

# **East Med Region as a Sustainable Energy Hub**

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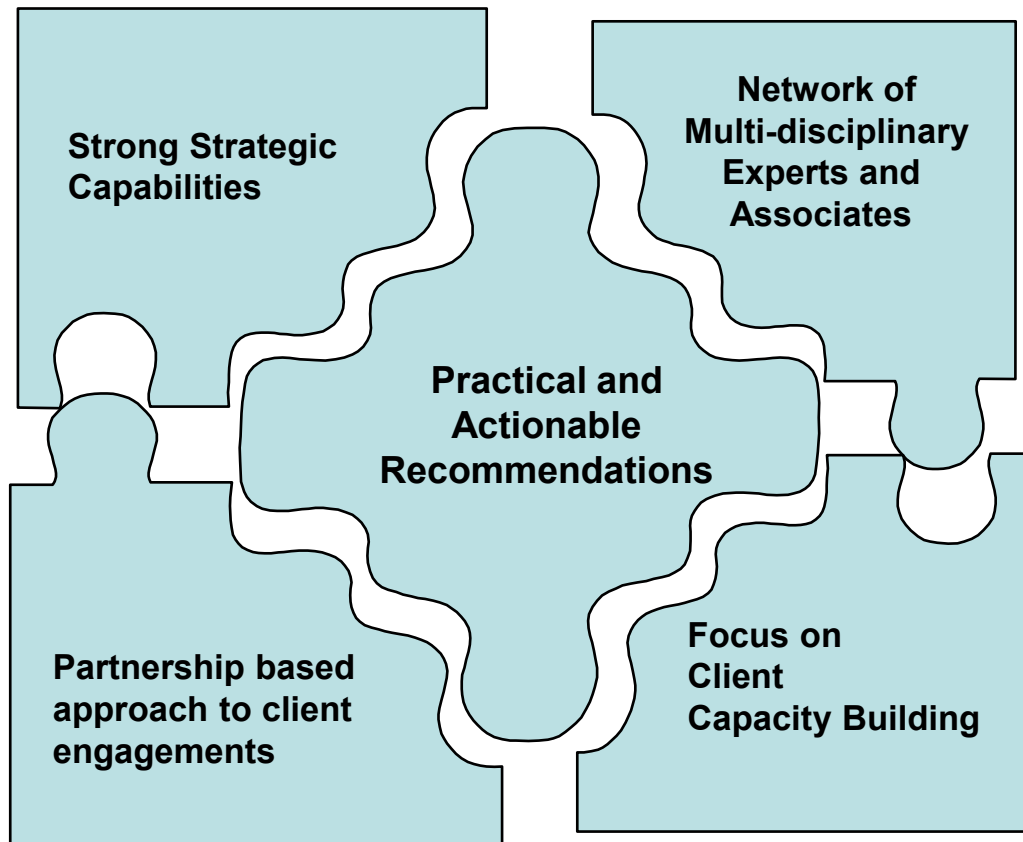
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# ABOUT ENERSTRAT CONSULTING

EnerStrat Consulting is a policy-technology and finance focused practice in the increasingly interconnected markets of global energy: **Oil & Gas**, including **Unconventionals/Shale Gas, LNG; all aspects of Electricity Markets, Carbon Markets** and **Clean Tech**. The practice is dedicated to assist clients in managing the ongoing global transition to a lower carbon economy.

We assist in strategy development, organisation /capacity building, energy contracts negotiation /disputes related advisory, trading and risk management, asset valuation, and investor due-diligence. We conduct capacity building workshops for Governmental clients as well as take on hands on policy design and writing assignments.

## Engagement Model



## Distinctiveness

- Strong Strategy Firm ethos,
- Industry knowledge, expertise and insight,
- Implementation driven approach,
- Highly credible international network of experts.

