminar, mainly addressed to practicing architects and engineers, which run from March 3-31, 2021 and comprised eleven 3 hour sessions.

In this latest training course, which was coordinated by **Costas Theofylaktos**, chairman of IENE’s Energy Efficiency Committee, distinguished scientists and experts presented energy efficiency methods and applications in both the building and industry. In addition, both the existing legal framework and the energy audit methodology as well as feasibility study essentials of energy saving projects were presented. The Seminar was primarily aimed at energy inspectors and auditors, engineers, physicists, and environmentalists. However, its educational content was designed to make it attractive to anyone who wants to deepen their knowledge on the subject, regardless of specialization.

Energy Efficiency is a key element of the European Green Deal for Climate Neutral Economy by 2050. According to the Green Deal, the “Energy Efficiency First” principle applies across the entire EU. To achieve this, the EU has asked Member States to prepare their National Energy and Climate Plan (NECP) with specific targets for 2030, 2040 and 2050. Prepared in 2019, the Greek NECP provides for a reduction of greenhouse gas emissions of more than 42% by 2030 in relation to 1990. To achieve this goal a high technical capability is required together with a flexible and innovative approach to policy formulation and implementation as well as information dissemination to citizens.

In this context, IENE has put high on its agenda the promotion of Energy Efficiency, creating a separate Scientific Committee of experts and scientists, where all relevant issues are discussed and analyzed, especially applications in the built environment and industry. As part of its activities in the field of Energy Efficiency, both at national and regional level, IENE regularly organizes conferences and other similar events, such as this latest online Educational Seminar on “Energy Efficiency in Buildings and Industry”.



## Special Report

### Interim Report: The impact of the Coronavirus Pandemic on Greece’s Energy Market



Following the initial publication September 29, 2020 of the report in Greek the Institute released the report in English looking first at the global perspective of COVID-19’s impact on the energy sector, the report then focuses on the repercussions on Greece’s energy market. Discussing the report, the Chairman and Executive Director of the Institute, Mr. Costis Stambolis, noted that “The most obvious impact has been the sudden and sharp drop in demand, which affected all energy markets, resulting in a significant decline in prices, especially in the oil sector, but also affecting gas and to a lesser degree, electricity.”

As underlined by IENE’s Head of Research, Mr. Dimitrios Mezartasoglou, “the scope of this interim report was to investigate the ways in which the Greek energy system responded to the spread of the pandemic and how it was affected by various restrictive measures, while maintaining the reliability and its smooth operation. At the same time, the report is a record of events that have taken place in the broad energy sector during the period when the coronavirus epidemic was in full swing.” According to IENE, the main effects of the coronavirus pandemic on the Greek energy market can be summarized as follows:

- The coronavirus crisis greatly contributed in accelerating changes in consumer and business behaviour, with the adoption of new business models, further digitalization, travel restrictions, home working, telework, e-commerce, etc. These changes resulted in a sharp drop in energy consumption.
- The systemic risk of consumer insolvency, especially in the electricity sector increased significantly, especially during the initial outbreak of the pandemic.
- The already significant degree of digitalization and automation, which has been introduced in Greece’s energy system in the past years, proved to be a key factor in maintaining its smooth operation.
- Reduced energy demand has weakened the forces influencing the last emissions prices.
- The uncertain prospects of the global and national economy may induce energy companies to move even more cautiously and possibly postpone some investment plans.
- The planning and execution of a number of large investment projects in Greece undertaken by major energy companies was not particularly affected.

Impact of Coronavirus Pandemic on Greece’s Energy link:  
<https://www.iene.eu/articlefiles/special%20report.pdf>

## ■ SEE's Natural Gas Market challenges hotly debated at IENE webinar



25 senior business executives and experts from 10 different countries discussed the advances and new market dynamics of natural gas in Southeast Europe, in a series of highly enlightening sessions that took place a part of IENE's Webinar on **"Gas Markets in Transition in SE Europe"**. The online event was also broadcast via livestreaming on **Tuesday, June 8, 2021**, attracting numerous participants.

