

Alternative Fuels / Europe / Power-to-gas developers seek state support **3**

LNG / Middle East / LNG responds to market not politics – Qatar ex-minister **4**

E&P / Middle East / IOCs continue operations as Baghdad and Erbil battle **5**

LNG / China / Yamal LNG startup to boost Chinese companies **6**

interfax Natural Gas Daily

Features and insight on emerging gas markets
Interfax Information Services Group
interfaxenergy.com
©2017 Interfax Europe

Vol. 7 / No. 210 / 30 October 2017

BRUA pipeline back on track, but doubts remain



Austria's Baumgarten gas hub, which the BRUA pipeline will supply. (Nabucco)

Dariusz Kalan / Budapest



PLANS FOR A pipeline linking Bulgaria, Romania, Hungary and Austria (BRUA) are firmly on track, according to officials. However, the development of other gas projects in the region – including potential competitors to BRUA – has fuelled doubts that the pipeline will not be built.

Plans for BRUA were revived in October, when Romania secured a €50 million (\$58.2 million) loan for its section and the 'open season' was launched to allocate incremental capacity at the Romania-Hungary interconnector.

The project had suffered a major setback only three months previously, when Hungarian transmission system operator (TSO) FGSZ announced that the only economically viable part of the project would be the expansion of the capacity of the Romania-Hungary pipeline from 4.4 billion cubic metres per year to 5.25 bcm/y.

The pipeline was originally designed to transport Black Sea gas to the Central European gas hub at Baumgarten in Austria and to enable bidirectional flows between the four countries.

FGSZ's statement provoked speculation that Austria had been squeezed out of BRUA and that gas from Hungary would instead be sold to Ukraine and the Balkans.

However, according to Pál Ságvári, Hungary's ambassador-at-large for energy security, the

future of BRUA was never in doubt. "The FGSZ decided it would be too costly to build a brand-new pipeline from Hungary to Austria and came up with an alternative plan to [expand] the existing pipeline between Hungary and Slovakia," he told *Interfax Natural Gas Daily* at the Budapest LNG Summit.

"Austria is, of course, still in the game as gas will be further transferred from Slovakia to the hub in Baumgarten," Ságvári said.

Commitment reaffirmed

The commitment to the project was confirmed by the four original participants during a meeting in Bucharest on 28 September. BRUA is also backed by the EU, which has recognised it as a Project of Common Interest.

The United States also looks favourably on BRUA. ExxonMobil, along with Romanian producer OMV Petrom, has long been investing in gas extraction in Romania. The country currently produces around 6-12 bcm/y, much of which is used domestically, but Romania is assessing its future export options too.

According to a source close to the project, an Exxon representative was present during recent negotiations between Hungarian and Romanian regulators. The representative asked whether gas will be still delivered to Baumgarten after the modification of the initial plan was introduced, the source added.

Ságvári said he does not see any obstacles and that the project will be ready by 2020, when Exxon and OMV are supposed to begin production from two fields off Romania's Black Sea coast. But according to András Deák, an energy expert at the Hungarian Academy of Sciences, the pipeline's development is still uncertain.

"The main problem is that Romania does not want to fully open its market, fearing that the final price for households could jump," he said. The European Commission demanded last year



Keep up to date with the latest stories by following us on [Twitter](#) or signing up to our [RSS feed](#).

CONTINUED ON PAGE 2



A rig in Romanian waters in the Black Sea. (Petrom)

CONTINUED FROM PAGE 1

that physical and commercial barriers to gas exports should be eliminated in line with EU regulations, which may cut funds for BRUA if Romania’s liberalisation is further delayed.

“Another thing is that there is still no clarity on how gas will leave Hungary,” Deák said, noting that almost no gas has passed through the Hungarian-Slovak interconnector since it was commissioned in July 2015 because of a lack of market interest.

Moreover, Slovakia has its own project – the Eastring pipeline – which “is potentially in competition with BRUA”, Deák added. The final route of Eastring – which is intended to maintain Slovakia’s position as a transit state by connecting hubs in western Europe with the Black and

Further reading

EUROPE PIPELINES

CESEC countries pledge to boost power infrastructure

Central and Southeast European countries have agreed to boost investment in power interconnectors to improve security of supply.

EUROPE PIPELINES

Shorter BRUA may hit supply diversity/Black Sea gas

Hungary’s proposal to stop the BRUA pipeline from extending into Austria could keep it from helping with supply diversity.

Aegean seas – will likely also connect Bulgaria, Romania, Hungary, Slovakia and Austria.

