



**WORLD  
ENERGY  
COUNCIL** | ITALY



# ENERGY OF THE MEDITERRANEAN

OPPORTUNITIES TO RESPOND TO THE NEW INTERNATIONAL  
RELATIONS TRENDS”

INTERNATIONAL CONFERENCE - ROME, JUNE 22nd, 2022

## CONFERENCE FINDINGS

BY WEC ITALY

EVENT  
IN COLLABORATION WITH



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# THE CONFERENCE

In the framework of the tragic **conflict between Russia and Ukraine**, the issues of **energy security and competitiveness of supplies**, two dimensions historically under the lens of national energy strategies, are even more on the top of energy agenda of the European Union's Member States.

**The Mediterranean Basin presents great energy opportunities** that can help build a strategic response to the worrying trends of international relations. The Mediterranean has unexpressed potential both with reference to traditional energies, and to more innovative sources and technologies such as renewable sources and solutions for the production / use of hydrogen.

Under this light, **energy cooperation in the Basin is regaining priority** starting from the ever-increasing development of the interconnections of electricity and gas networks between the European and North African shores, as well as in cooperation on policies and regulation that must accompany inclusion in energy mixes of countries of the Mediterranean Basin of energy carriers and increasingly sustainable production / consumption models.

Starting from this framework, **WEC Italy - Italian National Committee of the World Energy Council** and **OME – Observatoire Mediterranéen de l'Energie**, organized the conference **"Energy of the Mediterranean: opportunities to respond to the new international relations trends"** continuing their cooperation to deepen the issues related to Euro-Mediterranean Transition process. The conference, organized in collaboration with Globe Italia and hosted by Edison, took place in Rome - Italy, on the 22 of June 2022 with simultaneous live streaming in English for the international audience.

The event aimed at stimulate debate among the WEC National Committees' representatives of the Mediterranean region, OME members, Mediterranean region embassies' representatives and Institutional and private sector stakeholders. The topics focused on the area potentialities and on the importance of energy cooperation to balance the three dimensions of the **WEC Energy Trilemma** (energy security, affordability and sustainability) in the Basin.

The Conference received the patronage of the Italian Ministry of Foreign Affairs and International Cooperation and of Luiss School of Government of Rome.

The complete recording in original language (Italian/English) of the event is available on WEC Italy's Youtube channel.

► [Go to the event recording \(Eng/Ita\)](#)

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# PROTAGONISTS



After the welcome and introduction by **Marco Margheri**, President of WEC Italy, **Manlio di Stefano**, Undersecretary of the Italian Ministry of Foreign Affairs and International Cooperation, and **Houda Ben Jannet Allal**, General Director of OME, presented respectively national and international perspectives on the current cooperation efforts of the Mediterranean Countries.

The session "Mediterranean at the heart of the new European energy system", coordinated by **Ferdinando Nelli Feroci** (Ambassador and President of the Italian Institute for International Affairs) hosted the speeches of **Antonio Parenti** (Head of the Italian representation at the European Commission), **Giovanni Orsina** (Director of the Luiss School of Government of Rome) and **Domenico Villacci** (Cofounder and President of the Mediterranean Energy Academy). The session drew a picture of current projects and opportunities of partnership between Countries of the Basin, and highlighted the role of Universities and Research Centers to promote energy as a necessary value to assure security and peace in the area.

The international interventions in the roundtable, with **Hafez Abdel Aal El-Salmawy** (Professor at Zagazig University, Egypt), **Moncef Ben Abdallah** (former Minister of Industry, Mines and Energy of Tunisia; International Consultant energy policies) and **Khalil Lagtari** (Head of International Investments & Projects in Electricity Branch, ONEE - Office National de l'Electricité & de l'Eau, Morocco), brought out the framework of national strategies towards energy transition and underlined the importance of energy network integration to assure the exchange of sources and vectors.

