

EAST MEDITERRANEAN GAS FORUM

PAVING THE WAY TOWARDS
A NEW AGE OF ENERGY
DEPENDENCE AND
COOPERATION

FRANCE 

ITALY 

GREECE 

CYPRUS 

JORDAN 

PALESTINE 

ISRAEL 

EGYPT 

PREPARED BY

OVERVIEW

The East Mediterranean Region is of great strategic and geographic importance due to its rich natural resources, especially in natural gas and crude oil. The region has been attracting surrounding countries to explore, discover and produce more of its resources.

Over the last decade, many significant gas discoveries have been made in the Eastern Mediterranean.

Recognizing the vast resource prospects, opportunities and challenges, it was clear that the full potential of the Eastern Mediterranean gas basin can only be unlocked if suppliers, buyers and transit countries in the East Med region cooperate on developing an infrastructure for gas trade within the region and with external markets.

This outline was the base underpinning the establishment of the East Mediterranean Gas Forum (EMGF) as a platform for Gas producer, consumer and transit countries.

In 2018, Egypt introduced an Initiative to establish the East Mediterranean Gas Forum as a platform for structured policy dialogue on natural gas, leading to the development of a sustainable regional gas market that could unlock the full gas resource potential in the East Mediterranean region.

During the tripartite summit held in October 2018 in Crete, Leaders of Egypt, Cyprus and Greece declared their intentions to establish the Forum, accordingly, further coordination with regional parties and international organizations took place.

The Egyptian initiative was welcomed and sincerely adopted by the rest of the Founding Members; Cyprus, Greece, Israel, Italy, Jordan and Palestine (together with Egypt) as an initiative that sets the base for a

structured policy dialogue leading to the development of a regional gas market to unlock the full gas resource potential and to set the stage for multilateral and full hub trade.

Throughout the year 2019, remarkable joint efforts from all EMGF member countries were witnessed. With a unified vision and significant founding principles, the Ministers of the EMGF Founding Member Countries and the EMGF Executive Board held several successful meetings working on the official establishment of the forum. This has led to the agreement on a final document for the EMGF Statute in a worldwide record of 12 Months.

The EMGF Gas Industry Advisory Committee was also established in November 2019 as a vehicle to allow the pivotal participation of the private sector and strike the right balance between public and private interests.

This expeditious evolution of the EMGF and its strategic importance to the stability and economic development of the region has captured worldwide attention with many countries offering their support and expressing interest to join the Forum as Members or Observers.

The EMGF has progressively evolved into the most renowned Energy Forum in the Mediterranean region. In a very short period, it has become a diplomatic break-through and a transformational project in the region. The significance of the EMGF goes beyond energy; it is a pivotal enabler of regional peace, and a vital engine for economic growth and prosperity.

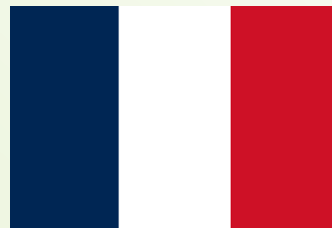
MEMBERS



CYPRUS



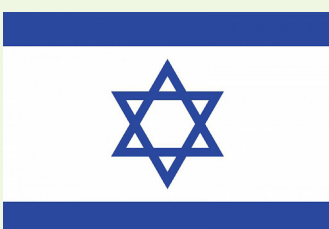
EGYPT



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PALESTINE

EMGF A TOOL FOR BOOSTING REGIONAL COOPERATION AND INTEGRATION

AN INTERVIEW WITH THE EMGF SECRETARY GENERAL

H.E. OSAMA MOBAREZ



Amid COVID, how does EMGF cope with the market changes?

In EMGF, our objective is to support nations to benefit through the economic integration achieved through intra-regional trade. Amid the COVID-19 pandemic, EMGF's objectives proved that collaboration is crucial to overcome the pandemic along with its global repercussions. In spite of the pandemic, EMGF's activities effectively progressed, resuming its previous achievements.

Can you share with us what you plan to achieve throughout your term in office as the first EMGF Secretary General?