Slovakia’s involvement in BRUA has not yet been formalised, but the country’s economy ministry and Eustream, its TSO, have confirmed to *Interfax Natural Gas Daily* that Slovakia wants to be part of it. “Currently, we [are participating] in the discussion analysing the market interest of using our network,” said Eustream spokesperson Pavol Kubík .

Maroš Stano, a spokesperson for Slovakia’s economy ministry, said BRUA and Eastring “are two different projects that do not have the same technical characteristics, [nor are they] mutually exclusive”. ■

We welcome your comments. Email us at comments@interfax.co.uk.

Subscriptions & subscriber services

Get full pdf and online access to Natural Gas Daily and our sister publication, Global Gas Analytics: Visit interfaxenergy.com/register; email customer.service@interfax.co.uk; call one of our sales representatives at +44 (0)20 3004 6206

 twitter.com/interfaxenergy

 facebook.com/interfaxenergy

 interfaxenergy.com/rss/gasdaily

Energy front-month futures, 27 October

	Close	% change
Brent Crude, \$/bbl	60.44	1.92
WTI Crude, \$/bbl	53.90	2.39
Henry Hub, \$/MMBtu	2.75	-4.84
NBP, p/th	47.85	-0.83
TTF, €/MWh	17.62	0.11
Gaspool, €/MWh	17.57	0.05
NCG, €/MWh	17.90	0.21
CSX Coal, \$/t	61.35	0.00
Newcastle Coal, \$/t	97.45	0.36
South China Coal, \$/t	89.20	0.39

Prices provided by GlobalView. GlobalView provides benchmark pricing, news and analytics for the commodities and energy sector. For more information, please contact sales.london@marketview.com.

On interfaxenergy.com



Europe’s relationship with CCS on the rocks

The UK is joining Norway in offering weak support for carbon capture as the country sets out its path to a low-carbon future.

Power-to-gas developers seek state support

Silvia Favasuli / London



More and more gas companies are investing in power-to-gas pilots, but supporters say projects will be profitable only if they receive initial state support.

A hydrogen generating plant. The gas could be used to store excess energy from renewables. (Caloric)

PROJECTS USING ELECTRICITY to produce hydrogen or synthetic gas (syngas) are being piloted across Europe with promising results, but proponents of the technologies say state support is needed to develop them on a commercial scale.

The concept is popular in Germany, where more than 20 power-to-gas pilot projects are currently running. Some are being tested by the big energy companies, such as Uniper, E.ON or RWE, while others are being piloted by car companies, such as Audi.

In France, Engie is experimenting with injecting hydrogen into the natural gas supply networks of a new residential project. It is also looking at the potential of using hythane – a fuel made from hydrogen and natural gas – to fuel buses. French grid operator GRTgaz is running the first demonstration power-to-gas plant connected to the country’s gas transmission network, called Jupiter 1000, while energy company Areva is testing the use of hydrogen as a way to capture excess power produced by a photovoltaic plant in Corsica.

In the UK, National Grid spin-off Cadent Gas is planning a pilot project serving Liverpool and Manchester that will see heating systems supplying industrial users converted to run on hydrogen. Leeds is already running the much-talked-about H21 project, which is trialling a similar concept. The technology uses excess power from renewables to produce a gaseous carbon-neutral fuel – either hydrogen or syngas – through electrolysis.

For gas companies, power-to-gas is a promising way to store energy produced from renewables.

“It makes renewable energy available to all energy sectors, not just the power sector,” Oliver Schmidt, a researcher at the Grantham Institute

of Imperial College London and author of a paper on the costs of power-to-gas, told *Interfax Natural Gas Daily*.

It also offers a suitable way to store energy over long periods. “Batteries will likely be used to store excess renewable energy for short periods of time, like one night or one day. Power-to-gas can store excess power transformed into hydrogen or synthetic gas for an entire season,” said Schmidt. This syngas can then be either injected into the gas grid or used to produce electricity when renewable power output is low.

There is ample gas storage capacity in Europe to facilitate its use. “Germany, for example, has so much gas storage capacity that if you fill all [its] storage sites with synthetic gas you’d be able to provide the whole country with green gas supplies for three months,” said Schmidt.

High cost a challenge

But despite its potential, the technology is struggling to catch on. None of the pilots have been developed into commercial projects. The high cost of buying electrolysers and methanation equipment makes such projects prohibitively expensive unless they can be developed on a scale large enough to reduce per-unit costs of production, said Schmidt.

“As for every new technology, the cost of machines is initially very high because you have to pay the design and research,” Patrick Prunet, project manager of Jupiter 1000, told *Interfax Natural Gas Daily*.

