

EU & US against Russian gas in favor of (US) LNG; US LNG against Russian gas and the EU; US LNG to enter EU from the East?

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Two rings of competitive gas supplies to the EU in formation: (i) “disruptive” ring of global LNG supplies & (ii) Russian radial-circle gas pipelines system (not yet finalized in full) with internal backup (generalized scheme)

-> Europe for Russian pipeline gas

= target/destination market

-> Europe for LNG (incl. US LNG) =


(i) bridge market within global “price arbitrage” deals, but

(ii) target market for US LNG in East Europe (Intermarium/“Three Seas Initiative”) =>


(a) “to kill the competitor” (Russian gas in EU) by cutting it off EU, plus (b)

diminish global EU competitiveness beyond energy

Legend:

 Historical delivery points of Russian gas to the EU

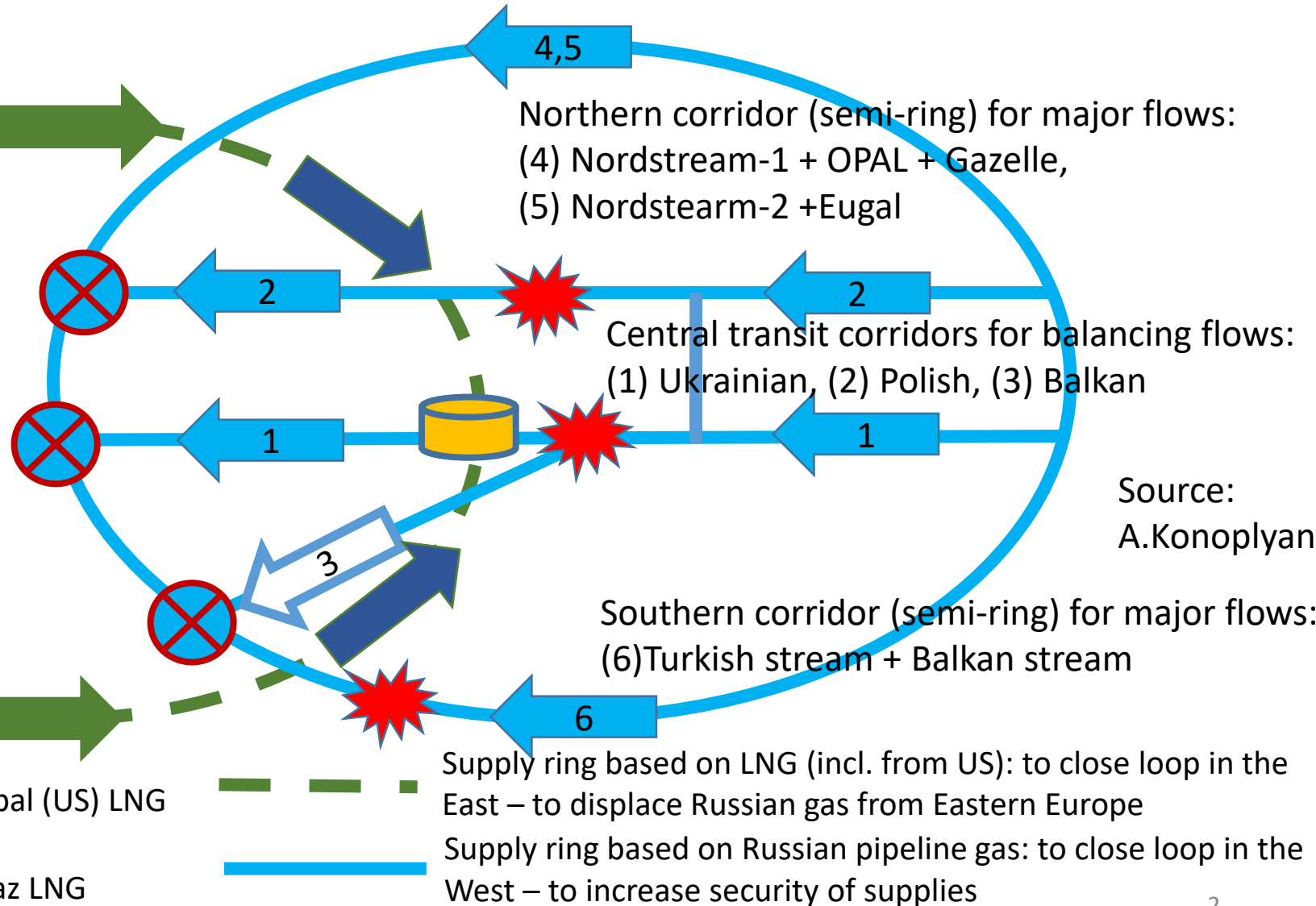
 Zones of transit risks

 Pipeline gas

 West.Ukrainian UGS

 Global (US) LNG

 Regaz LNG



Northern corridor (semi-ring) for major flows:
(4) Nordstream-1 + OPAL + Gazelle,
(5) Nordstream-2 + Eugal

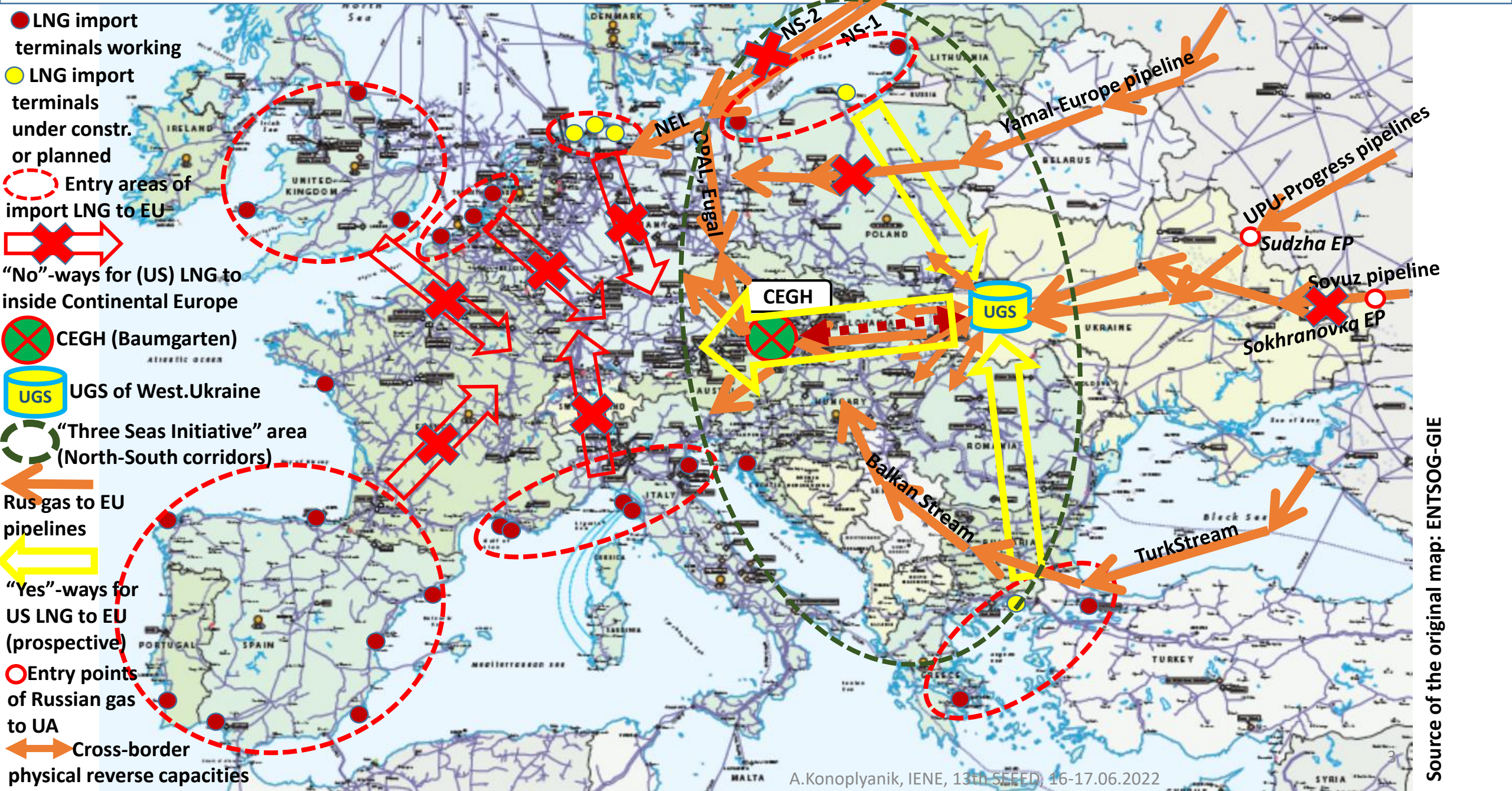
Central transit corridors for balancing flows:
(1) Ukrainian, (2) Polish, (3) Balkan

