

# SHALE GAS **YES** WE SHALL

## WHAT DOES SHALE GAS MEAN FOR EUROPE? THE POLITICAL DIMENSION

The Canadian and American example of safe to the environment and economically efficient gas production from unconventional resources proves that this sector can significantly strengthen the energy security and, in broader dimension: the position of given country on the international arena. Europe has probably one of the largest resources of unconventional hydrocarbons in the world: there may be located around 10% of global resources of such type.

According to the report issued by International Energy Agency on June, 6th 2011, the world demand for gas may increase of around 50% till 2035 in comparison to 2010.

What is important, those resources exceed the resources of conventional gas and may play a significant role with respect to lowering the EU dependency on imported fossil fuels (oil and natural gas). Currently, it seems to be extremely necessary, especially in the context of unstable situation in the Middle East and Northern Africa (revolutions in the Islamic countries). The repeated gas crisis in Europe and examples of using the energy issues as a political tool also constitute the argument for developing new hydrocarbons resources. Natural gas can widen the freedom and available options within the scope of EU foreign policy. For European Union it may be particularly beneficial as it creates a chance for a real increase of European influence in the international relations.

**Shale gas is one of the uncommon success stories in energy industry.**

Selected events in the sector of shale gas:

## **1. SHALE GAS PROSPECTING IN FRANCE**

July, 1st 2011

In spite of placed ban on fracturing technology, the interest in unconventional hydrocarbons exploitation is still vivid. Sterling Resources company, located in Canada, plans to obtain the rights to 26 000 of hectares of shale areas around Paris. The biggest French company producing conventional natural gas and oil, Vermilion Energy, has also its concessions within this area.

## **2. ARMENIA'S ENGAGEMENT IN SHALE GAS DEVELOPMENT**

July, 11th 2011

Similarly to many European Union countries, Armenia prepares the plan for shale gas development. Armenian Ministry of Energy signed a cooperation agreement with International Minerals and Mines group on this subject.

## **3. SHALE GAS RESEARCH IN CZECH REPUBLIC**

August 17th 2011

British companies Cuadrilla and BasGas submitted appropriate applications and expect to start exploratory works. BasGas representative informed that the characteristic of geological formations which can contain shale gas is similar to such resources in the USA, where they are exploited with success.

**4.** It is noticeable within last few months that the activity on shale gas prospecting increased also in other countries, such as Hol-