The Lead Sponsor of IENE's Webinar was Hellenic Petroleum S.A., Greece's leading energy group, while Webinar's Supporters included DEPA and DEDA and communication sponsor the energy portal [energia.gr](http://energia.gr). The IENE online workshop opened with introductory comments by Costis Stambolis, Chairman and Executive Director of IENE. Then followed a greeting from the MEP and member of the European Parliament's Committee on Industry, Research and Energy, Maria Spyraiki. The stage was then given to the President of the Regulatory Authority for Energy (RAE), Dr. Athanasios Dagoumas, the Senior Director of the United States Energy Association, William L. Polen and the CEO of DEDA, Dr. Marios Tsakas.

During the sessions that followed, the speakers discussed at length the further development and integration of natural gas markets in the wider region of SE Europe, the challenges faced and the prospects for increased gas trading, the gas infrastructure of the future, the new EU taxonomy and the role of natural gas in it, as well as the emergence of new technologies, with emphasis on hydrogen and biomethane.

The speakers who participated in the Webinar include: Prof. Andrey Konoplyanik, Adviser to Director General, Gazprom export LLC Co-chair from the Russian side of the Work Stream 2 "Internal Markets" Russia-EU Gas Advisory Council Member of Scientific Council for System Research in Energy Russian Academy of Sciences and Distinct Fellow of IENE, Gokhan Yardim, Partner and Manager ADG Anadolu Naturalgas Consultancy and Trade Ltd, Slavtcho Neykov, Chairman of the Board of Directors of the Energy Management Institute from Bulgaria, Dr. Gina Cohen, Lecturer and Consultant on Natural Gas Industry, Dr. Charles Ellinas, Oil & Gas Consultant Senior Fellow – Global Energy Center Atlantic Council Visiting Research Fellow IENE, Mr. Jorgo Chatzimarkakis, Secretary General Hydrogen Europe in Brussels, Nikos Satras, Head of Natural Gas Business Unit at MotorOil, Konstantinos Papanastasiou, Member of the Board of Directors of CYGAS from Cyprus, Panagiotis Panousis, Director of Energy Transition of DESFA, Dr. Gottfried Steiner, CEO Central European Gas Hub in Austria, Gerasimos Avlonitis, Market Development Manager, National Gas System Operator SA (DESFA), Greece, Mustafa Güzel, Natural Gas Market Manager, Energy Exchange Istanbul (EPIAS), Turkey, Efi Milioni, Market analysis & Back-office Section Manager, Elpedison, Greece, Andreas Guth, Policy Director, Eurogas, Brussels, Mr. Hans Kreisel, Chairman, GEODE, Brussels and Dr. Theodore Terzopoulos, Coordinating Director, Strategy & Corporate Affairs, DEDA and Chairman of IENE's Committee on Natural Gas, Biomethane and Hydrogen, Greece.

The sessions were moderated by: Dr. George Paparsenos, Independent Energy Consultant Greece, Christos Dimas, Chairman of the IENE Geopolitics Committee, Julian Bowden, Senior Visiting Research Fellow of the Oxford Institute for Energy Studies in the U.K. and Dr. Charles Ellinas.

A background paper on regional gas markets has been prepared and sent to all participants in advance. This paper entitled **"Gas Markets in Transition in SE Europe"** is now been posted on IENE's website under Publications and makes interesting reading.

Following definitions on the countries which constitute the SEE region and are hence covered in this latest review by IENE, the paper discusses the energy challenges faced by most of them as they try to adopt EU directives and policies, most importantly on the decarbonisation of their power sector, and adapt to the new reality.