Southern corridor (semi-ring) for major flows:
(6) Turkish stream + Balkan stream

Supply ring based on LNG (incl. from US): to close loop in the East – to displace Russian gas from Eastern Europe
Supply ring based on Russian pipeline gas: to close loop in the West – to increase security of supplies

Source:
A.Konoplyanik

"Yes"-ways & "no"-ways for US LNG into the EU to substitute Russian pipeline gas at its DPs



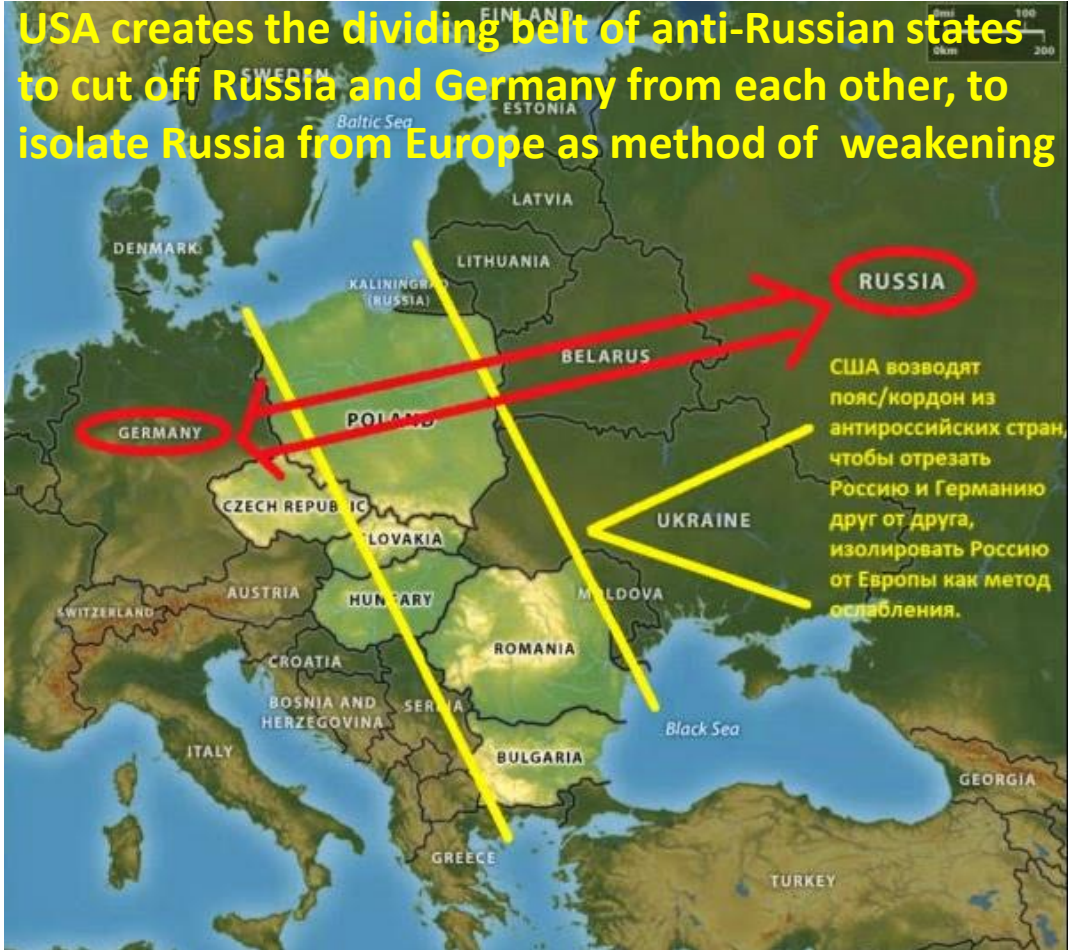
Northern and Southern routes for US LNG penetration to the EU through Eastern Europe & Ukraine (project Intermarium, now Three Seas Initiative, in action)



