

Your Excellency, distinguished colleagues,

Natural gas plays an important role for the German economy. It accounts for 21 per cent of our primary energy demand. Every second home in Germany depends on gas. This makes us the largest consumer of gas in the European Union.

On the demand side, over-production and tough competition for market shares have led to a massive decline in the gas price, forcing companies to cut their costs. In addition to this, future development in the oil and gas sector is likely to be shaped by climate and environmental policy.

In this context, the Paris climate agreement which was adopted last December plays a decisive role. In order to limit global warming, we need to gradually decarbonise the energy sector. This means that the energy sector needs to be increasingly based on energy efficiency and renewable energy, and move away from oil, gas and coal.

This is an enormous challenge, because this means that we must use a tiny part of the fossil fuel reserves that we know or presume to exist to generate energy. We should regard this challenge as an opportunity for a modernisation of our economies.

What does that mean for Germany? Natural gas will continue to be a central element of the German electricity supply, because it serves as an important bridging technology for the German energy transition. By combining natural gas, energy efficiency and renewable energy, we can make a key contribution to reducing carbon emissions in a way that is both reliable and affordable.

We have the job of integrating rising proportions of wind and solar power into the electricity market, whilst at the same time ensuring long-term security of supply by safeguarding the conventional generation capacities which we need.

In this context, efficient gas-fired power stations are the ideal technology to supplement the volatile forms of renewable energy. In addition to this,

carbon emissions can also be cut by using natural gas for transportation the fact that LNG is becoming more widely used in the shipping industry is a good example here. So I am optimistic that natural gas will continue to have its place in the energy mix of tomorrow.