

MEDITERRANEAN ENERGY PERSPECTIVES 2022: FINDINGS FROM THE CONFERENCE

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Observatoire Méditerranéen de l'Énergie

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MEDITERRANEAN ENERGY PERSPECTIVES 2022

OFFICIAL PRESENTATION IN ITALY

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MILAN, EDISON - FORO BUONAPARTE, 31



On 20 March 2023, [WEC Italy](#) and [Observatoire Méditerranéen de l'Énergie \(OME\)](#) in collaboration with [Edison](#), organized in Milan, at the Edison headquarters, the presentation of the latest release of the [OME study on energy transition in the Mediterranean region](#). The Conference [Mediterranean Energy Perspectives 2022](#) was an opportunity to talk with international representatives about the major challenges/issues of the ecological transition, energy security and the importance that the Mediterranean basin has once again played in this context.

PROTAGONISTS OF THE DEBATE

Guests attending the conference, included Lapo Pistelli (Observatoire Méditerranéen de l'Énergie), Marco Margheri (Wec Italy), Giorgio Silli (Italian Ministry of Foreign Affairs and International Cooperation), Nicola Monti (Edison SpA), Stefano Grassi (European Commission), Stefano Besseghini (ARERA), Alessandro Blasi (International Energy Agency), Houada Ben Jannet Allal (Observatoire Méditerranéen de l'Énergie), Fabrizio Mattana (Edison), Angelo Ferrante (Med-TSO), Gennaro Migliore (Parliamentary Assembly of the Mediterranean), Domenico Villacci (Mediterranean Energy Academy), Jauad El Kharraz (Regional Center for Renewable Energy and Energy Efficiency). The event was moderated by Sissi Bellomo, journalist at Il Sole24ore and Paolo D'Ermo, WEC Italy's Secretary General.



The debate between representatives of the institutional, industrial, and academic world focused on one term above all: fair and supportive cooperation as a cornerstone for a dialogue between the different regions of the Basin. Differences between the various nations that make up the MED Area are evident, with nations of the North moving faster towards the transition, while the South proceeds at a slower pace. Developing together is the core objective, as well as finding common goals - despite cultures and resources not being the same - to achieve together Net Zero in 2050. Due to the international crisis, the Mediterranean basin is back in the spotlight, allowing Italy to potentially act as a bridge between Europe and Africa. Diversifying, decarbonizing, developing knowledge by sharing know-how and best practices, could represent an important point fostering the development of the southern Mediterranean nations, from which to draw mutual benefits. If it seems essential to develop all possible solutions considering the different geographical and sectorial contexts, it is equally important not to lose sight of another component of the equation: society, the glue and fundamental link in the ecological transition process.

Key points:

- The energy sector has never found itself to face so many moments of discontinuity all together, this has led to rethink international relationships restoring the importance of the Mediterranean basin;
- The current geopolitical crisis is evidence that economic and energy dependence cannot represent a real glue for a peaceful international relations system;
- The challenges the system has been subject to allowed to change energy sector creating new opportunities. For example, Italy, thanks to a European repositioning proxy, was able to reduce Russian gas imports by 50% to 80% in last two years;
- In 2022, the Russian export routes declined from 155 billion cubic meters per year to 20 billion. Russia is no longer the first gas exporting country in Europe;
- In terms of energy supplies diversification, EU is already working on the activation of 8 LNG terminals, of which 3 are already operating and 5 will be started up, for a 50 billion cubic meters of gas reception capacity;
- Political developments are also taking place in the field of clean tech manufacturing, with a value chains approach that supports each part of the value chain combined with a partnership policy of neighboring countries;
- Relationships between countries of the basin are developing to allow energy exchanges, connecting industries and nations, facilitating also demand for innovative resources like hydrogen;
- With the change in gas imports, the market was radically disrupted. EU is pursuing a repositioning policy, in which the southern axis becomes the nerve axis for supplies, rebuilding a neighborhood governance of the Mediterranean able to take into account the differences between nations, with a pragmatic and more resilient approach;
- A rethinking of relations is necessary: no longer north-south, but north-west and again south-east, a 360-degree circularity that allows for all-round development;
- Although there is a consistent energy dialogue on new energy sources and vectors, reaching a Net Zero Carbon neutrality by 2050 in the Mediterranean is difficult and the process won't happen quickly. For this reason, a synergistic and close collaboration is fundamental;
- If we look at the North and the South we notice specific differences in the transition process, up until now the North has proceeded expeditiously while the South more conservatively. Some €7 trillion will be needed to decarbonize the region;
- Italy was among the first nations to respond to the crisis with foresight and speed, thanks to a structured regulatory system and infrastructural network, and thanks to reliable longtime relationships.
- Projects such as East Med, an electricity connection between Europe and North Africa, and the presence of TAP infrastructure, allow the Country to act as a bridge between the two shores;

- The Mediterranean contributes only for the 6% to the CO₂ global emissions, but warming runs 20% faster than in other parts of the planet. A phenomenon that is more difficult to contain for the more vulnerable countries within the basin;
- The transition must be fair and inclusive, placing the figure of the individual and young people at the center, as co-protagonists of change;
- With the *Mattei plan*, Italy aims to establish a new partnership approach based on parity without paternalism that declined in a broad “Marshall plan” for Africa, to which the European Union is also called upon to contribute with particular attention to climate change, terrorism and the fight against disease;
- Energy transition, security and decarbonization of the region represent the main road to follow in the dialogue between the two sides of the basin;
- It’s important to develop all possible solutions, which intersect with the different geographical and sectorial contexts, not only of the industries but of the entire social sector as a whole;
- One of the most complicated sectors to decarbonize is the transport one, there are still no hydrogen technologies, batteries do not represent a solution for long distances due to their weight and related problems, but liquid gas is already being considered as a possible solution;
- Intensive capacity building work should be carried out, sharing good practices and methodologies, to develop the infrastructure;
- To take full advantage of the circularity of the Basin, it would be advisable to move and invest as a Europe entity rather than as individual nations;
- The lack of effective regulatory frameworks discourages investments and, on the contrary, the lack of investments discourages the generation of rules. To break this loop, it is necessary to invest while at the same time promoting the development of the market and of regulation;
- The implementation of stringent energy efficiency policies and measures (including major behavioral changes) are key and reach over to all sectors of the economy;
- The deployment of renewables will be essential to reach the net-zero carbon target especially in power generation;
- Non mature technologies like hydrogen, electricity storage, carbon capture usage and storage (CCUS), need to step-up;

Indeed, intertwined energy issues across the Mediterranean are plentiful, and cooperation has to be urgently increased to achieve further synergies. Creating a more integrated Mediterranean energy market is a win-win, mutually beneficial situation, and a Mediterranean Green Deal emerges as a new historic cooperation opportunity. Not to forget the need for an in-depth analysis and consideration of the possible consequences of the geopolitical crises, energy prices and climate change challenges.

WEC Italy and OME will continue to carry on their long-standing collaboration in deepening the energy dynamics of the Mediterranean. An overview of the event, with photo gallery, speakers’ slides and the complete video recording of the initiative is available on www.wec-italia.org.

Organizing Secretariat:
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