



Euro-Arab Mashreq Gas Market Project – Progress & Achievements

Seminar: Hydrocarbon Development & Transportation Across Borders

19th June 2008



This project is funded by
the European Union

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- The Project
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The Project



Project Summary



“To contribute to the integration of the gas markets of Egypt, Jordan, Lebanon & Syria in view of creating a regional internal gas market to be integrated with the EU Internal Gas Market”

Timing

From 1st February 2006 to 31st December 2008

Budget

€7 million, of which EU grant €6 million, beneficiary countries €1 million in kind contributions

Location

Egypt, Jordan, Lebanon, Syria

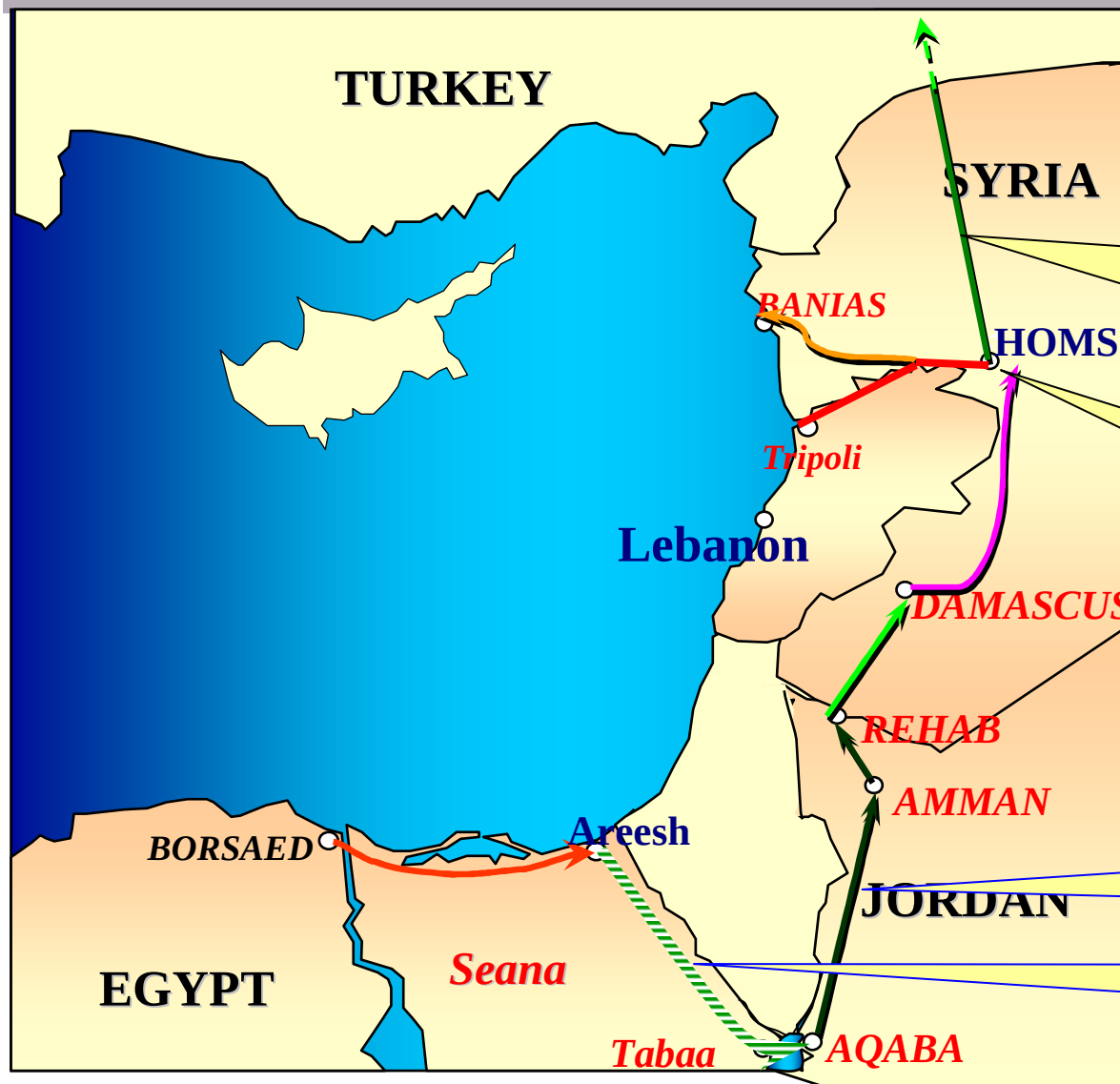
Mechanism

The Euro-Arab Mashreq Gas Co-operation Centre, headquartered in Damascus

Approach

Gas Master Plan, Legislation/Regulation, Know-How Transfer

The Arab Gas Pipeline



**A strategic priority
for the region**

**Last Section of
Third Stage
Homs - Turkey**

**Third Stage
Rehab-Damascus-Homs
Homs-Banias/Lebanon
Border**

**Second Stage
Aqaba/Rehab**

**First Stage
Aresh/Taba/Aqaba**

Methodology



Component 1: Gas Master Plan

Task 1: Gas Master Plan

- Analyse gas sector
- Market studies
- Generation studies
- Demand analysis
- Supply analysis
- Supply vs demand
- Regional institutional framework
- Scenarios
- Optimal strategies
- TA, investment needs

