

Center for European Studies Working Paper Series #170 (2009)

Europe's External Energy Policy and Turkey's Accession Process

by

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Abstract

This article analyzes the role of Turkey in the European Union's energy security and its implications for the Turkish accession process. The EU is increasingly interested in diversifying its imports of energy, as well as the transit routes for these imported supplies. Extant and future projects to secure energy supplies from Russia, the Caspian and the Middle East indicate quite persuasively that Turkey has become more crucial to the attainment of the EU external energy policy objectives. However, Turkey may have reached the limits of its willingness to cooperate on energy security without more decisive EU reciprocation of Turkey's own EU membership efforts. In the short run, Turkey is not essential to the EU, but in the longer run, as European energy needs become more pressing, the EU may have to give more serious consideration to Turkey's accession.

Policymakers in EU countries and institutions have grown increasingly concerned with energy security. The Russian state-run Gazprom monopoly's gas cutoff to Ukraine on December 31, 2005, pushed energy to the forefront of the Union's foreign policy agenda. The Commission's March 2006 Green Paper underscored that "security against political risks including interruption of supply is critical to predictability" (European Commission 2006a: 8). A major oil cutoff by Russia's monopoly Transneft pipeline operator to transit country Belarus in January 2007 furnished an analogous backdrop to the issuance of a proposed Energy Policy for Europe (European Commission 2007a). The unresolved Russo-Ukrainian gas dispute triggered a weeks-long Gazprom cut three years to the day after the earlier crisis, revealing numerous EU states' lingering vulnerability to winter energy shortages, and prompting the European Union Council (2009: 2) to call for intensified efforts to diversify energy suppliers, sources and routes.

Thus, while the EU's conception of the objective of energy security includes demand management and environmental goals, secure access to supplies has become a core motif. The EU has thus far avoided taking the path of the U.S. government, whose experience in Iraq revealed the difficulty of applying military tools to obtain oil (Williams 2006: 1078-1080). Nonetheless, European officials, having grown more aware of the merits of adopting a strategic approach to energy, view trans-Turkey pipelines as crucial levers in this regard (Tekin & Walterova 2007). Indeed, EU Energy Commissioner Andris Piebalgs, who has advocated it as "essential to Europe and the EU's most important gas supply project" (Socor 2006d), signed an intergovernmental accord supporting the €8-10 billion, 3,400-kilometer Nabucco Pipeline. This project, by joining its main trunk to separate branches carrying gas from Egypt, Iran and Iraq, would eventually connect Turkmenistan's Caspian littoral to Austria's Baumgarten gas hub and transform Turkey into a conduit for up to thirty-one billion cubic meters (bcm) of non-Russian gas supplies to Europe. The European Commission (2007a: 9) has called for a European coordinator to pursue Nabucco as part of the EU's Priority Interconnection Plan, while the EU Council (2009: 2) has emphasized the need for a "Southern gas corridor" based on wider access to Caspian energy.

Nabucco has not been free of problems. Pricing disputes between Turkey and its five EU-country consortium partners, financing issues and increasing receptivity to using Russian gas, which Gazprom has proposed sending through its rival South Stream Project (Baran 2008; Yinanc 2009), have cast doubt on its practicality and even rationale. Still, high-level EU officials, notably including Commission President Jose Manuel Barroso, who stated in January 2009 that energy security "is one of the cases where we can show to the European Union public opinion how important Turkey is for the EU" (Vucheva 2009), have implicitly endorsed the linkage drawn by Turkish officials between cooperation on Nabucco and progress on accession, even the energy chapter of which has been blocked by Cyprus, a member state that has clashed with Turkey over offshore oil exploration (Geropoulos 2008).

Turkish policymakers have made a clearer connection between Turkey's service as an energy corridor and the accession process. For example, in 2007, Foreign Minister Abdullah Gul argued that "Turkey's membership perspective and the ongoing accession negotiations with the EU will be a driving force for the realization of joint projects which will enhance the supply security of Turkey and the EU."¹ Obviously, it is tempting for the Turkish side to play the energy card in hopes of ensuring that the EU appreciates Turkey's strategic value. Turkish policymakers consider that the US government has been more attentive to highlighting the signifi-

¹Joint Press Release, Turkey and the EU: Together for a European Energy Policy – High Level Conference in Istanbul on June 5, 2007.

cance of Turkey for the energy security of Europe than the EU itself, as the former often urges the Europeans to diversify gas supplies away from Russia (Tekin 2005; Tekin & Walterova 2007). Katinka Barysch (2007) has aptly pointed out that EU member states remain too captive to short-term electoral pressures to be capable of advocating long-term strategic objectives on the issue of enlargement, thus preventing them from acting more decisively on Turkish accession.