Source: Sergii MAKOGON (CEO of Gas TSO of Ukraine, LLC). GTSOU presentation. Overview. // Presentation at webinar "Ukrainian Gas Storage Opens for Business", LNG-Worldwide Ltd, DMG-events/World LNG & Gas Series, 10 June 2020

Dividing line from Baltic to Black sea – major aim of USA in Europe through the history (Projects: “Intermarium”- 1920-ies, “Three Seas Initiative” - 2020-ies)

USA creates the dividing belt of anti-Russian states to cut off Russia and Germany from each other, to isolate Russia from Europe as method of weakening



Intermarium acc. to Pilsudsky (in green)



Three Seas Initiative

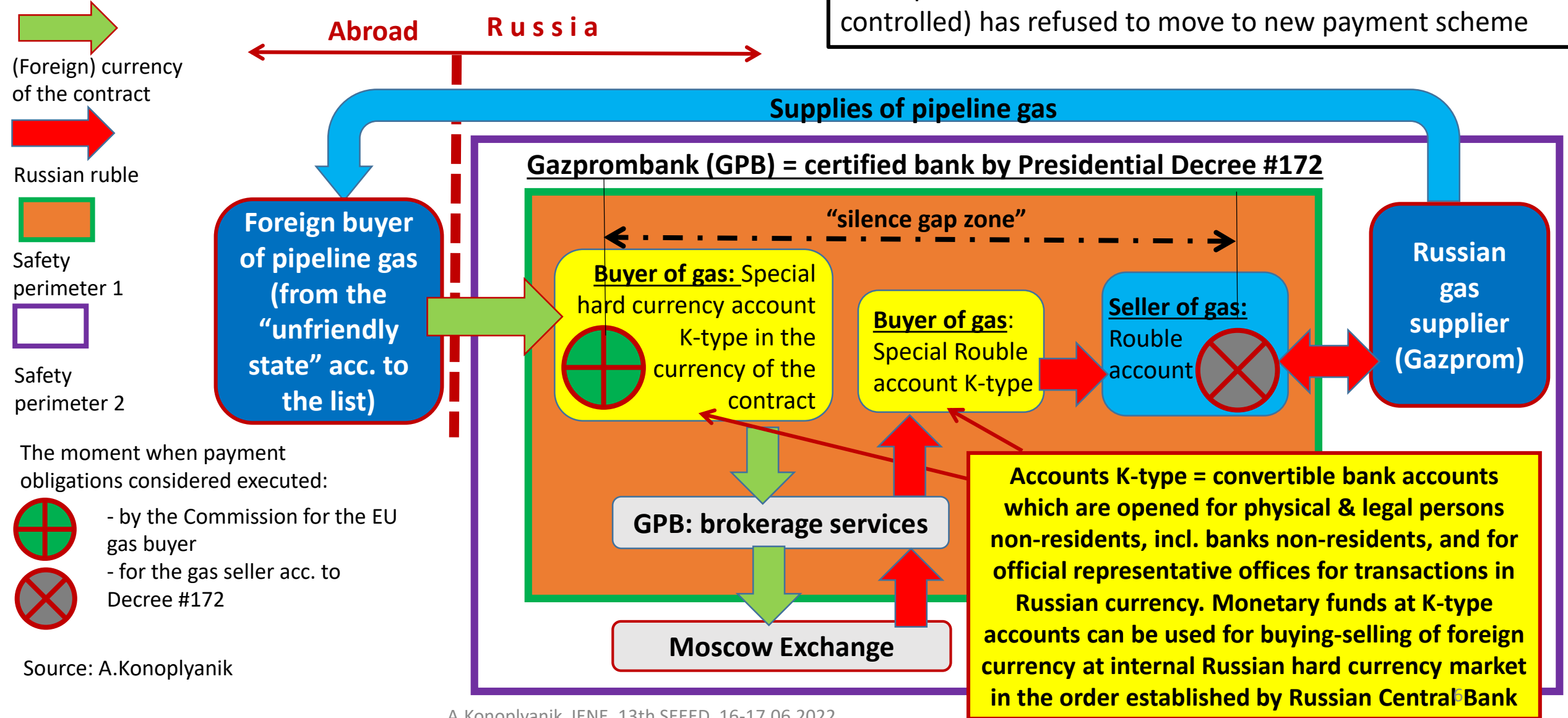


Source: Presentation of George Friedman, Founder and President of private intelligence agency “Stratfor” at the conference of “The Chicago Council on Global Affairs”, 04.02.2015, <https://www.thechicagocouncil.org/event/europe-destinedconflict> <https://www.youtube.com/watch?v=iOY1dDqa7F0>; https://www.youtube.com/watch?v=xewzbMYmC_I; Financing regional security: An update of the Three Seas Initiative Investment Fund. // Atlantic Council, 14.04.2022 (https://www.atlanticcouncil.org/event/financing-regional-security/?mkt_tok=NjU5LVdaWC0wNzUAAAGDuUrGtpZSaGJmXoBuDd8u7RSsxK6jJHoNtMI_xgQuEOOm2AzBDH3K1ez5szdZ13jV_y4iQccftEcjzi-y8QQwLh1A9uJqiBY31XRkVox7Uug) A.Konoplyanik, IENE, 13th SEED, 16-17.06.2022