During the upcoming period, EMGF plans to continue its effective progress and achievements. We plan to complete all documents needed for establishing the secretariat. Our team will create the Regulatory Authority Advisory Committee "RAAC", in which all the EMGF regulatory authorities will be participating. We will put studies about East Mediterranean natural gas, energy supply and demand, as well as infrastructure facilitation in action. We plan to prepare a comprehensive understanding analyzing the East Mediterranean gas until 2040.

In your opinion, how can EMGF enable the region's energy security?

As EMGF is a dialogue platform enabling technical, commercial, and financial cooperation, it is set to deal with challenges in the region. EMGF enables collaboration in order to utilize the region's existing infrastructure and to develop future gas reserves. Hence, the forum facilitates policy dialogue that enables building a shared vision as well as a stable energy market.

As EMGF continues its success, are there any plans for cooperation with gas producers in other regions?

EMGF believes that only through cooperation can we add value to people. We encourage cooperation and integration, and welcome new East Mediterranean members who would like to join, as well as all observers across the world who have the same objectives and vision as EMGF.

As the Secretary General of EMGF, in your opinion how important is Egypt's role in the forum?

Egypt has been always eyeing regional cooperation and integration between the East Mediterranean countries. In 2018, Egypt suggested creating EMGF to empower sustainable dialogue on financial, commercial, and technical cooperation.

Right now, Egypt is the only country with gas liquefaction plants, the Damietta and Idku plants, with a total annual 20 billion cubic feet (bcf) capacity that can be boosted to 60 bcf. The region does not need additional liquefaction plants to enable LNG exports as the natural gas surplus from Egypt, Cyprus, and Israel is less than the two plants' capacity.

As Egypt is encouraging the usage of natural gas as an alternative fuel, how do you see natural gas as an energy transition player?

Natural gas plays an important role in the global energy transition towards a less-carbon future as it produces around half the CO2 amount produced by other fossil fuels.

EMGF is developing a roadmap that has a plan analyzing the different options leading to Natural Gas De-carbonization in the region. The forum is also promoting LNG usage in maritime transport across the East Mediterranean region.

After becoming the Secretary General of EMGF, how do you ensure all member countries benefit from the forum?

In EMGF, we drew a model to ensure successful regional cooperation on the economic level. The model is set to alleviate political tension and withstand any turbulence. EMGF supports consuming, producing, and transit countries, through cooperation and discussions to benefit all the parties.

EMGF does not only provide opportunities to governmental entities. Through GIAC, we engage private sector companies and enable them to recommend and provide their studies of best practices to benefit all EMGF members.

As the Secretary General of EMGF, what are you looking forward to by attending EGYPS 2022?

EGYPS has been a successful platform that offers different investment opportunities, as it intensifies foreign investments' role and gives all the participants a perfect networking chance to seek and obtain knowledge and to do business with major energy organizations. From the EMGF perspective, I am sure EGYPS2022 will be of great benefit to the forum as it offers various discussions and engagements with other international organizations, governments, and even private companies.

THE EMGF: BUILDING UNITY IN THE EAST MEDITERRANEAN

AN INTERVIEW WITH ENERGY MINISTERS IN EGYPT, ITALY, AND ISRAEL

In a region as dynamic and rich in energy resources as the East Mediterranean, the East Mediterranean Gas Forum (EMGF) can be recognized as a unifying force in an environment of increasing complexities. Three ministers from the forum's member countries offer their perspectives on the importance of the EMGF and its role in building bridges for a better future.

With the EMGF continuously gaining more momentum, how do you envision the forum's role in changing the dynamics of the region and the world's natural gas markets?

Egyptian Minister of Petroleum & Mineral Resources Tarek El Molla stressed that Egypt has always believed in the importance of cooperation between the East Med countries and encourages collaboration instead of competition for the greater good. That was the spark that initiated the establishment of EMGF back in October 2018.

"EMGF has grown a lot in this short period of time and is leaving its mark in the global energy domain. We succeeded in shifting the perception around energy to be a catalyst for peace and flourishing instead of a source of battle and dispute. It is a platform to ensure successful regional economic cooperation around all aspects related to gas is in place for the benefit of the East Med region.