Task 2: Network Development Strategy

- Infrastructure
- Prioritise key projects
- Economic/financial analysis
- Investment & financing plans
- Recommended projects
- Present to IFIs

Task 3: Feasibility Studies

- Complete AGP
- Other key projects
- Present to IFIs

Include:

- Technical/engineering
- Environment
- Market
- Cost
- Institutional
- Economic/financial
- Risk analysis

Methodology



Component 2: Legislation

Task 4: Legislation Survey

- Analyse gas, other relevant legislation
- Legislative survey
- Benchmarking

Identify:

- Commonalities
- Conflicts
- Gaps
- Compatibility with EU

Task 5: Reform Proposals

- Market organisation (including regulation)
- Security & safety standards
- Tariffs
- Conflict resolution
- Sector unbundling

➔ Proposals for legislative & regulatory reforms

Task 6: Prepare Reforms

Legal assistance to facilitate the reforms

Include:

- Examples of legislation
- Workshops

Methodology



Component 3: Know-How Transfer

Task 7: Establish EAMGCC

Establish EAMGCC Work Programme & Budget Partner countries

Task 8: Know How Transfer Programme

- Training needs analysis
- Know How transfer programme

Task 9: EU Internal Market Legislation

Legal & regulatory

Task 10: Creation of New Production-Transport-Distribution-Supply System

Management skills

Task 11: EU Gas Sector Technology

New technologies & techniques

Task 12: Advice/Exchange of Information Agreements

Task 13: Permanent Dissemination Unit

Round Tables



Component 1: Gas Master Plan



Diagnostic Reports

- Egypt
- Jordan
- Lebanon
- Syria

Network Survey

- Model completed
- Draft report

Country Reports

- Iraq
- Turkey
- Bulgaria
- Romania
- EU
- Turkey swap
- Iran supply

Gas Master Plan

- Report completed

Projects & Financing

- Financier Survey

Feasibility Studies

- EIA Homs – Kilis
- Study Aleppo – Kilis
- Study Homs - Aleppo

Report summaries are posted on our website

Component 2: Legal & Regulatory



Country Reviews

- Egypt
- Jordan
- Lebanon
- Syria

Benchmarking

- Algeria
- Turkey
- EU

Workshops

- Egypt
- Jordan
- Lebanon
- Syria

Road maps

- Egypt
- Jordan
- Lebanon
- Syria

Component 3: Know How Transfer



Preparation

- Training needs analysis
- EU benchmarking
- Know-How Transfer Programme
- Training Schedule
- EAMGCC training centre

Delivery

- Courses cover
 - Management
 - Technical
 - Regulation
- 27 courses delivered
- 3 Study Tours
- Over 520 trainees
- More than 93% rated “good” or “excellent”

Significant contribution to improving skills and quality

Next Steps



Gas Master Plan

- Complete Network Survey
- Identify additional investment projects
- Complete AGP EIA & feasibility studies
- Support AGP financing efforts

Harmonise Legislation

- Finalise recommendations
- Support implementation

Know How Transfer

- 13 training courses
- 4 Study Tours
- 3 Round Tables
- Links with gas industry bodies

Extension of the Project being discussed with EU



Achievements

General



- ↑ regional co-ordination & co-operation
- Another forum for discussion & problem solving
- Information dissemination
- Strengthen links to Turkey & Iraq

Gas Master Plan



- World class strategic & economic analysis
- Information on potential markets & gas supplies
- Country- & region-specific recommendations
- 1st technical model of the gas network
- Identify projects to meet future demand
- Bankable feasibility studies
- Syria's 1st EIA for a gas project
- Help with obtaining financing

Legal & Regulatory



- Understanding what's in place & what's needed
- Real life examples of comparable countries
- Country-specific recommendations
- Help with implementation

Know-How Transfer



- Improved knowledge base within the local gas industry
- Skills upgrade for individuals
- New topics (regulation, tariffs, LNG...)
- Links to European industry bodies
- Raising the profile of the reform process

Our website: www.eamgcc.org