One of the purposes of GRTgaz’s project is to study a way to make the technology profitable. “We are thinking of different solutions,” Prunet said. One of these could be to invest in industrial-scale power-to-gas projects and help create economy of scale. “But we don’t know yet if it would work,” he said.

Technology developers are therefore pinning their hopes on government intervention. Prunet is lobbying the French state, with the help of other members of a newly created industry association to explore the possibility of introducing a gas grid tariff.

Tax relief for power-to-gas producers would be a boon, Axel Wietfeld, managing director at Uniper Energy Storage, told *Interfax Natural Gas Daily*.

“This technology will help reduce carbon emissions,” said Prunet. “It has value and it needs support exactly like renewables.” ■

We welcome your comments. Email us at comments@interfax.co.uk.



LNG responds to market not politics – Qatar ex-minister

Dariusz Kalan /
Budapest



Mohamed al-Thani, Qatar's former economy minister, says his country's LNG exports have not been affected by the recent diplomatic spat.

WHEN SOME OF Qatar's neighbours imposed sanctions on the small Gulf state earlier this year, analysts said global LNG flows could be affected. But Mohamed al-Thani, formerly Qatar's minister of economy and trade and now an energy consultant and researcher, has told *Interfax Natural Gas Daily* that little disruption has occurred.

Interfax Natural Gas Daily: *Qatar agreed in March to double its LNG supplies to Poland, to 2 mtpa. Why has Central Europe become such an attractive market?*

Mohamed al-Thani: The key for any supplier is to find a professional market, and so it is with Poland, which has made significant progress with LNG infrastructure over the past few years. Qatar has decided to sign a long-term agreement – this is what builds up the country's position as a top global supplier and at the same time provides security of shipping to the client.

INGD: *Does it matter that Qatari LNG is part of Poland's plan to reduce its dependence on Russia?*

MT: I don't think anyone in the LNG business thinks this way. It's economic, not geopolitical. Whether the buyer is reliable or not – this is what matters. Qatar has good relations with Russia, which is clearly an important player not only in its [own] region, but also in the Gulf. Last year, a Qatari company bought one-fifth of state-owned giant Rosneft. We were also content with Russia's response to the recent diplomatic crisis involving Qatar.

INGD: *Qatar has been facing regional isolation in its dispute with its Gulf neighbours, which has posed questions about the security of LNG shipments.*

MT: I was in the business of selling Qatari gas during the Iran-Iraq war, and although Qatar was not part of it by any means, the war caused some interruptions to Gulf oil exports. But gas remained unaffected. So it is now. The security of LNG is more related to market conditions than political incidents. There was not even one amendment to the existing contract. Our buyers understand [what an] unusual and unfair situation it is. This is actually something our neighbours still cannot realise: that what they have done could [have been] potentially damaging not only for us, but for the whole region.

INGD: *Were shipments to Poland affected?*

MT: No, there was not even one delay – not only for LNG, but for any other cargo either. Qatar exports crude and refined petroleum, sulphur, and helium, among many other things – and no buyer has suffered.

INGD: *Poland is putting its hopes in the Northern Gate project, which is designed to bring gas from Norway, and has recently received its first LNG shipments from the United States. Aren't you afraid Qatar may lose such a big market in the longer run?*

MT: We have proved over the years how reliable and flexible a supplier we are. But we don't pit ourselves against competitors from the US, Russia or Norway – on the contrary, we think these are good producers bringing certain assets to the market. One always needs to have as many sources as possible. We don't mind competition. Qatar is really well-placed to become Poland's top supplier, especially with such competitive pricing.

INGD: *How long can the pricing remain at this level?*

MT: Given that the European market is oversupplied – it's basically a stagnant market as far as demand is concerned – I would expect new suppliers such as the US or Australia to start selling their products for a more reasonable price in the next five or seven years. This is what the market wants. Not only Central Europe, but the rest of the continent too, is becoming more and more competitive, with new infrastructure projects on the table – including FSRUs, interconnectors or contracts with African and Caspian [Sea] suppliers. In the near future, Europe will have many options and it will surely influence the pricing. ■

We welcome your comments. Email us at comments@interfax.co.uk.