# 4Ds OF ENERGY TRANSITION

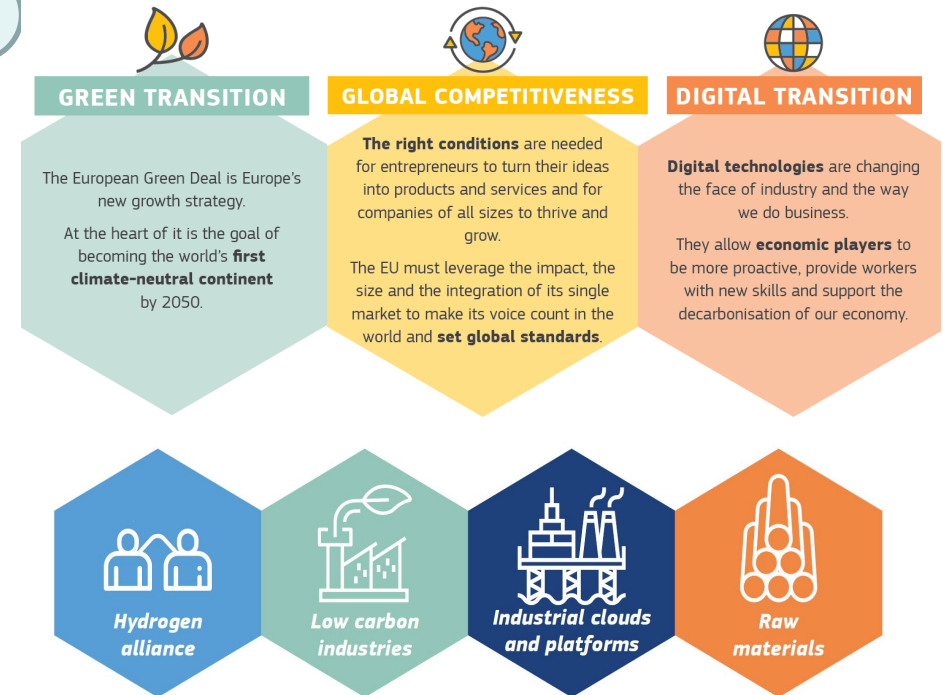
## Well Established Trends across Global Energy

- De-Carbonisation of Energy
- De-Centralisation and Democratisation of Energy
- De-regulation and New Market Design
- Digitisation and Digital Transformation in Energy

The EU Green Deal and EU Green & Digital Industrial Strategy is a culmination of a series of policy and wholesale market reforms initially focused on Deregulation and then followed by Decarbonisation.

These trends are useful in understanding the future of gas and its transport within the EU

## EU: Green Deal and Industrial Strategy- March 2020



# EARLY TRENDS IN ROLE OF RENEWABLE ENERGY IN THE ENERGY TRANSITION IN THE EAST MED REGION

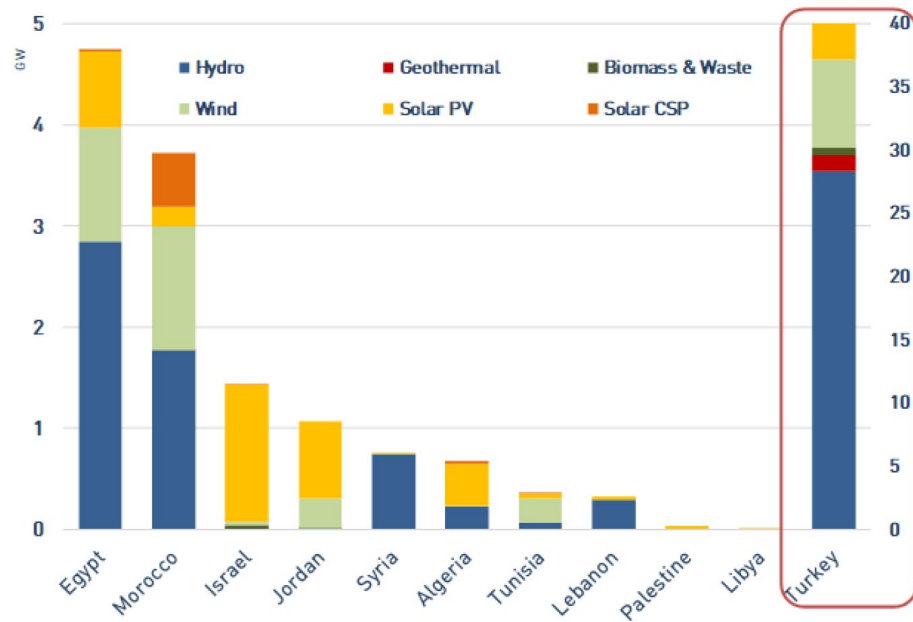


Figure 1: Renewable electricity capacity in SEMCs 2018 (OME database)

