

An Overview on the Egyptian Gas Market & its Framework



#### Where We Are?

#### Single Buyer Model (SBM)

- Public Monopoly
- Exclusive Access Right to the public supplier (EGAS/EGPC)
- Discriminatory end-user prices administratively determined

#### Government

















Gas Supply (Production/Import)

**Processing** 

Transmission

Distribution

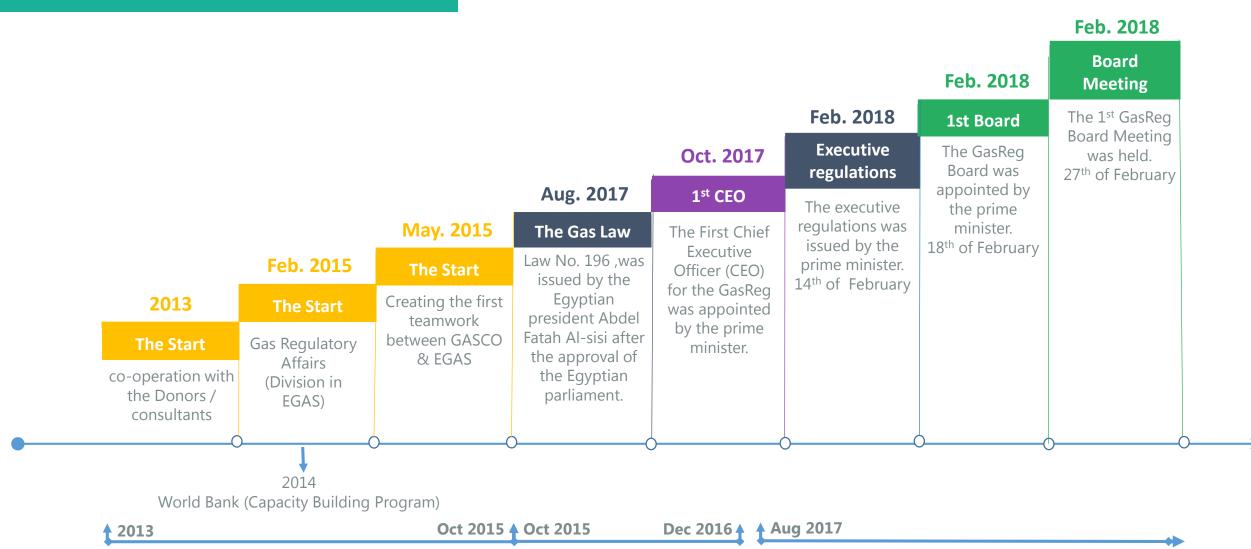
Marketing (Local /global)

## New Gas Law # 196/2017

#### Scope of Application:

- Establish an independent **Gas Regulatory Authority ("GasReg")** to monitor the functioning of the new gas market.
- Regulation of **Downstream** gas activities
  - o Transportation and distribution
  - o Storage and liquefaction/regasification
- Introduction of **Third Party Access** principle (TPA)
- Gradually open up the gas market and introduce Competition
- Separation of Gas Market Activities "Unbundling"

## **Evolvement Of GasReg**



European Union (TARES consultants)

European Union (ATES)

EBRD –World Bank-AFD

Gas Reg. Objectives under Article 3 of the Gas Law No.196 of the year 2017 classified into 2 Groups:



#### **Market regulating**

- Sos
- TP
- quality of the services

2nd Group Obj.

# Market liberalization for gas trading

- Promote Investments
- Competitiveness
- Information for all parties
- Optimal use of Infrastructure

### **Expected Regional Benefits**

- Sustain the regional strategic goal of energy supply diversification via providing an alternate supply route/source.
- Promote regional cooperation and economic development thus enhancing geopolitical stability in the Eastern Mediterranean.
- Attaining energy security in the region.
- Improve the investment climate & sustain the economic worthiness from the existing infrastructure.