In his introductory remarks, the Chairman and Executive Director of IENE, Costis Stambolis, noted:

*"The countries of the region of South-East Europe look upon natural gas as their best hope - in addition to renewables- for a quick decarbonization and phasing out of the really polluting, in the context of climate change, solid fuels. And of course, without the base load and quick response fuel that natural gas power generation is capable of it useless to talk about greater RES penetration in our electricity grids. "A strategy which will obviously include stringent emission standards and much stricter environmental and health safety conditions for natural gas power generation as well as provision for the introduction of hydrogen in gas grids in the near future. To IENE it is quite clear that without natural gas EU's highly ambitious 2030 goals cannot be really achieved in SE Europe", he concluded.*

## ■ IENE webinar discusses coronavirus impact in regional Electricity Markets



Following an extensive discussion, hosted by IENE in its webinar of June 24, 2020 between well placed energy experts from Bulgaria, Greece and North Macedonia on the electricity market situation in the region in the light of the ongoing coronavirus crisis, the picture which emerged was reassuring concerning their viability and long-term prospects.

This IENE webinar was part of a series of virtual events launched by the Institute in middle May in order to discuss the impact of the preventive measures taken, to contain the coronavirus pandemic, by the various countries in the region. Ten such Webinars have been organised so far and their content is available through IENE's account at YouTube. The June 24th webinar was in the form of discussion between the panelists Mr. Marko Bislimoski, Chair of the Energy Regulatory Commission (ERC) of North Macedonia and Chair of the Energy Community Regulatory Board (ECRB), Mr. Slavtcho Neykov, Chairman of the Board of Managers, Energy Management Institute, Bulgaria and Mr. Alexandros Perellis, Senior Researcher at IENE, moderated by the Chairman of IENE, Mr. Costis Stambolis.

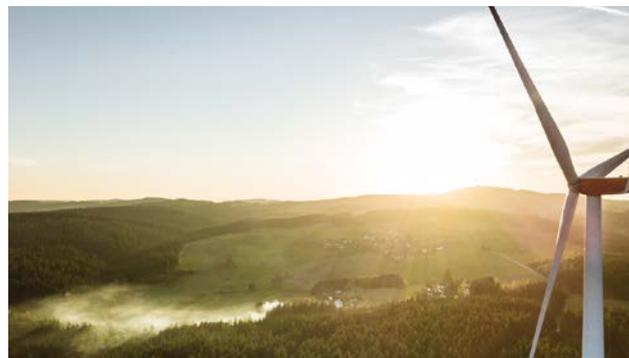
The main topics discussed included the effect, which the preventive measures for the mitigation of the spread of COVID-19 had on electricity demand and consumption, and how these affected the actual operation of the markets, at wholesale, retail and investment level. In this regard Mr. Marko Bislimoski presented the case of North Macedonia, in which he mentioned that demand remained at relatively normal levels despite the quarantine measures, as consumption moved from businesses to households, while he also mentioned that the most evident occurrence was the reduction of electricity market's liquidity. Mr Slavtcho Neykov presented the progress of policy alignment and the reluctance of certain EU member states to adapt their policies with the European Green deal.

Focusing on Bulgaria, he discussed the electricity mix of the future with regard to market disruptions like the occurrence of COVID-19. Mr Alexandros Perellis presented the case of Greece and also explained wholesale electricity price formulation in SEE Europe. He further discussed electricity demand trends and developments at regional level, making special reference to renewables and cross-border electricity trade.

The session concluded with a discussion about infrastructure development in the region with special reference on electricity interconnectors and gas pipelines, as well as the development of baseload generation and renewables within the scope of the European Green Deal.

In this context, Mr Neykov raised the issue of the viability of coal-fired baseload generation and the development of Bulgaria's nuclear programme. Concluding the session, IENE's chairman, Costis Stambolis, underlined the importance of the decarbonization policies pursued at EC level and Greece's proactive approach following the government's decision to terminate lignite use for power generation by 2028.

Consequently, Greece is now drawing up plans for a more aggressive use of RES backed by higher gas use and energy storage.



## ■ Energy storage is key to energy transition, underlines IENE workshop

The decisive role of energy storage in the penetration of Renewable Energy Sources (RES) in the electricity grid as well as in the Energy Transition was analyzed by more than 20 speakers from Greece and Europe who participated in the online Workshop on: **“The Role of Energy Storage in Advancing Large Scale RES Penetration”**, organized by IENE on April 27, 2021 with HUAWEI and SKE as Lead Sponsors. Opening the Workshop, the Chairman and Executive Director of IENE, Costis Stambolis, noted that energy storage is an area of growing interest not only for renewables but for the whole energy sector. *“As variable energy sources become more widely available and their access to the grid is constantly rising in many countries and especially in Europe, energy storage plays a very critical and decisive role”*, said IENE’s Chairman.