"We all regard EMGF as a significant step for East Med region because of the commitment and positive reaction from all countries involved. EMGF proved to the region and the whole world, that only through cooperation, not aggression, we can create value [for] our people and achieve great results that will benefit all nations," El Molla said.

Italian Minister for the Ecological Transition Roberto Cingolani indicated that "in the pathway toward energy transition to reach our climate and energy objectives, natural gas plays a role as a transition source to a decarbonized economy." In this regard, Cingolani sees that EMGF will be crucial in ensuring a dialogue between gas consumers, producers and transit countries, in this momentum of high volatility in gas prices in order to guarantee adequate security and continuity of supply, for the resiliency and sustainability of the energy system.

Israeli Minister of National Infrastructures, Energy and Water Resources Karine Elharrar said "The EMGF forum plays a significant and central role in the entire region, as well as having a wider potential impact on global natural gas markets.



"EMGF proved to the region and the whole world, that only through cooperation, not aggression, we can create value for our people and achieve great results that will benefit all nations.."

HIS EXCELLENCY TAREK EL MOLLA

Minister of Petroleum and Mineral Resources
Arab Republic of Egypt

She thinks that the forum can promote multilateral dialogue and collaboration to use natural gas as a transitional energy source, while ensuring the energy security of the forum members. "Such an example can be found in the two working groups that promote reducing greenhouse gas emissions in the region: the Maritime LNG working group and the De-carbonization working group," Elharrar added.

How can the EMGF serve as a model for enhanced cooperation among different regional producers?

El Molla sees that the main objective behind the EMGF is to monetize the gas discoveries in the region and unlock its full potential. "We are creating a model for successful regional economic cooperation that can withstand turbulence and help alleviate political tensions for the benefit of the whole region, El Molla said.



“ In the pathway toward energy transition to reach our climate and energy objectives, natural gas plays a role as a transition source to a decarbonized economy. ”

HIS EXCELLENCY ROBERTO CINGOLANI
Italian Minister for the Ecological Transition

He added that one of the main success factors of the EMGF is that we have been able to strike a balance between the benefits for all stakeholders. “We have combined all the regional gas producers, consumers, and transit countries in one place to cooperate on developing an infrastructure for gas trade, both within the region and with external markets.

We are trying to create and enlarge the value that we all share as separate countries for optimum benefit. I believe we are role models for any other platform or region that wants to succeed as well and create more value. The ingredients for success are simple; it all starts by exploring the value that we already have as individuals and enlarging it through collaboration and alliance,” the Egyptian minister pointed out.

For Cingolani, EMGF as an international forum among gas producers, consumers and transit countries would contribute to create [a] more liquid and flexible gas market, in order to tackle issues related to the high level of gas prices, the need for diversification and the deployment of renewable gases. “Energy security is increasingly more and more relevant and the Eastern Mediterranean, as an area rich in natural resources and as a transit route for gas via pipes and LNG (Liquefied Natural Gas), plays a key role,” the Italian minister said.

The Israeli minister indicated that “Within the framework of the forum, joint research and joint initiatives can be conducted in the areas of emission reduction, and local producers can be involved in these initiatives. Members of the forum can also work together to promote hydrogen-related research, initiatives, and infrastructures.”

What are the EMGF’s plans in supporting regional and global efforts in the energy transition domain?

“The East Mediterranean region is greatly affected by climate change and we are already witnessing its repercussions in several countries across the region, which [requires] us to look for alternative sources

of energy. We see natural gas playing a significant role in this global transition,” El Molla said.

He indicated that after EMGF official establishment, we launched two primary de-carbonization initiatives; natural gas de-carbonization in the East Med and promoting LNG as a cleaner fuel for vessels.

Furthermore, the EMGF’s long-term strategy captures the ongoing changes in the energy market’s landscape, including the energy transition towards low carbon resources and the increasing commitments of governments and entities to reach carbon neutrality by 2050, the Egyptian minister indicated.