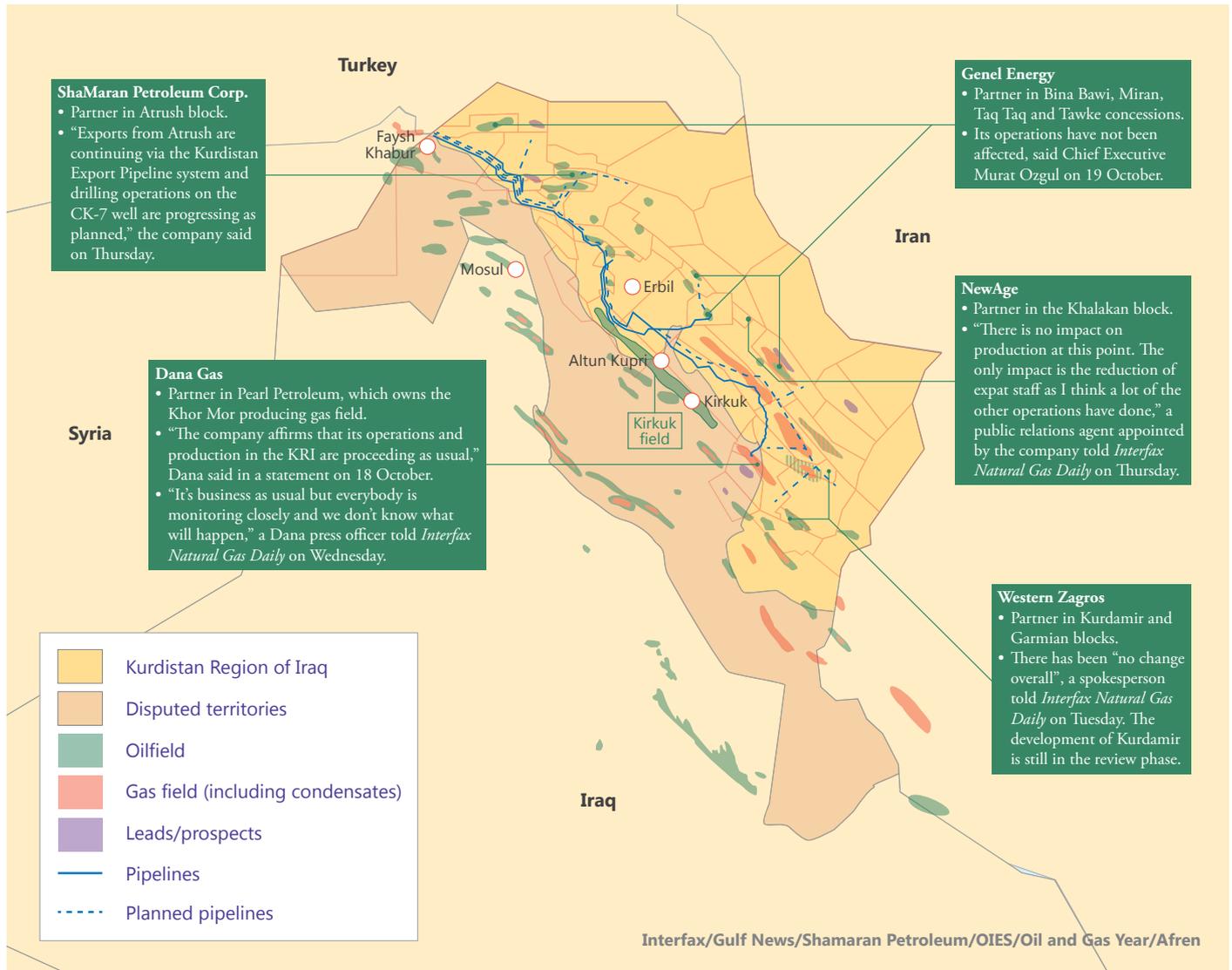
Mohamed al-Thani.
(Budapest LNG Summit)





IOCs continue operations as Baghdad and Erbil battle

Verity Ratcliffe / London



Iraqi government forces entered territory disputed between Baghdad and the Kurdistan Regional Government (KRG) on 16 October. They seized control of the Kirkuk, Baba Gurgur and Avana oilfields. The fields were previously operated by the KAR Group on behalf of the KRG, which had asserted its ownership over them since its Peshmerga forces seized them from Islamic State control in 2014.

On Tuesday, Iraqi Oil Minister Jabbar al-Luaibi said Iraq had asked BP to work on the oilfields in Kirkuk governorate. The scope of the work covers only the Kirkuk oilfield, a BP spokesperson told *Interfax Natural Gas Daily*. BP has previously worked with Iraqi NOC North Oil Co. “BP has long experience in Kirkuk, both from its early years and more recently when we provided technical assistance to the North Oil Co. – which was stopped in 2015,” said the spokesperson.

Iraqi troops launched an offensive on Tuesday against Kurdish forces near Faysh Khabur, an important oil export route to Turkey. Turkish President Recep Tayyip Erdogan said on Wednesday that Turkey would work with Baghdad to receive oil from the Kirkuk fields. The pipeline to Turkey has been closed since 2014.

