

Massive farmers protest disrupts Brussels traffic



Protesters ride tractors during a demonstration called by Flemish farmers to protest against new rules to reduce nitrogen emissions in Brussels, on March 3, 2023. **KENZO TRIBOUILLARD/AFP**

Hundreds of tractors driven by angry farmers protesting a plan to cut nitrate levels converged on Brussels on Friday, creating major traffic disruption in Belgium's capital city. The BB farmers union and several others combined efforts to gather more than 2,700 farm vehicles, according to Brussels police, AP reported. Several major roads in Brussels were closed and police warned that disruptions could last until the end of the day, recommending that people use public transportation instead of personal cars. The Flemish regional government is struggling to find a deal to cut nitrate pollution over farmers' objections that it would put many out of business. Farmers also claim that their trade has to make much deeper cuts than industry and want to see a more equitable spread. Negotiations have lingered for weeks and weakened the regional government of northern Belgium to breaking point. The debate over agricultural pollution is increasingly turning into a political issue in many of the EU's farming nations. It is to be a focal point of Dutch elections in two weeks' time and is also affecting Belgium, another EU nation where intensive farming has put environmentalists against the agricultural lobby.

UK to extend energy bill help for 3 months

Britain's Chancellor of the Exchequer Jeremy Hunt is set to extend support for household energy bills by an extra three months beyond April in a move that would help ease the country's cost-of-living squeeze, the Times reported on Friday. Government subsidies are scheduled to be scaled back from next month, meaning average annual bills would rise to 3,000 pounds (\$3,594.00) from 2,500 pounds now, Reuters reported.



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But the Times said the lower bills would now be kept in place until the end of June. Hunt is due to deliver a budget statement on March 15, when any extension to the level of support could be announced. Opposition parties and campaigners have urged the government to change course and keep providing its current level of help to households, many of which are struggling to meet the rising cost of living even before bills rise. Hunt can count on a roughly 30 billion-pound windfall as he prepares his budget, according to the Institute for Fiscal Studies (IFS). Keeping the current level of energy subsidies would cost 2.7 billion pounds until the end of June, based on current energy price forecasts, the IFS estimated this week. Under the government's energy price guarantee mechanism, which was set up last September, taxpayer money has been used to shield households from the surge in prices that followed Russia's invasion of Ukraine. Wholesale prices are expected to fall over the three months from April to June meaning the government's guarantee will no longer be necessary beyond after that period, The Times citing a Whitehall source. The Finance Ministry did not immediately respond when contacted by Reuters. Energy companies are already preparing to amend bills to reflect the current level of support being renewed rather than reduced in April, according to a separate report by the BBC on Friday.

NEWS IN BRIEF

ECB's Wunsch sees 4% rates possible



BLOOMBERG - European Central Bank Governing Council member Pierre Wunsch said market bets for interest rates to reach a 4% peak may prove accurate if underlying price pressures remain elevated. How far borrowing costs must rise "depends very much on the evolution of core inflation," the Belgian central bank chief said, referring to the measure of consumer-price growth that strips out items such as energy and food.

Hungary central bank rejects call to undo reserve policy change

REUTERS - Hungary's central bank on Friday 'firmly rejected' calls by the country's banks to undo a change in reserve policy, which lenders say will cost them over 100b forints (\$281.28m) and could stifle lending. Hungary's Banking Association called on the central bank on Thursday to row back on a policy change curbing the interest paid on required reserves, just two days after Prime Minister Viktor Orban's top economic aid piled pressure on the bank to start lowering borrowing costs.

China 2023 gas demand likely to grow, but LNG outlook cloudy



SOUTH CHINA MORNING POST

Natural gas demand in China is likely to grow this year as the economy recovers, but whether the country's imports of liquefied natural gas (LNG) rebound will depend on spot prices, an executive of PetroChina International-

al said. China's LNG imports dropped nearly 20% to 63.4m tonnes last year, pushing it down to the world's No.2 LNG buyer behind Japan as zero-COVID lockdown measures and high spot prices

hit demand, Reuters reported. "We expect consumption of natural gas to return to a healthier level this year compared to 2022," Yaoyu Zhang, general manager of global LNG and new energies at PetroChina International, told Reuters on the sidelines of an energy conference in Tokyo. China's apparent gas consumption was 366.3 billion cubic metres in 2022, down 1.7% from the previous year, data from the country's National Development and Reform Commission showed. "This year, we expect at least the same level (as in 2022) - we believe there could be slightly more given recovery of the (Chinese) economy," Zhang said.

PetroChina, the listed arm of the state-run China National Petroleum Corporation, is the country's top gas importer. LNG is used to supplement domestic gas production and pipeline imports. As China's economic activity ramps up following the end of lockdowns, its domestic LNG demand could increase by 10% this year, the International Energy Agency has said, but Zhang remained cautious with predictions. "This year, we are going to take a similar approach depending on the price level on the spot market, then we will decide do we want to buy more or less," Zhang said. "If the spot LNG prices remain high like last year,

we don't expect a quick rebound of the LNG purchases in China." Russia is one of the key sources for pipeline and LNG supplies to China. Zhang noted PetroChina, via CNPC, is a partner in the Yamal LNG and Arctic LNG 2 projects in Russia and buys Russian gas via pipeline. "I don't expect these relationships to stop because at the moment there are no sanctions on LNG. I think it will be business as usual - we will lift our equity volumes - pipeline and LNG," he said. Russia wants to increase pipeline gas supplies to China via new routes especially as it suffers a decline in its once core European market.

Indonesia close to Abadi LNG deal with Pertamina



REUTERS - The Indonesian government hopes discussions with state energy company Pertamina over its acquisition of Shell's stake in the Abadi liquefied natural gas (LNG) project will be finalised in the first half of this year, a senior energy official said on Friday. Indonesia has long sought an investor to take over Shell's 35% stake in what is also known as the Masela gas project after the company announced its intention to withdraw. Japanese energy company Inpex Corp leads the project with a 65% stake.

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