We concur that, from an energy security angle, it is becoming increasingly imprudent for the EU to equivocate on Turkey's accession. The physical basis for a more expansive yet closely integrated European energy network, transnational pipeline infrastructure presupposes a "predictable economic and political context for investors to sink their capital and knowledge" (Barnes et al. 2006: 4). A requisite degree of stability entails coordination of a large array of actors as well as complex financial, regulatory, physical and political arrangements, consonant with EU-governed "common regulatory space" or "pan-European energy Community" (European Commission 2006a: 16). Any trans-European energy network will be relatively more difficult to extend to major producer Russia and transit countries Belarus and Ukraine than to Turkey, which offers not only the crucial additional advantage of diversifying suppliers, but also a demonstrable willingness to comply with EU regulations, notably the Council's 2003 gas market directive (World Bank 2006: 70-72).

EU officials' cognizance of Turkey's crucial role in energy transit will not automatically lower many member states' entrenched resistance to Turkish membership. Other modes of collaboration with Turkey could suffice to improve Europe's energy security, especially if Turkey becomes a contracting party to the Energy Community of Southeast Europe, which mandates adoption of the *gas acquis*, comprising not only the 2003 directive, but also the EU Council's 2004 gas security directive to coordinate emergency use of storage facilities and its 2005 regulation on opening transmission network access. Accordingly, as Turkey remains reluctant to adopt the *gas acquis* fully, the EU can neither guarantee the application of common standards and mechanisms for rapid reaction to supply disruptions and physical attacks on infrastructure (European Commission 2006a: 8) nor constrain Gazprom, which commands the single largest share of the world's gas reserves, from extending its operational sway over Turkey's (and other newer EU members') gas systems (Roberts 2006: 219).

As EU politicians have usually avoided making boldly explicit claims about the role of Turkey's energy card in accession negotiations, the validity of any such claims is by no means obvious. It relies on certain assumptions discussed below. One is that EU economies require diversification of energy suppliers. The second is that the EU needs to be able to exert more direct influence over the latter. More specific premises are that Turkey is a relatively cost-effective route for transporting diversified EU energy supplies and that Turkey's EU membership will enhance EU influence over a wider range of energy-providing regions.

The EU and Energy Security

The EU has admittedly low chances of obtaining energy self-sufficiency. EEA oil reserves are declining due the maturity of fields in the North Sea, still a major indigenous source of gas. Four-fifths of Europe's fossil fuel reserves comprise solid fuel, yet, ironically for an organization that originated in the 1952 European Coal and Steel Community (ECSC), extraction of coal in Europe now costs three to four times the world average, leading major EU-15 economies to decrease mining activity (European Commission 2001: 19-20). Moreover, the European Commission recognizes that maintaining the one-third share of Europe's electricity output that is generated by coal, a major contributor to CO₂ emissions, mandates commercialization of carbon se-

questration and clean coal technologies (European Commission 2006a: 9). More than one-third of the Union's electricity and 15 percent of its overall energy are supplied by nuclear power, but expanding its use has yet to overcome the opposing concerns of many EU citizens about waste disposal and safety (European Commission 2007a: 17-18). Use of renewable resources averages 6 percent across EU member states, a rate that may double by 2010 and treble by 2020. While the latter target encompasses a 10 percent biofuel mix in all transportation fuels, even this seemingly reasonable goal is unlikely to be reached (European Commission 2007a: 13-15).

Thus, the EU's need for external fuel sources is set to rise. The twenty-seven member states import half of their collective natural gas and oil requirements and will probably rely on imports to meet over 80 and 90 percent of their collective natural gas and oil needs, respectively, in the next two decades (European Commission 2007a: 3). Although emphasizing the importance of greater efficiency in energy usage, the European Commission (2001: 29-30) acknowledges the practical difficulty of decreasing EU reliance on imports. Therefore, the EU faces an increasingly urgent need to develop new policies in order to ensure the most propitious terms of access to diverse energy sources and suppliers.

EU Leverage on Energy Producing Regions

Heavy EU reliance on oil and gas imports is exacerbated by the nature and limited number of its source regions. As the Union purchases 40 percent of its gas imports from Russia, and a slightly larger fraction of its imported oil from Middle Eastern OPEC states, it makes sense for the EU to diversify its supply sources (European Commission 2001: 2). Nonetheless, while advocating greater diversification of energy sources and suppliers, the European Commission (2001: 22-23) understands that the present profile of EU hydrocarbon dependence on Russia, the Caspian, the Middle East and North Africa is unlikely to shift markedly. While gas imports from EEA member Norway occur largely within the scope of the EU regulations, those from Russia and Algeria do not. As the EU energy market liberalizes under EC pressure on national authorities to "unbundle" ownership of energy production from that of distribution, Russia's Gazprom has been endeavoring not only to expand trunk pipeline capacity, but also to acquire commanding shares, via marketing intermediaries, of local storage nodes and distribution channels within the European Union, as in numerous FSU countries (Socor 2006a; Woehrel 2007: 7-13). These efforts aim to capture monopoly rents created by large differentials between low production costs and high retail prices (Victor & Victor 2006, pp. 138-139).