The international roundtable was followed by the session dedicated to the Italian industry and its excellences in the energy sector. **Gianni Todini**, Director of Askanews, moderated the speech of **Wolfgang D'Innocenzo**, from the Italian Ministry of the Ecological Transition, and the interventions of the discussants **Domenico Maggi** (Head of European Affairs & Public Affairs for Energy Transition of Snam), **Simone Nisi** (Head of Institutional Affairs of Edison), **Andrea Lolli** (Central Institutional Affairs of Enel Italia), **Angelo Ferrante** (Head of European Affairs of Terna) and **Piero Pelizzaro** (Former Chief Resilience Officer Cop 26 for Milan Municipality and Scientific Director of Globe Italia)

The debate attested the Italian potential in this perspective, and the importance of the infrastructure system developed by the Country in the past century. Looking to the future, the transformation of existing infrastructures and the construction of new ones will be of great importance, in particular in relation to the convey of new vectors such as hydrogen and the strengthening of electric power grids.

**Stefano Besseghini** (Vice President of MEDREG and President of ARERA) closed the event remarking the importance of energy cooperation in the area in the European energy security perspective: an issue that will engage Mediterranean policymakers more and more in the following months and years.

 [program](#)



# FINDINGS OF THE CONFERENCE

## PARTICULAR POINTS OF INTEREST FROM THE DEBATE:

▶ The access to secure and affordable energy supplies has always been at the center of the euro-mediterranean agenda. Another priority action today is energy diversification. To respond to this needs it is important **to strengthen the energy cooperation among Mediterranean countries.**

▶ **The Mediterranean Basin is a strategic area for European energy policies, and Italy, thanks to its geographic position, history, competences, and industrial know-how, can become a bridge** bringing together their two shores and creating common goods.

▶ The Mediterranean Basin has a central role to achieve the goals of carbon-neutrality and energy transition for Italy. **Russia** exported in 2021 almost 29 billion mc of natural gas but it is no longer a reliable partner for the Country. In the contest of natural gas supplies diversification, **Italy is working to create new partnerships, reduce dependency from Moscow and find in the short term a way to substitute the 2/3 of supplies.** It was reached an agreement with **Algeria**, to increase to 9 billion mc natural gas supplies before 2023. Italy wants also to increase the imports using the Trans Adriatic Pipeline (TAP) from **Azerbaijan**, increasing capacity of 2.5 billion mc. Negotiations with **Israel** and **Egypt** are taking place to establish new supply routes.

▶ **Italy can count on consolidated relationships in the Mediterranean**, both at a political and industrial level, to enhance the natural gas resources already discovered and the potential of the Eastern Basin, as well as to increase production from renewable sources in the medium term.

In the coming years, the electrification of consumption will create new challenges for the **electricity sector**, which will play an increasingly important role in the energy context of the area.

One of the objectives lies in intensifying collaborations between producers of energy sources, transit countries and consumers, **improving interconnections** with other countries. To enable and facilitate cooperation between states and companies, **a clear regulatory framework is needed**, as well as stability and long-term vision on energy choices.

▶ **The current energy mix of the area is strongly based on fossil sources**, and total primary energy consumption, equal to 413 Mtoe of the Southern Mediterranean countries and 604 Mtoe of the Northern Mediterranean, (respectively 92% and 65%) were satisfied with oil, gas, and coal. 60% of the Mediterranean population in the southern countries consumes 40% of the total energy, **the distribution of consumption is therefore not homogeneous between the southern and northern areas** of the Mediterranean. In the southern areas, only 7% of the total energy is produced from renewable sources. Furthermore, **it is expected that the demand for energy in the southern regions may record an increase of 105% by 2050** (up to more than 800 Mtoe) due to the demographic trend, and consequently the dependence on imports of fossil fuels will increase by 7% to 30%.

► **The Mediterranean is one of the hot spots of climate change.** To counter and mitigate the present and future effects of climate change, an energy transition that is fair and sustainable is necessary, with options that take into account potential future critical issues, such as the increase in migratory flows and the scarcity of water resources.

**Various resources and technologies are available to achieve climate goals,** such as energy efficiency, production from renewable sources, carbon capture and storage (CCS) and the use of hydrogen.

The range of opportunities can evolve in concrete solutions through the creation of production and transport infrastructures and through the collaboration between industry and research centers. A multi-stakeholder approach and the promotion and sharing of technological know-how will be required to achieve carbon neutrality. The experience and skills of Italian industrial excellence will be important.