G.Friedman (“Stratfor”): “...final aim of the US consists in creation of “Intermarium” – territory between Baltic and Black Seas, which concept was developed as far back as by Pilsudski. First aim for US is not to allow that German capital and German technologies were united with Russian natural resources and labor resources in the invincible combination. ... Trump card of US which defeat such combination - dividing line between Baltic states and Black Sea. Russia & Germany acting together became the only power which present fundamental threat for US”⁵

The new payment procedure for pipeline gas supplies acc. to RF Presidential Decree #172 as of 31.03.2022 forms double safety perimeter for both sides of the contract

Among 54 companies-buyers of Russian pipeline gas from "unfriendly states" (A.Novak), only 6 companies from 5 states (Poland, Bulgaria, Finland, Denmark, Netherlands, all 5 companies from these states are state-owned or state-controlled) has refused to move to new payment scheme



Source: A.Konoplyanik

References (in English):

- A.Konoplyanik. Europe's Energy Suicide. Rejection of energy cooperation with Russia will inevitably lead the European economy to collapse.// *"Natural Gas World – Global Gas Perspectives"*, 29 March 2022 (<https://www.naturalgasworld.com/europes-energy-suicide-97246>)
- A.Konoplyanik. Explaining Putin's Rubles-For-Gas Decree. Russia's decree on new procedure for gas payments reduces risks for both buyer and supplier. // *"Natural Gas World – Global Gas Perspectives"*, 01 June 2022 (<https://www.naturalgasworld.com/explaining-putins-rubles-for-gas-decree-98578>)

Thank you for your attention!

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