North Oil Co. is cooperating with KAR Group on the operation of the Kirkuk oilfields, international media said on Wednesday. The KRG proposed a ceasefire on Wednesday, offering to freeze the results of its referendum, which had prompted Baghdad to send federal forces to the region. Iraq’s prime minister, Haider al-Abadi, announced a 24-hour ceasefire on Friday.

Yamal LNG startup to boost Chinese companies

Tang Tian / Shanghai



Novatek's Yamal LNG plant could provide a global stage for Chinese engineering firms, which built the bulk of the highly challenging Arctic project.

An ice-breaking LNG carrier, which will transport cargoes from Yamal LNG. (SCF)

THE IMMINENT STARTUP of the Yamal LNG project in the Russian Arctic is an important milestone for Chinese LNG infrastructure players. It will be the first facility outside China to use Chinese liquefaction technology, which has been installed in a challenging environment.

Built at a cost of \$27 billion, the three-train 16.5 mtpa plant is one of the most complex LNG projects ever undertaken.

"The project was demanding in terms of construction standards and technology," said Li Yulong, executive director of China's National Energy Research and Development Centre for LNG Technology. "The presence of Chinese companies in Yamal has elevated [China's] domestic offshore engineering industry to the global stage."

Li described Yamal LNG – which is majority-owned by Moscow-based Novatek – as a pinnacle of offshore engineering because of the extreme conditions at its location in the Arctic Circle, 2,000 km from the North Pole. A modular design was employed to overcome the challenges of working in the hostile environment.

Li said Yamal LNG had provided Chinese firms with an opportunity to demonstrate their ability to build in a modular approach, control costs, and deliver projects on time and on spec. "They have underlined their credentials in the international oil and gas engineering industry," he added.

SCI International analyst Liu Zhaohui agreed that Yamal LNG had helped Chinese companies improve their competitiveness. "More offshore engineering companies will be inspired to go global in the future. Chinese firms will play a bigger role in the international offshore engineering industry," Liu told *Interfax Natural Gas Daily*.

China's participation in Yamal LNG also aligns with the 'One Belt, One Road' (OBOR) initiative promoted by Chinese President Xi Jinping, said Liu.

"OBOR gives Chinese companies the opportunity to become global players. Yamal LNG is a good example of how some [Chinese entities] will invest in these types of overseas projects and [other Chinese companies] will build them," Liu added.

Chinese companies had extensive involvement in building and financing Yamal LNG. China National Petroleum Corp. (CNPC) owns a 20% stake in the project.

The NOC will be the first recipient of the plant's LNG, Mark Gyetvay, Novatek's deputy chief executive officer, said on Thursday. "It is our view that the first LNG tanker should be offloaded by CNPC in recognition of their overall contribution to the project and the importance that the Asian-Pacific market represents as a key consuming region," Gyetvay said in a conference call.

Yamal is expected to send out two shipments in November, while four more will be delivered in December, said Liu. Russia's customs service said earlier this month that Yamal LNG may send six cargoes by the end of this year.

Made in China

Yamgaz, the EPC contractor, awarded contracts for nearly 90% of the project's modules to six Chinese companies in 2014. COOEC, China National Offshore Oil Corp.'s Hong Kong-listed oil engineering subsidiary, won the largest contract – worth \$1.64 billion – to supply 36 compressor units for the liquefaction process. COOEC used domestic materials and designs to build the units, marking China's first export of liquefaction technology.

CNPC's offshore engineering unit built 45 pipe rack modules, including those connecting the LNG trains to docks and ships, while Penglai Jutal Offshore Engineering Heavy Industry built pipe racks for the three trains.

Qingdao McDermott Wuchuan, a 50/50 joint venture between China Shipbuilding Industry Corp. and Houston-based McDermott, supplied modules for export facilities and gas separation. BOMESC Offshore Engineering manufactured auxiliary systems and production lines, while Sinopacific Offshore & Engineering built pipe support devices.

Yantai CIMC Raffles, Huangpu Wenchong Shipbuilding and Guangzhou-based COMEC helped build the world's first fleet of ice-breaking LNG carriers, which will serve the project. Novatek expects to sell most of Yamal's output to Asia, so the 15 carriers will sail through the Northern Sea Route to Asian markets. ■

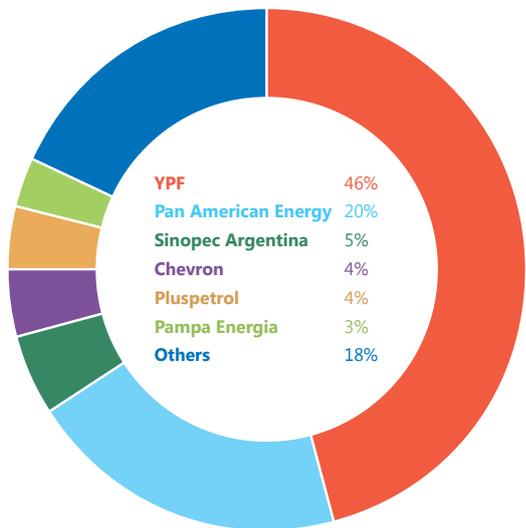
We welcome your comments. Email us at comments@interfax.co.uk.