On the companies’ level, through GIAC, where most of the major IOCs operating in the region are members, discussions are in place to make use of the latest technologies to accelerate unlocking the full potential of the East Med basin while supporting the EMGF’s initiatives for regional gas de-carbonization,” El Molla stated.

According to Cingolani, EMGF has a strategic role as a multilateral forum for the stability of the area. “Recognizing the role of gas in the transition toward a decarbonized economy, it is important to ensure the adequacy of energy markets through increasing volumes of renewable gases – such as hydrogen, and biogas. In this regard, it will be important to maximize the potential of the Levantine Basin, taking into consideration the decarbonization target to be achieved at [an] international level,” the Italian minister disclosed.

“In a world of energy transformation, the EMGF forum can serve as a unique platform for sharing best practices, driving innovation and launching a range of pioneering projects that will benefit all forum members while fighting against climate change,” Elharrar indicated.



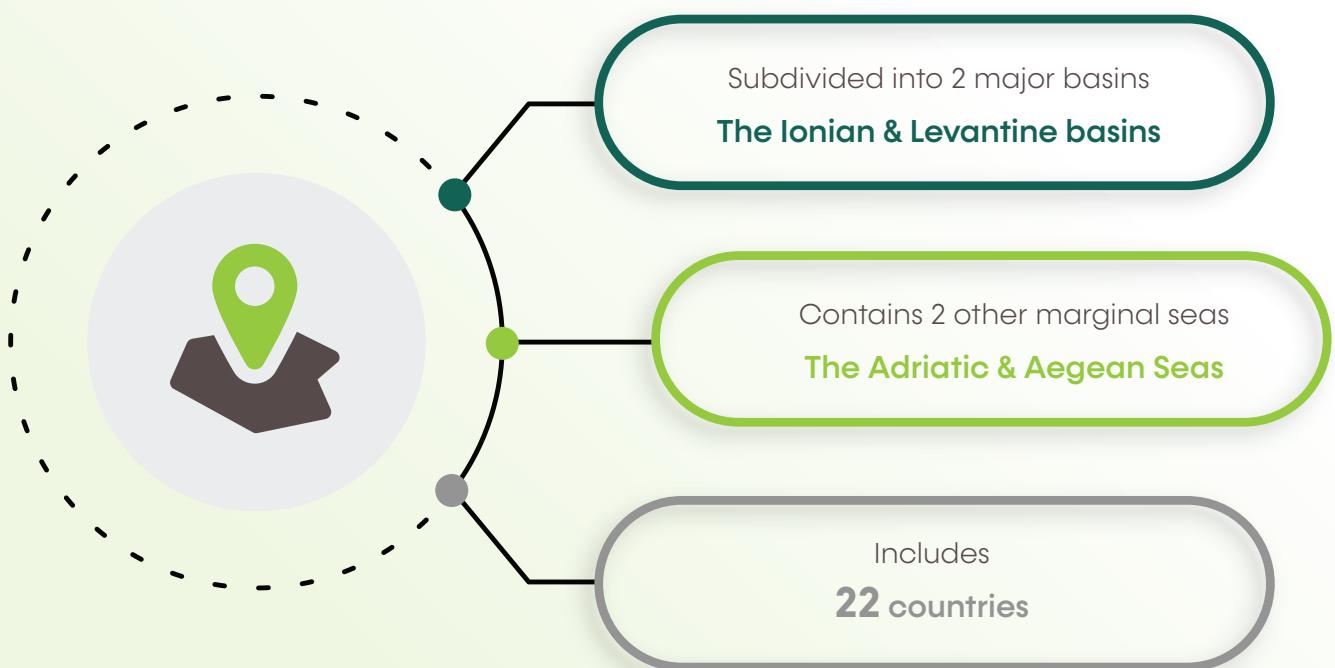
“ The EMGF forum plays a significant and central role in the entire region, as well as having a wider potential impact on global natural gas market. ”

HER EXCELLENCY KARINE ELHARRAR
Israeli Minister of National Infrastructures, Energy and Water Resources