► **Energy security and decarbonization are issues that need to be tackled with medium-term strategies.** The European Union has taken action, changing the energy mix of the industrial sector, to achieve climate neutrality by 2050.

The European Commission launched the **RepowerEU strategy** on 18 May 2022 which is based on three pillars:

1. diversification of energy supplies.
2. increase energy production from renewable energy sources.
3. primary energy saving.

**Europe, in partnership with the Mediterranean countries, can face common challenges related to energy security and the supply of sources.** Work is underway with Egypt and Israel to convey Israeli gas to Egypt and export it to Europe. In the short term, the South-East of the Mediterranean can guarantee an export of at least 6 billion cubic meters of natural gas, and in the medium-long term up to 50 billion cubic meters.

**Renewable electricity and hydrogen** are key elements of the European energy strategy to achieve carbon neutrality by 2050. In particular, the expected contribution of the energy carrier (green and blue hydrogen) by 2050 is equal to 13-14% of the European energy mix.

In this context, Italy could play a leading role in ensuring the security of hydrogen supplies in Europe.

► **Energy is necessary to guarantee security and peace of the Mediterranean countries.** The Mediterranean has resources such as solar which enable **new opportunities to reduce dependence on fossil fuels and geopolitical risks.** It is necessary to promote activities to enable cooperation between the southern and northern areas of the Mediterranean, such as the construction of gas pipelines and electricity interconnections (such as the ELMED project between Sicily and Tunisia), as well as promote widespread production from renewable sources, and reduce consumption with energy efficiency measures.

## FINDINGS OF THE CONFERENCE

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We need extensive cooperation, that is, a collaboration of the entire Region, with industrial partners, both to build the infrastructures and to research and develop new technologies. Investments for the modernization of electricity grids in order to stimulate trade, for the promotion of energy efficiency in the industrial, transport and residential sectors, and for production from renewable sources, will enable new jobs and contribute to development of the Mediterranean countries.

► **In reference to Italy, North Africa and specifically Algeria are ensuring the security of supply of natural gas**, with 67 million mc per day (three times in comparison to last year). Compared to last year, from Russia to Tarvisio it has gone from 109 million mc per day to 30 million mc per day.

In the short-term the challenge will be to understand how to face the situation of the next winter in Italy with the strategic gas stocks filled at 90% or 17 billion mc to ensure the safety of the system. In parallel, work is being carried out to make operational a FSRU (floating storage and regasification unit) which allows the regasification of 5 billion m<sup>3</sup> per year. TAP guaranteed 7.5 billion m<sup>3</sup> in 2021, and will reach 9.5 billion m<sup>3</sup> in 2022.

In the long term, assets are planned to transport around 70 billion m<sup>3</sup> of green hydrogen by 2045 (of which 35 billion m<sup>3</sup> will be produced in Europe), with 60% of existing methane pipelines transformed into hydrogen pipelines.

► **The issue of security of energy supplies plays now a central role and has been recognized as a fundamental prerequisite for the success of the transition process and for the stability of the economies of the Euro-Mediterranean area.** Europe must look at all possible projects and try to exploit them effectively.

**Italy can become an energy hub** within the Mediterranean through the the energy mix diversification strategy.



The central role of the Mediterranean in the energy sector will be increasingly at the core of the European debate in the coming years. The countries of both shores have the opportunity and the responsibility to build a new development model by achieving the decarbonization objectives established at the EU level. To this end, the regional energy system must undergo a restructuring and redesign. There is a clear need, more than ever, for strong relationships and partnerships and for closer cooperation between states. Multilateral collaboration between sector stakeholders will serve to accelerate these processes and stimulate investments for project development.

With this conference, WEC Italia and OME confirmed their attention to the energy dynamics of the Mediterranean area. On this topic they carry out together an in-depth pathway, that will see in the future new opportunities of dialogue with their respective international networks.

The organizers of the initiative thank partners and attendees for their participation and their valuable contribution to the debate.

► [Go to the event recording \(Eng/Ita\)](#)







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