Argentina's YPF sees unconventional revolution by 2022

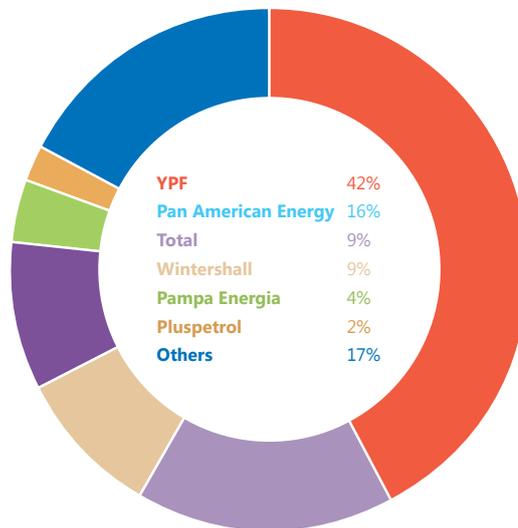
Chris Noon / Barcelona

SHARE OF UPSTREAM OIL INDUSTRY IN ARGENTINA



Source: YPF

SHARE OF UPSTREAM GAS INDUSTRY IN ARGENTINA



Source: YPF

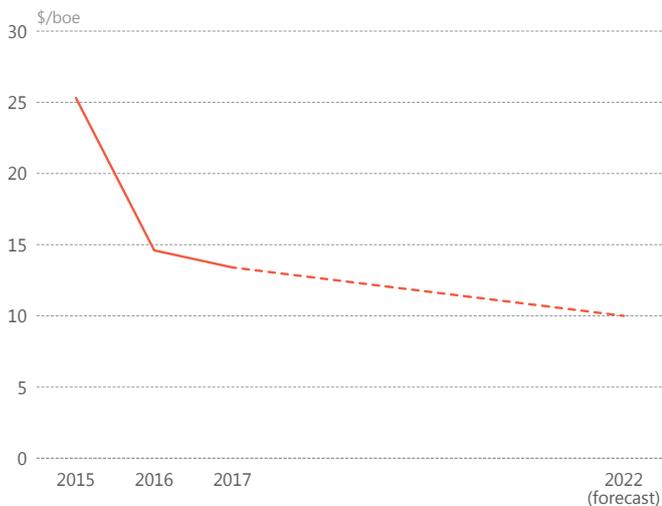
Argentine state giant YPF plans to invest \$21.5 billion in the country between 2018-2022 and increase oil production by 26%, the company said last week.

Argentina's energy sector is expected to see investment of around \$30 billion until 2022, including a \$8.5 billion invested by companies partnering with YPF. The company, which is the country's dominant oil and gas producer, plans to drill 1,600 new oil and gas wells by 2022.

YPF is targeting a 150% increase in unconventional production by 2022. This will transform the company's profile, making it a predominantly unconventional oil and gas producer. The company also plans to reduce unconventional production costs by a further 25% by 2022.

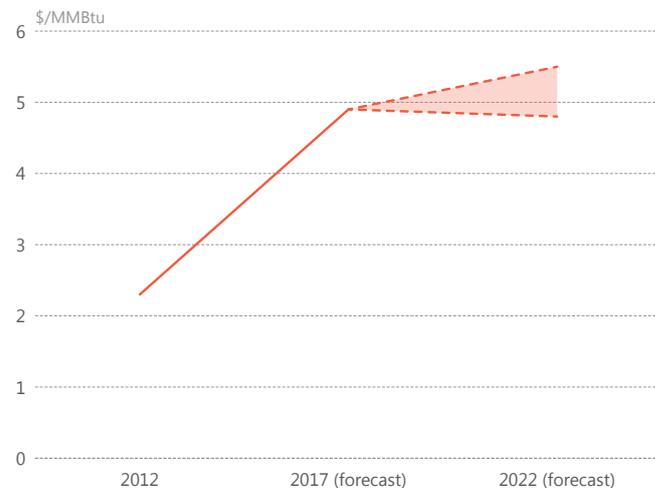
YPF Chairman Miguel Gutierrez has forecast that exploration and production in Argentina will increase in 2018 after shrinking this year. "For me, the adjustment process is over and, looking at 2018, this situation will change. I think we have seen the floor of rigs," Gutierrez said in August.

