

IEA 'sounds alarm bell' on Europe gas supplies for 2023

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The International Energy Agency is “sounding the alarm bell” over gas supplies next year, warning European leaders not to become complacent following the recent fall in prices and urging them to ensure supplies for next winter.

Fatih Birol, the head of the IEA, said on Thursday that while Europe has successfully filled storage sites to 95 per cent ahead of winter, the agency is forecasting a significant shortfall in supplies for next year, with Russian supplies expected to remain largely cut off.

“The fact that this winter may not be as challenging as we feared a couple of months ago does not justify complacency for next winter,” Birol said.

“There is a looming risk . . . We think gas markets will still be tight and volatile. This is an alarm bell for next winter as we believe we need to take immediate action now to avoid a shortage next year.”

Birol said that the IEA’s analysis suggested that at this point next year storage facilities in Europe may only be 65 per cent full given the challenges in refilling them from spring next year.

He said the IEA expects there will be a shortfall in supplies of about 30bn cubic metres, as unlike in 2022 Russian exports are likely to be close to zero from the beginning of the year.

In 2022, Russian supplies flowed not too far below normal levels in the first six months of the year, before Moscow cut exports in June in retaliation for western governments’ support for Ukraine.