Taking the floor, Dr. Athanasios Dagoumas, President of the Energy Regulatory Authority (RAE) referred to the Community directive on common rules for the internal market in electricity and the European package **“Clean Energy for all”**, but also to the initiatives of RAE for the promotion, for the first time in Greece, of central energy storage investments in the domestic electricity system.

Dr. Dagoumas stressed the previous absence of a regulatory framework for respective installations and briefly presented the licensing procedures for the installation of large storage units with batteries. Then followed the intervention of Yiannis Yiarentis, Chairman of the Board and CEO of the Operator of Renewable Energy Sources and Guarantees of Origin (DAPEEP). Yiannis Yiarentis focused on the three pillars of the national strategy for the Energy Transition, the target model, energy storage and hydrogen. According to Mr. Yiarentis, storage is a basic condition for the realization and promotion of the energy system of the future.

For his part, Pantelis Capros, Professor of Energy Economics of NTUA, Director of the E3M-Lab of the National Technical University of Athens and Chairman of the Scientific Council of IENE, stressed the strong relationship between RES with storage, both from a technological and technical point of view, as well as from an economic point of view. Furthermore, Prof. Capros noted that the goals for much greater installed storage capacity cannot be achieved with a single technology, but it requires a combination of all available technologies, such as pump storage, batteries, hydrogen, etc.

The 2nd session which followed on **“Technology review and perspectives- Key issues for deployment at EU and SE European level”**, was moderated by Costas Theofylaktos, Secretary General of IENE. It was attended by Patrick Clerens, Secretary General European Association for the Storage of Energy (EASE), Brussels, Prof. Vesna Borozan, Head of Power Systems Department, University “Sts. Cyril and Methodius”, North Macedonia, Davor Bajc, Electricity Infrastructure Expert, Energy Community Secretariat, Vienna as well as Radoš Čabarkapa, Head of Division for support and energy planning analysis, Electricity Trading Department, EPS. The

third session of this timely IENE workshop was moderated by Andreas Petropouleas, Director of Energy Management, Elpedison & Chairman of the Electricity Committee of IENE, on **“Energy storage as the main component of electricity grid operation”** and was attended by Yioula Tsiknakou, Head of the Hydroelectric Projects Department of TERNA Energy, Sofia Siahou, Director of Engineering and Licensing Unit, Hydroelectric Projects Engineering Construction Dept. of PPC, Stamatis Asimis, Key Projects & New Technologies Manager Sunlight, Stelios Psomas, Advisor of HELAPCO and Dr. Eugenia Giannini, Lawyer, Law Firm E. Giannini and Associates and IENE Partner.



The common characteristics between battery and pumped storage were outlined by the above panelists while Dr. Giannini discussed at length the terms and conditions for the creation of a regulatory framework for storage that is currently absent. Ms. Sofia Siahou from PPC referred, among others, to the challenges arising from the current regulatory framework for the development of pumped storage, including the ownership regime, as in many markets pumped storage was developed under regulated market conditions. Stelios Psomas of HELAPCO spoke about a dynamic global market that is expected to exceed 1,000 gigawatts by 2040, while focusing on the costs that, as he said, are the key to the Energy Transition and gave the example of the cost of Li-ion batteries that has decreased by 97% compared to 1991. The workshop ended with the fourth session moderated by Dr. Platon Baltas, Executive Director of EUDITI Ltd and Visiting Research Fellow of IENE, and focused on case studies of successful energy storage applications, smart grids, utility-scale storage and storage for island systems. Participants included Aristotelis Chantavas, Head of Europe of Enel Green Power, Nikos Papapetrou, General Manager of the Renewable Energy Development and Storage Sector (RSD) of Mytilineos, Professor Ioannis K. Kaldellis Vice Rector for Research and Lifelong Learning University of West Attica (UNIWA), Dr. Michalis Karystianos, Director of System Studies and System Development at IPTO, and Alexandros Perellis, Research Fellow at IENE.