COST OF LOMA CAMPANA GAS



Source: YPF

WELLHEAD GAS PRICE



Source: YPF

The average gas price in Argentina is steadily increasing and is expected to reflect market forces by 2022 as Buenos Aires continues to reduce government intervention in the sector. YPF has said supply-demand dynamics, seasonality, import parity and the country's regulatory framework will determine future prices.

Europe | Companies & Finance

Wood Group completes disposal of Amec Foster Wheeler North Sea assets

UK engineering company Wood Group has completed the sale of the UK North Sea operations belonging to Amec Foster Wheeler that it acquired at the beginning of October. Wood Group made £227 million (\$299 million) from the sale and will use the sum to reduce net debt, the company said in a note on Friday.

FSU | Companies & Finance

Ukrspirt enters consultations with SOCAR Ukraine

Ukrainian state-owned alcohol producer Ukrspirt is in consultations with SOCAR Energy Ukraine regarding gas supplies, Ukrspirt said in a note on Thursday after a meeting between the company's acting director, Yuri Luchechko, and SOCAR Ukraine's director for wholesale trading, Andrey Bychkov. "SOCAR can become a reliable partner of Ukrspirt," Bychkov said in a note. SOCAR Ukraine is a subsidiary of State Oil Company of Azerbaijan Republic and launched gas trading operations in the Ukrainian market in February 2017.

Middle East | Exploration & Production

First stage of Zohr field project complete by November – Molla

Egyptian Oil Minister Tarek el-Molla has said the first stage of the Zohr offshore gas development will be completed by the end of November, according to local reports.

North America | Markets

Canadian fossil fuel use to peak in the next two years – NEB

Canada's fossil fuel consumption is expected to peak in the next two years thanks to climate policy and technological advances, regulator the National Energy Board (NEB) said in a long-term energy outlook released last week. Projections in the report's reference case scenario show Canadian fossil fuel use peaking in around 2019 and flattening out in the long term. All three of the report's scenarios show Canada reducing its fossil fuel consumption further compared with the NEB's previous outlooks. "Every time in the last 10 years that we've done a forecast, the projection for fossil fuel use keeps falling. Eventually, you get to the point where it actually peaks out," NEB Chief Economist Shelley Milutinovic told reporters Thursday.

North America | LNG

LNG Canada contracts Rio Tinto for wharf, pending FID

The LNG Canada project has contracted Rio Tinto to build a wharf to replace an existing terminal that needs to be relocated if plans for the export plant are to move forward. The move was misunderstood by some on social media as a sign FID was about to be made. "It is important to note however that this [wharf] contract is pending a positive Final Investment Decision for our project, and in the absence of an FID, this contract would not move forward," LNG Canada said in statement to local newspaper the *Northern Sentinel*. "At the moment, we are undertaking a number of activities to put our project in the best position possible should there be a FID, but no date has yet been set by our Joint Venture Participants for such a decision," LNG Canada added. The project partners include Shell Canada (with a 50% share), PetroChina (with 20%), and Kogas and Mitsubishi (each with 15%).

Latin America | Alternative Fuels

Antofagasta moves towards renewables for energy needs

Chilean mining giant Antofagasta is looking to renewables for its long-term energy requirements, the company's chief executive has told *Reuters*. Ivan Arriagada said some of Antofagasta's energy contracts will not expire for another 3-5 years but could be renegotiated if market conditions change. Northern Chile has added significant renewable power capacity in recent years, which will result in increased gas demand for backup power during periods of low solar generation, Matias Vidal, commercial manager at Engie-controlled GNL Mejillones, told *Interfax Natural Gas Daily* earlier this month.

The Week Ahead

Monday 30 October

- Sempra Energy Q3 results
- Edison International Q3 results

Tuesday 31 October

- BP Q3 results

Wednesday 1 November

- Former Afren executives due at Westminster Magistrates' Court to face money laundering claims, London, UK

Thursday 2 October

- Shell Q3 results
- Marathon Oil Q3 results
- Exelon Q3 results

Monday 6 November

- European Autumn Gas Conference, Milan, Italy

CONTINUED ON PAGE 9



Drilling in the Haynesville shale. (Shell)

North America | Exploration & Production

Haynesville gas output hits highest level since end-2013

Gas production in the Haynesville shale play in the United States has risen to its highest level since the end of 2013, the US Energy Information Administration (EIA) reported on Friday. Marketed gas production in Haynesville reached 195 million cubic metres per day (MMcm/d) in September after having remaining at close to 170 MMcm/d for the past three years. The increase was attributed to the expansion in the number of active drilling rigs since late 2016 and a “trend toward higher per-well initial production rates”, the EIA noted. The Haynesville is estimated to hold 4.95 trillion cubic metres of recoverable shale gas resources, according to the US Geological Survey.