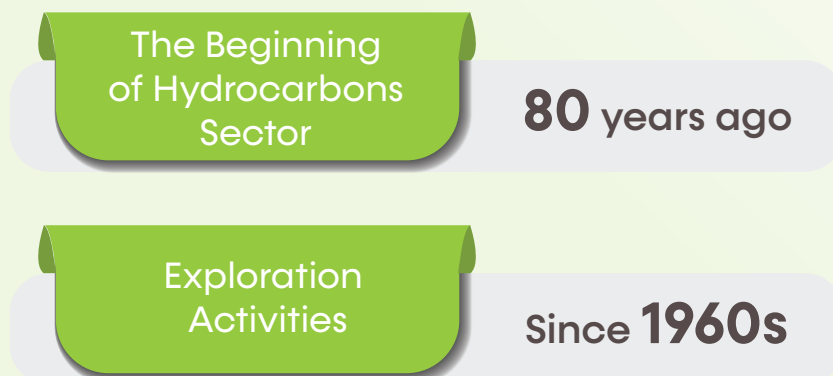
HISTORICAL BACKGROUND ABOUT THE EAST MEDITERRANEAN REGION

Throughout its history, the East Mediterranean region has played a vital and notable role in shaping our modern world today. Centrally located between Asia, Africa, and Europe, the region has served as an important strategic crossroad for global trade supported by its natural gas pipelines. Over the last decade, the region witnessed many significant natural gas discoveries with huge estimated reserves.

THE EAST MEDITERRANEAN REGION



HISTORICAL RECORDS

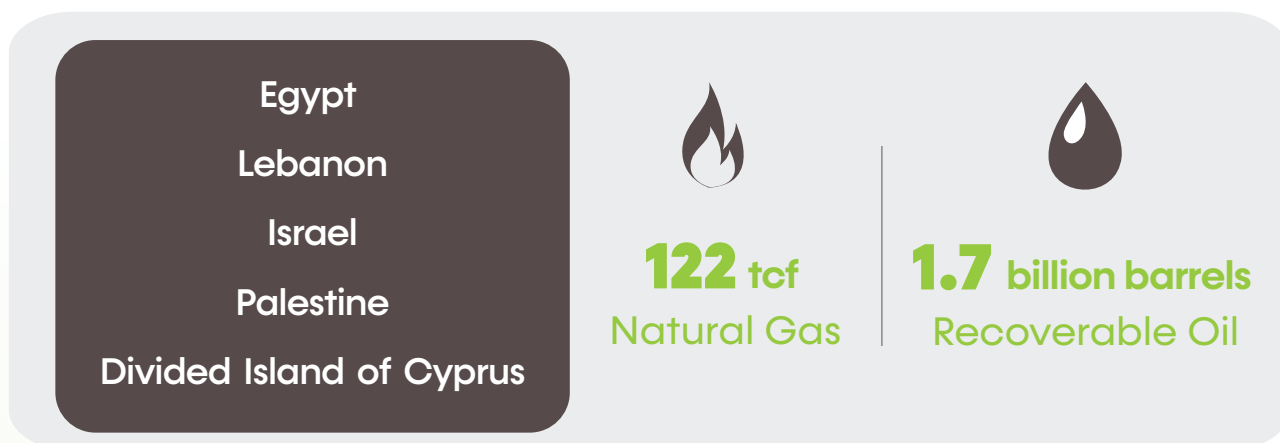


THE EAST MEDITERRANEAN FIELDS & RESERVES

Major Fields

Field	Location	Year of Discovery	Estimated Reserves (tcf)
Zohr	Egypt	2015	30
Leviathan	Israel	2010	22
Tamar		2009	10
Calypso	Cyprus	2018	6-8
Glaftos		2019	5-8
Aphrodite	Palestine	2011	5-8
Gaza Marine		1999	1.06

Natural gas Reserves in the Levant Basin



Recoverable reserves at Zohr represent about **25%** of natural gas discoveries in the Levant basin



