As EPP rapporteur for external EU energy policy, this morning, I should like to give you a brief overview of EU priorities and strategy with regard to gas. Given that some EU member states are currently phasing out nuclear energy - and that renewables are not yet in the position to take up the slack - gas will undoubtedly experience demand over the next generation.

Against this background, *our key priority* is to achieve a widely diversified gas supply through a fully interconnected and flexible EU gas network. This includes gas networks within the EU but also with neighbouring states, (including countries of origin and countries of transit).

Stated differently, our strategy is to diversify as this includes two aspects:

* Diversity of energy sources (sources include gas, coal, nuclear and renewables)

* Diversity in both countries of origin and countries of transit. With regard to gas in particular, our policy is that every European region has access to at least two distinct sources of gas.

It is, of course, necessary to strike a balance between different sources (coal, gas, nuclear and renewables). However, it is just as necessary to ensure - in so far as gas is concerned - that we do not come to depend excessively on one type or mode of transportation. We must at once develop pipeline, shale gas and LNG but make *sure that one is not developed* to *the detriment of the other.*

Striking a balance with regard to gas supposes additional flexibility and increase in the need for bi-directional pipelines; sufficient storage capacity and flexible supply from sources such as LNG.

As things stand, EU supplies arrive through three distinct corridors:

the northern corridor from Norway

the eastern corridor from Russia

the Mediterranean corridor form North Africa

A fourth source, in addition to these three corridors is LNG.

Against this background, in several regions of Europe dependency on a single source still prevails. For example, Gazprom supplies an overwhelming bulk of gas in some of the European states (Poland, 70%; Slovakia 100%; Hungary 80% and some western Balkan states 100%)

! Overcoming this situation requires investment in three high-priority corridors:

* Firstly, the Southern corridor (Caspian Basin, Central Asia etc.)

* Secondly, the corridor linking the Baltic, Black, Adriatic and Aegean seas. This includes both Baltic Energy Market Interconnection Plan (BEMIP) on the one hand and the North-South Corridor in Central and South Eastern Europe, on the other hand.

* Thirdly, the North-South corridor in *Western Europe*. This latter should be able to make full use of possible alternative external supplies including from Africa *whilst* optimising the existing infrastructure in the Iberian Peninsula and most notably existing LNG plants and storage facilities.

To sum up briefly, given that the EU's main priority is to is diversify gas supply through a fully interconnected and flexible gas network, it is to be expected that these last three priorities will contribute directly to achieving this goal.