CONTINUED FROM PAGE 8

Latin America | Pipelines

Argentina OKs emergency gas exports to Chile

Argentina has authorised gas exports to Chile during emergencies, according to an Energy Ministry resolution published in the government’s official gazette on Friday. Argentine state agency Enarsa can export up to 3.5 million cubic metres per day to Chile, according to the resolution.

Latin America | E&P

Brazil awards six of eight blocks after pre-salt bidding

Brazil awarded six of the eight blocks on offer in two rounds of bidding for the country’s pre-salt fields on Friday, with Shell and its partners winning three licences. Development of the blocks will result in BRL 100 billion (\$31 billion) of investment from the winning companies, according to the authorities. “Brazil is back [on] the global oil market scene”, said Décio Oddone, director general of Brazilian hydrocarbon agency the ANP. “We had an excellent result,” said Brazil’s president, Michel Temer. He estimated that exploration of the pre-salt reserves should bring in about \$130 billion in royalties. The full results are available on the ANP’s website.

Latin America | Policy & Regulation

Pemex aiming to cut CO2 emissions by 25% by 2021

Mexican state giant Pemex is seeking to cut its carbon dioxide emissions by 25% by 2021, the company said on Sunday. “Environmental protection and sustainable development are priorities for Pemex,” Chief Executive Jose Antonio Gonzalez Anaya was quoted as saying by London-based press.

Latin America | Companies & Finance

Eni could sell stakes in Mexican and Indonesian assets – CEO

Italian giant Eni could sell stakes in its oil and gas fields in Mexico and Indonesia in the next stage of its asset sale strategy, *Reuters* reported on Friday. “Mexico could be the next step [...and] a 30-40% dilution is something that could be achieved,” Chief Financial Officer Massimo Monduzzi was quoted as saying in an earnings call. ■

interfax Natural Gas Daily

Registered Office

Interfax Europe,
19-21 Great Tower Street,
London EC3R 5AQ
Tel: +44 (0)20 3004 6200
Email:
customer.service@interfax.co.uk
Web: interfaxenergy.com

Chief editor Therese Robinson
therese.robinson@interfax.co.uk

News editor Tom Hoskyns
tom.hoskyns@interfax.co.uk

Africa editor Leigh Elston
leigh.elston@interfax.co.uk

Latin America editor
Christopher Noon
chris.noon@interfax.co.uk

Middle East editor

Verity Ratcliffe
verity.ratcliffe@interfax.co.uk

China editor Colin Shek
colin.shek@interfax.cn

Asia Pacific editor
Andrew Walker
andrew.walker@interfax.co.uk

EU policy & regulation editor
Andreas Walstad
andreas.walstad@interfax.co.uk

Western Europe reporter
Silvia Favasuli
silvia.favasuli@interfax.co.uk

International correspondents

Baku Anar Azizov, Nigar Abbasova ▪ **Beijing** Li Xin ▪ **Berlin** Annemarie Botzki ▪ **Delhi** Garima Chitkara ▪ **Kiev** Alexey Egorov, Roman Ivanchenko ▪ **Lisbon** Miriam Malek ▪ **Moscow** Alexey Novikov, Svetlana Savateeva, Yulia Yulina ▪ **Perth** Sally Bogle ▪ **Shanghai** Tang Tian ▪ **Singapore** Damon Evans

Production
Chief sub-editor Rhys Timson
Sub-editors Doug Kitson, Rob Loveday
Web developer
Joseph Williams

Sales

Senior sales manager
Matt Shelton
matt.shelton@interfax.co.uk
+44 (0)20 3004 6203

Sales manager Frazer Donald
frazer.donald@interfax.co.uk
+44 (0)20 3004 6207

Natural Gas Daily is published daily by Interfax Europe, a division of Interfax Information Services Group.

Copyright ©2017 Interfax Europe. All rights reserved.

Sales

ISSN: 2048-4534
No part of this report may be reproduced or transmitted in any form, whether electronic, mechanical or any other means without the prior permission of Interfax. In any case of reproduction, a reference to Interfax must be made.

All the information and comment contained in this report is believed to be correct at the time of publication. Interfax accepts no responsibility or liability for its completeness or accuracy.