

## “Gas crucial for the transition towards a low carbon mix”

*Interview with Roberto Casula, President of Assomineraria: “The research centres of Italian companies are involved in the development of sustainable technologies”*



**“Transition towards a sustainable energy mix: the input of Oil & Gas industry” is the key topic of the 2017 OMC. What is the role of Oil & Gas in this scenario?**

The hydrocarbons will still play a primary role to ensure the smooth functioning of our industry and maintain the level of well-being achieved. Above all, at a global level, we have resources and technologies technically and economically useful to reduce the emissions in the atmosphere.

In order to understand the importance of the upstream sector in Italy, it may be helpful to present some figures: according to Iea, in 2015 the national production of primary energy was 35 million toe. At the same time, the consumption of primary energy amounted to 151 million toe. Thus the Italian production accounts for 23.6% of the national production, and the rest is imported. The Italian Oil & Gas meets 7.4% of the total demand and it accounts for 31.5% of the national energy production.

In the emerging scenario which predicts the transition towards a “low carbon” energy mix, natural gas will be one of the fundamental elements due to the fact that it significantly reduces the emissions compared to other fossil fuels, especially coal. Currently, the national gas production is 7 billion cubic meters a year which is about 11% of the consumption. This figure could certainly increase, if we exploit the resources already discovered in

our subsoil. For this purpose, a great deal of studies show that the national hydrocarbon production could double in the next ten years and that most of it regards natural gas.

**What was the impact of the “made in Italy” scientific research and technological development in that path of sustainability?**

The extraction sector and its supply chain constitute a fundamental element of the Italian industry and economy as well as an international excellence of competences and technologies.

For quite some time, the research centres of the Italian oil companies and the entire supply chain have been actually involved in the development of both “low carbon” and energy efficiency technologies. And we have a long and valuable experience in those issues. In this respect we actively contribute to the phase of transition towards a new energy paradigm. In the pursuit of the sustainability target it is thus crucial to continue to invest in a technological development that would allow for a greater spread of natural gas (for example the use of compressed natural gas or in the liquid form, that is Lng, in the sector of road or maritime transport) and the production of cleaner fuels.

It is worth reminding again that on the one hand, Italy has the most ex-

tensive gas transmission and distribution network in Europe, and on the other hand it is the European leader in the use of gas for road transport.

**What projects is Assomineraria implementing in this landscape?**

Assomineraria continues to work in order to reinforce solidity of its organization, founded upon transparency and effectiveness. When it comes to the market scenario where the associated businesses operate, Assomineraria is implementing a series of initiatives to favour internationalization of the Italian supply chain.

The goal is to establish ourselves as a privileged partner in different producing countries so that we could leverage the competences acquired from the associates around the world to develop the industry providing local services.

Moreover, with the aim of an efficient and effective service for the represented industry, Assomineraria – and especially the Goods and Services Sector, the leading actor at OMC – is conducting an in-depth analysis of the issues helpful for facilitating the presence of businesses in international markets: from taxation to decommissioning and development of technologies related with renewable energy.

Finally, in this centenary year, the Association aims to reevaluate re-



sources of subsoil by new generations. At the start of the second century of the Association's history, we would like to improve communication, directly reaching out to everybody, without excluding anybody.

**The government is working on the revision of the National Energy Strategy. What in your opinion are the crucial actions to be adopted to reboot the Italian energy policy?**

The aim of the National Energy Strategy should be to define the policies intended for ensuring more efficient energy supply to Italy, reducing the electricity costs for consumers and promoting production activities in our country in a European scenario of energy and climate policy the targets of which we share.

The crucial actions for the Oil & Gas sector should be to start from a careful evaluation of the potential of development of the national hydrocarbon resources, the overall upstream and downstream activities generated through their enhancement, and finally, the positive impact

on the balance of trade.

As I have already mentioned, Italy could double its internal production of hydrocarbons in the next ten years, which would entail higher tax revenue, more jobs and investments, and thus positive effects across the country. Most of the potential of unexplored reserves consists of natural gas, a determining source for the transition towards a "low carbon" economy. Also the role of scientific research is important in that it could accelerate the development of technologies increasingly efficient in terms of environment, costs and safety. In the recent years the evolution of hydrocarbon prospecting and production techniques have enabled the extraction to become one of the safest and most respectful for the environment industries.

The improvement of energy efficiency, higher consumption of natural gas, exploitation of national resources and gradual integration of renewable sources into the energy mix are the pillars of the National Energy Strategy that should aim at environmental and

economic sustainability.

**What effects may the international agreements on the environment, particularly of Cop 21, have on the Italian upstream industry?**

In order to achieve the targets adopted globally through the international agreement defined by Cop 21 in a timely manner, it is indispensable to promote the transition from the consumption of coal to natural gas. In this respect, apart from the important role that the imported natural gas will still have, the development of deposits in our country would allow reducing or even eliminating also the emissions produced in the phase of transportation. Last but not least, it is necessary to continue to focus on the development of research of numerous innovative technologies for an increasingly efficient and sustainable use of methane and other less contaminating fuels to give an immediate and significant input to the attainment of different climate- and environment-related targets.

**A. J. R.**