Recoverable Reserves at the Levant & Nile Delta Basins



300+ tcf Natural Gas

Natural gas Reserves in the East Mediterranean Region

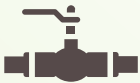


Reserves
125 tcf



Represent
> 40% of natural gas reserves in the world

THE EAST MEDITERRANEAN MAIN NATURAL GAS PIPELINES



The East-Med Gas Pipeline

Israel-Cyprus-Turkey Pipeline

Israel-Cyprus-Egypt Pipeline

The Arab Gas Pipeline

Israel-Jordan Pipelines

Greek Pipelines

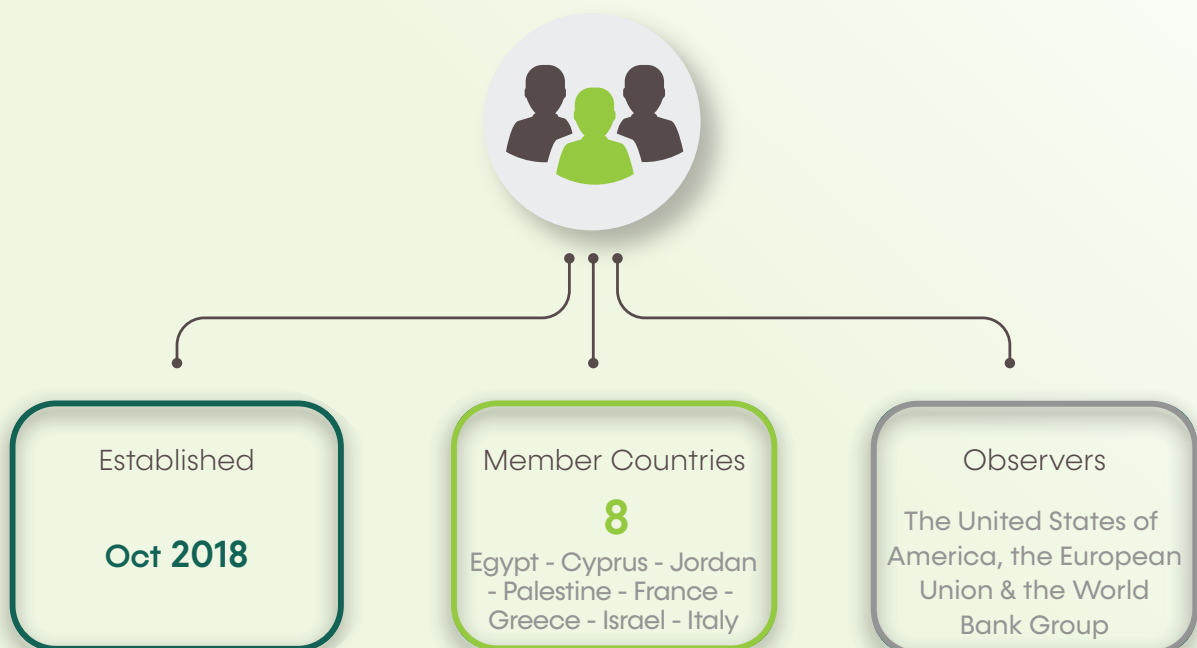
INTRODUCTION ABOUT THE EMGF

Recognizing the great potential for resources, opportunities, and challenges in the East Mediterranean region, it was clear that the full potential could only be unlocked if the region's suppliers, buyers and transit countries cooperate to promote and develop infrastructure for gas trade within the region as well as with external markets.

This idea was the basis for establishing the Eastern Mediterranean Gas Forum "EMGF" as a platform for gas producers, consumers, and transit countries.

In 2018, Egypt introduced an initiative to establish the Forum as a platform for a structured dialogue on natural gas.

ABOUT THE EMGF



In January 2019, the Energy Ministers of Cyprus, Egypt, Greece, Israel, Italy, Palestine and Jordan gathered in Cairo for the first time to discuss the structure of the EMGF and agree on its main objectives.