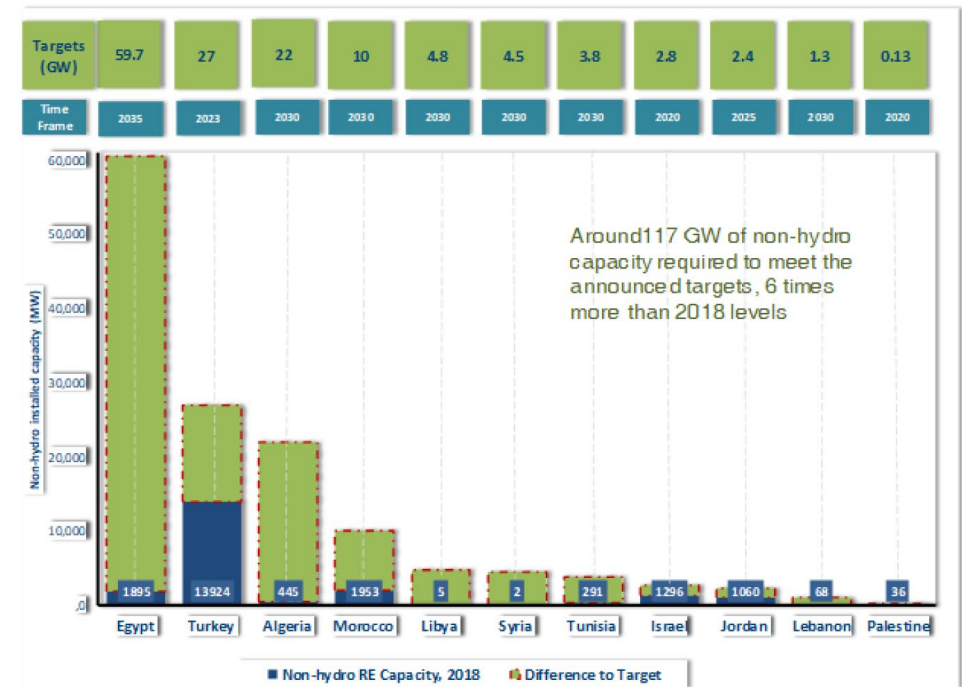



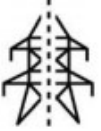


Figure 2: Non-Hydro Renewable Electricity Installed Capacity in 2018 and Targets in the South and East Mediterranean Countries (OME database)

Source: Image sourced from the OME Summary Note on RE Auctioning Report March 2020

## SIMILAR TRENDS EMERGING IN CYPRUS....

	National targets and contributions	Latest available data	2020 target	2030 target	Assessment of 2030 ambition level
	Binding target for greenhouse gas emissions compared to 2005 under the Effort Sharing Regulation (ESR) (%)	0%	-5%	-24%	As in ESR
	National target/contribution for renewable energy: Share of energy from renewable sources in gross final consumption of energy (%)	13.9%	13%	22.9%	Slightly below 23% (result of RES formula)
	National contribution for energy efficiency: Primary energy consumption (Mtoe) Final energy consumption (Mtoe)	2.55 1.86	2.5 1.9	2.4 2.0	Low Very low
	Level of electricity interconnectivity (%)	Non-interconnected	Non-interconnected	200%	N/A

Current RE base approx. 200MW and expected RE base by 2030 approx. 700-1100 MW

2000 MW Euro-Africa Interconnector connecting Greece-Cyprus and Egypt

## SOME SCENE SETTING COMMENTS

- Tremendous Renewable Energy expectations, will they be met?
- Role of electricity interconnectors growing though serious questions remain for electricity interconnectors in the East- Med region
- Regulatory Developments in the region are picking up momentum; new market design rules emerging though region wide price discovery will remain elusive
- Role of Gas/LNG will be critical- esp if RE integration isn't achieved. The IRENA 2021 Scenarios for Cyprus require a closer scrutiny by the gas/LNG community particularly
- Regional market integration in electricity (including regulatory coordination) is as much a priority as connecting the gas developments to the global LNG market.

**THANK YOU**

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