What would it take to import more LNG in the medium-term?

- Investment in new production, liquefaction and export facilities in regions such as the US, Qatar & Australia
- Investment in new European import infrastructure, including regasification facilities
- New long-term contracts signed, to incentivise undertaking of lengthy infrastructure projects
- Redirecting existing pipeline flows and building new pipe and storage facilities to change the European gas flow from East-to-West to West-to-East

How fast could this happen?

New supply facilities

- Historically new liquefaction projects start export of LNG in 3-4 years after decision to build
- Growing complexity of LNG projects (e.g. distance to market) has increased this to 5 years on average

New import infrastructure in Europe

- With quick decision making, LNG regasification terminals can be built in 2-3 years
- New floating LNG regasification vessels are usually built in 5 years
- 6 of 33 floating vessels that exist globally could be in Europe by 2023. Port capacity and existing contracts limit further potential

What are the risks of greater use of LNG and how to manage them?

Methane emissions

- Creating and transporting LNG is more methane intensive than piped gas
- Methane is a potent greenhouse gas

Lock-in to high-carbon infrastructure

- Long-term contracts required for new supply (i.e. 10-20 years)
- Risks lock-in to gas when global gas use declining in net-zero economy

Geopolitical tensions

- There is a risk that high demand from Europe could threaten access to gas in developing regions

Methane emissions per unit of gas produced (KtCH4/bcm)

Natural gas consumption (000 bcm per year)

Illustrative Net Zero scenario

Global LNG imports (BCM, February 2022)

Developing regions should be supported with:

- Import diversification (e.g. local piped gas)
- Accelerating the energy transition away from fossil fuels including gas