EMGF VISION, MISSION & MAIN OBJECTIVES



Vision

Developing policies & strategies will enable adequate planning, hence building a clear future vision for the region



Mission

Establishing a structured & systemic dialogue to unlock the full gas resource potential in the region, leading to the development of the natural gas market

Fostering cooperation between Forum member countries to manage sustainable, efficient, and environmentally use of natural gas



Main Objectives



Setting common strategies



Formation of a competitive regional gas market



Security of supply & demand



Coordinating efforts to optimize resource development

EMGF 2018 – 2021 JOURNEY



EMGF HIGHLIGHTS IN 3 YEARS



EMGF EVENTS

MINISTERIAL MEETINGS

Six Ministerial Meetings were held by the EMGF Members from January 2019 to November 2021. Pre- COVID-19 pandemic the meetings were held in Cairo, then they turned to virtual meetings for the sake of precautionary measures.

The meeting discussed several aspects and resulted in some remarkable decisions to continue the implementation of the forum's vision and mission. The establishment of the EMGF, defining its objectives, identifying the location of its headquarter, and announcing the EMGF Statute came on the top of the Ministerial Meeting's actions. In addition, the Secretary General for the forum was assigned. Furthermore, in line with the country members trust in the private sector's role in achieving the forum's objectives, the meetings led to the establishment of the Gas Industry Advisory (GIAC).

The meetings also focused on the future of the EMGF, as in March 2021, the work program for 2021 was adopted, while in November 2021, the activities and roadmap for 2022 were defined.



EXECUTIVE BOARD MEETINGS

The Executive Board (EB) of the EMGF consists of representatives of the member countries, and was previously named the High Level Working Group (HLWG). The EB members held 16 meetings over 2019-2021, of which some meetings were held in Cairo, while the rest were online meetings due to COVID-19.

The EB meetings mainly tend to discuss and prepare the plans and needed implementation of the various decisions of the Ministerial Meetings, in addition to following up and monitoring the activities of the GIAC and the different working groups (WG).

For example, the EB meetings prepared and discussed the roadmap towards the organizational establishment of the EMGF including setting the forum's main objectives, discussing the Statute draft, and discussing the EMGF Headquarter Agreement. Furthermore, the EB set the rule and procedures for new members to join the EMGF. The EB and its members were responsible for presenting the proposal to launch the GIAC, and on regular basis discussing its updates.

Part of the EB's role is monitoring the updates of the formed WGs, such as discussing the results of the conducted studies by these WG including the study of "Master Concept for a Phased Infrastructure Corridor".



ABOUT GIAC & GIAC MEETINGS

The GIAC serves as a permanent platform under the oversight of the EMGF for engagement and dialogue among different stakeholders, which conduct natural gas related activities in the East Mediterranean region.

GIAC MEMBERS




Throughout the last three years, the GIAC members held six meetings to set the framework of the committee and perform its role as part of the EMGF. The meetings resulted in some organizational actions including selecting the committee’s first Chairman to be Egypt. The GIAC further discussed a proposal framework for the regulatory authorities interested to join EMGF, and proposed procedures for accepting new GIAC members.

Furthermore, the committee members agreed on forming three sub-committees namely Technical, Regulatory, and Economic, and discussed these sub-committees’ work priorities and roadmaps.

OTHER EMGF ACTIVITIES

STUDIES

 Study	WB Funded Study May 2020	EU Funded Study Nov 2021
 Subject	East Med Gas – A Master Concept for a Phased Infrastructure Corridor	Regional Gas Supply and Demand Study
 Objective	<p>Conceive a master concept to gradually develop gas infrastructure corridors for the Eastern Mediterranean that maximizes the economic value of gas in the region in the short, medium and long term, by examining the ability to:</p> <ul style="list-style-type: none"> - Promote the use of shared infrastructure and ensure third-party access and reasonable tariffs to avoid erosion of competitiveness. - Investigate policies required to promote the creation of anchors and the development of markets. - Investigate how to harmonize regimes and remove barriers to gas trade. - Work with industry partners in the GIAC to assess and mitigate non-technical risks. 	<p>Provide a consolidated natural gas and energy supply and demand report for the East Med Region in general, and in particular for: Egypt, Cyprus, France, Greece, Israel, Italy, Jordan, and Palestine. In addition to a general assessment of future gas demand scenarios in Southern Europe & Western Balkans as a target market of East Med Gas by 2030-2040.</p>