During the discussion, Mr. Chantavas stressed the importance of energy storage not only nationally but also at European level, while Mr. Papapetrou referred to the huge importance of storage as a key element for the spread of RES, calling it the “holy grail” of the energy sector today.

## ■ Timely IENE webinar threw light into regional gas market dynamics

The fast changing gas market scenery in SE Europe on account of LNG's relentless penetration into local energy markets and the pivotal role of gas in decarbonizing most Balkans countries, emerged as a key discussion area in IENE's Webinar which was held on July 8, 2021.

Participants in the Webinar included some of the region's top experts and senior executives.

Mr. Milan Zdravković, DSO Executive Director from JP SRBIJAGAS, Serbia, Mr. Julian Bowden, Senior Visiting Research Fellow from the Oxford Institute for Energy Studies, UK, Ms. Boyana Achovski, Secretary General from Gas Infrastructure Europe, Belgium, Dr. Charles Ellinas, Senior Fellow from the Atlantic Council, UK and IENE's Senior Research Associate, Mr. David Tonge, Director from IBS Research & Consultancy, Turkey and Mr. John Roberts, Energy Security Specialist from Scotland, UK took active part in a wide ranging discussion which lasted 1 ½ hours.

At the Webinar which was moderated by IENE's Chairman Mr. Costis Stambolis a number of key issues were raised which included the following:

- At what point and how do we expect Green Gas to emerge as a real alternative in European gas supply?
  - Since the start of the year we observe the accelerated inroads of LNG in SEE's gas markets where gas delivered via pipelines has nosedived. What is the outlook?
  - How is competition from LNG going to affect deliveries via Turk Stream and TAP?
- EU's looming embargo against gas project financing is already causing a lot of consternation and furor as companies are told that EIB and EBRD are not prepared to consider any funding for new infrastructure projects in the region. However, a number of major projects are either under construction or at advanced planning stage and hence the dilemmas and challenges in energy policy and strategic direction are only likely to grow. In debating the above issues the participants noted the big divide between north and south since gas transmission and distribution in northern Europe is a solved problem (apart from Nord Stream2) whereas in Central and SE Europe gas markets are still in the making and require additional infrastructure.
- In spite of the present difficulties, especially the market drop in demand estimated at around 8 – 10% in most countries in the region, the panelists generally agreed that at least in the medium term gas demand is going to rebound by end of the year early in 2021. However, they further agreed that deep uncertainties remain on the long term.
- Hellenic Petroleum, Greece's leading energy group active in SE Europe and Terna Energy SA, a well known pioneer company in renewables active in three continents, were the official sponsors of this ground breaking IENE webinar.



IENE's webinar can be viewed at:

<https://www.youtube.com/watch?v=ohFh49fzs1o&t=1s>

# Understanding the power of energy

IENE's primary mission is to promote a broader understanding of the key energy and environmental issues in the SE European region and provide a suitable platform for the exchange of views and information, open to professionals, companies, stakeholders and others who are actively involved in the energy sector.

IENE's vision is to establish itself as the leading energy think tank in the region and at the same time develop a highly credible and worthwhile range of services covering research, assessment studies, sectorial surveys, educational activities, event organisation and networking. These services to be offered primarily to its members, but also to government and industry and other stakeholders.

Join us!



Learn more  
about our work  
and become  
a member

[www.iene.eu](http://www.iene.eu)



3, Alex. Soutsou  
106 71 Athens, Greece  
T: +30 210 3628457  
+30 210 3640278  
F: +30 210 3646144  
Email: [admin@iene.gr](mailto:admin@iene.gr)  
[www.iene.eu](http://www.iene.eu)

#### **IENE News**

is an occasional  
newsletter published  
by the  
Institute of Energy  
for South East Europe