

CYPRUS|ENERGY

Cyprus could supply gas to Bulgaria

Bulgaria's Foreign Minister Kristian Vigenin on June 16 said Cyprus could supply his country and other central European nations with natural gas to lessen the region's heavy dependence on Russian deliveries. AP quoted Vigenin as saying that Cyprus could be key to an envisioned "north-south corridor" supplying gas to central Europe via Greece. "Cyprus can play an important role in the project delivering gas to (liquefied natural gas) terminals in Greece and then from there this can bring gas up to Bulgaria, Romania and central Europe," Vigenin said after talks with his Cypriot counterpart Ioannis Kasoulides. Vigenin said Bulgaria can't fully replace Russian gas given its near total reliance on Moscow for the mineral, but the option exists for Cyprus to become a future supplier over the medium term. He said much work remains to make this a reality. Bulgaria imports around 106 billion cubic feet of gas annually. Cyprus has discovered one field off its southern coast estimated to hold 3.6 trillion to 6 trillion cubic feet of gas that US firm Noble energy and its Israeli partners Delek and Avner are looking to develop. Cyprus has licensed industry giants ENI of Italy, South Korean Kogas and France's Total to look for oil and gas off its shores and wants to speed up the search. Two weeks ago, Cypriot Energy Minister Yiorgos Lakkotrypis said ENI has expedited exploration plans by several months. The east Mediterranean island nation is seeking to build its own land-based facility to process gas for export, but needs additional deposits to make the project viable.

ITALY|EUROMED

CIVITAS Forum in Casablanca to discuss Euromed policies

This year's theme will unveil brave new ideas and strategies on urban mobility, accessibility and social inclusion for more sustainable cities, CIVITAS said in a press release, adding that the forum will focus on sustainable urban transport. For the first time ever, the CIVITAS Annual Conference is being held outside Europe and will take place in Casablanca, Morocco, on September 23-26. The choice of Casablanca as the host of the CIVITAS Forum 2014 formally seals the partnership in the urban mobility field between the CIVITAS initiative and transport project stakeholders in the Euro-Mediterranean Partnership (EUROMED), the press release said. The latter promotes economic integration and democratic reform across 16 of the EU's neighbours in North Africa and the Middle East. With respect to transport, this heralds a stronger era of collaboration between the EU and its EUROMED partners, spreading sustainability and helping to combat pollution beyond the Europe's borders.

SPAIN|ECONOMY

Spain's bad loan ratio rises to 13.44% in April

Spanish banks' bad debts stood at 13.44% in April, rising slightly from the 13.39% recorded for March, the Bank of Spain reported on June 18. According to the bank, bad loans within the Spanish banking system dropped to €191.763 billion in April from €192.773 billion in March. Total credit within the Spanish financial system stood at €1.426 trillion in April, €13.707bn less than a month earlier. This fall made the bad loan ratio rise on a month-to-month basis, despite the fact that troubled de

ITALY|ECONOMY

Exports grow by 2% in April, trade surplus rises

Italy's exports in April grew by 2% on an annual basis, the National Institute for Statistics (ISTAT) said on June 17. According to the Xinhua news agency, the growth in goods exports was due mainly to an increase of sales to European Union countries, with an overall 5% rise compared to April 2013.

Poland, Czech Republic, and Belgium were the most dynamic markets for Italian exports with a 14.8%, 14.5% and 8.9% annual increase respectively. ISTAT also noted a 7.1% and 5.6% rise in sales to Japan and Germany.

The ISTAT report added the annual exports growth was led by sales of clothing, leather good, machinery and equipment, basic metals and fabricated metal products, plus by a 30% increase in vehicle sales to the United States.

The outgoing flows grew also on a monthly basis, increasing by 0.4% in April 2014 compared to that of March. However, it fell by 0.7% over the February-April quarter, with a 1.9% drop in sales towards non-EU countries, ISTAT added.

With regards to incoming flows, Italian imports fell by 0.6% in April



Workers prepares buffalo mozzarella at a farm at Marcianise, in the province of Caserta, region Campania. Italy's exports in April grew by 2% on an annual basis.

EPA/CESARE ABBATE

2014 compared to March and by 2.9% on an annual basis. More specifically, imports from EU countries decreased by 2.6% and those from non-EU countries by 3.4% compared to last year, ISTAT said.

The decline in imports of goods allowed Italy a trade surplus to €3.5bn, a sharp rise compared to a €2bn surplus in April last year. In March 2014, however, the surplus was €3.9bn.

The trade surplus reached €1.851m with EU partners and €1.654m with non-EU countries, ISTAT report specified.

Specifically, a positive balance was registered towards France, the United States, Great Britain, Switzerland, and developing Asian countries, while trade with the Netherlands, China, Russia, Germany, and India showed a deficit.

BULGARIA|ENERGY

Total E&P Bulgaria opens drilling services tender

Total E&P Bulgaria, the Bulgarian unit of France's Total, has opened a tender for offshore drilling services for two wells at Bulgaria's 1-21 Han-Asparuh offshore exploration block, SeeNews reported.

In January, Total, together with Austria's OMV and Spain's Repsol, wrapped up a 3D seismic acquisition campaign in the 1-21 Han-Asparuh bloc after completing the procurement phase for the offshore exploration seismic activities.

It is complemented by an additional 2D seismic survey of 3,000km which was completed in October.

The value of the well drilling services tender was not disclosed in a notice published on the website of Bulgaria's Public Procurement Agency on June 13 but it was indicated Total E&P Bulgaria would seek from the candidate guarantees in the total amount of \$1m, equal to 3.0% of the contract's value.

The drilling of the first well should be completed within 120 days, while works on the second well are expected to be done within 100 days, excluding testing, the notice indicated. Bids can be submitted until July 14. The 1-21 Han-Asparuh Bloc is located deep offshore in the Bulgarian sector, in the western part of the Black Sea and covers an area of 14,220 square kilometres with water depths up to 2,200 metres.

BULGARIA|ENERGY

Natural gas at Chiren repository totals 355 mcm

Bulgaria's Energy Ministry on June 16 said the reserves at the country's underground gas repository Chiren currently amount to 355 million cubic metres of natural gas. At this point, Russia's gas

supplies to Bulgaria have not been halted or changed, and the reserves at Chiren are still being boosted due to the dynamic situation in Ukraine, the ministry said in a press release. The gas supplies

that could be tapped from Chiren are estimated at up to 3.3 million cubic metres of gas a day, which amounts to some 65% of the daily consumption during this part of the year.

ROMANIA|ENERGY

Fondul Proprietatea sells 5.0% stake in Romgaz

On June 17, Romanian investment fund Fondul Proprietatea said it sold a stake of about 5% in local natural gas producer Romgaz for a total of 644.6m lei (€146.5m), SeeNews reported.

"Following completion of the Transaction, the Fund will own 38,542,960 shares in Romgaz, corresponding to approximately 10.01% of Romgaz' share capital and voting

rights," the fund's manager, Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, said in a statement filed with the Bucharest bourse.