WORKING GROUPS FOR ENERGY TRANSITION

In line with the environmental global trends, the 4th EMGF Ministerial Meeting agreed on the formation of dedicated WG of Experts for developing a strategy for each of the below initiatives:

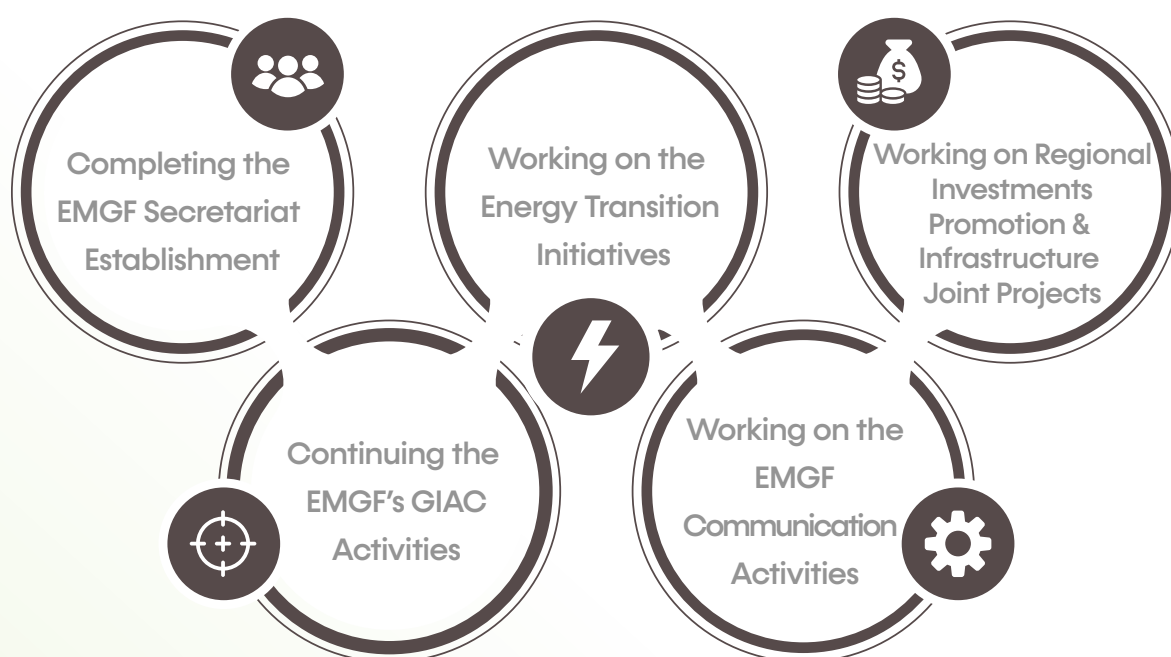
* THE PROMOTION OF USE OF LNG IN THE MARITIME TRANSPORT IN THE EAST MEDITERRANEAN REGION

The WG in coordination with the EMGF’s GIAC held several meetings with key industry stakeholders, to get their insights on this new initiative. After several meetings, the WG developed some recommendations to promote the use of LNG in the Maritime Transport in the Region, which were presented to the 6th EMGF Ministerial Meeting which mandated the EMGF’s EB to take the necessary steps for the implementation of such recommendations.

* NATURAL GAS DE-CARBONIZATION IN THE EAST MEDITERRANEAN REGION

The WG in coordination with the EMGF’s GIAC worked on developing a preliminary outline for the work program. The WG progress was presented to the 6th EMGF Ministerial Meeting, which mandated the EMGF’s EB to take the necessary steps to develop specific recommendations with a clear timeline for financing, deploying technologies and building capacities for natural gas de-carbonization in the region in coordination with the GIAC to be launched in COP27 that will be hosted in Egypt.

2022 MAIN WORK STREAMS





EMGF
EAST MEDITERRANEAN GAS FORUM

PREPARED BY