Dependent on a limited range of sources and suppliers, the EU continues to bear the risk of cuts, even those that occur as by-products of producer-transit country disputes. This risk first manifested itself on December 31, 2005, when Gazprom shut off gas to Ukraine, which in turn diverted deliveries in the TransGas pipeline from European to domestic customers (Chivers 2006).² The following winter, Transneft, the state-run monopoly operator of oil pipelines crossing Russian territory, stopped the flow of Russian oil exports to Europe via Belarus due to a

²Alternative accounts of the Ukrainian cutoff focus not only on the upsurge in Russian demand during an unusually cold winter, which might be considered a proximate cause, but also on a number of interrelated background factors. These include heavily subsidized domestic gas prices relative to European retail prices (hence, leaving customers with little incentive to conserve), Gazprom's heavy acquisition of non-core assets, part of a political strategy that has left it highly indebted, and Russia's largely self-imposed difficulty in attracting foreign investment into the upstream sector. Thus, it appears logical for Gazprom to seek higher retail prices or larger shares of distribution networks in Ukraine and other subsidized export markets (Johnson 2005: 269-271; Victor 2006; Victor & Victor 2006: 139-141).

trade dispute involving a similar act of siphoning by the latter (Myers 2007). In March 2008, Gazprom halved deliveries to Ukraine over the latter's unpaid gas bills and Ukrainian officials threatened to cut shipments to EU customers (White 2008). The latest cutoff to Ukraine started on the last day of 2008 and lasted nearly three weeks, the last two of which involved Gazprom's retaliation against Ukraine's diversions by ceasing supplies to dedicated transit pipelines, leading to severe shortfalls through Europe and Turkey. While Ukraine agreed to host independent gas-flow monitors during the crisis (Castle and Kramer 2009), the EU has limited counter-leverage over key producing and transit regions.³

Turkey's Role in Extending EU Leverage on Energy Suppliers

Conversely, Turkey may allow the EU not only greater geographical propinquity to, but also more direct political influence over, the Caspian Basin and Russia, as well as a bridge to the hydrocarbon-rich Persian Gulf. This latter role would serve to complement Europe's presently more favorable terms of access to North African energy sources. Turkey lies near regions with over 70 percent of the world's proven oil and gas reserves (Roberts 2004: 1). The United Nations Economic Commission for Europe (2006: 9) has estimated that Turkey may host 6-7 percent of global oil transport by 2012. Nonetheless, although Turkey's role as an oil-transit country is important for regional exporters, it is less vital for global importers, including EU states, because of oil's greater fungibility (Roberts 2004: 19). Conversely, states in producing regions holding over one-third of gas reserves have expressed varying degrees of interest in using Turkey as a transit country to the EU (Roberts 2004: 1).

External Source Regions for EU Energy – Russia

EU countries (in terms of diversifying their supply *routes*) and Russia could facilitate the transit of more Russian gas via Turkey, although the Union has a greater necessity for this than Russia. Gazprom, for example, already supplies most of the natural gas consumed in EU countries Austria, Bulgaria, the Czech Republic, Finland, Greece, Hungary, Latvia, Lithuania, Poland and Slovakia (BP 2007: 27, 30). This dominant market position reinforces a situation where upstream sections of Russia's energy sector remain precariously open to competition, but oil and gas export pipelines fall under the monopoly control, respectively, of state-run operators Transneft and Gazprom. Moreover, the latter firm is best poised to preclude rival, especially Caspian, suppliers' use (see below) of Turkey as an independent transit route (Roberts 2006: 219).

Thus, Gazprom does not oppose enlisting Turkey as a transit route for its own gas if it can extend effective control over the bulk of future deliveries along that route. Emboldened by its hosting of the BTC/BTE infrastructure, Ankara has some capacity to resist becoming another Russian-dominated transit corridor, as reflected in its seeking of rights to re-export Turkey's unused fraction of Russian (and Iranian) gas imports to EU states, as well as in its related suspensions of gas imports contracted for on a "take-or-pay" basis (Winrow 2004: 29-30). On the other hand, Turkey's ability to act against Gazprom's interests appears heavily constrained by its own dependence on that company for almost two-thirds of its own gas consumption and by Russia's access to a larger number of non-Turkish routes to its EU market. For example, Gazprom has been backing the 30-bcm-capacity "South Stream" pipeline, which is to transit the Black Sea to Bulgaria and onwards to Greece and Italy (Eni is Gazprom's project partner) via one branch and

³Other than re-emphasizing measures to increase storage and coordinate uses of it pursuant to the 2004 gas security directive, EU Energy Commissioner Piebalgs has also advocated efforts to assist Ukraine in making its transit grid more efficient (Hall 2009a, 2009b).

to Serbia, Hungary and Austria via a second branch (Baran 2008); however, the appeal of this route may be tempered by its likely passage through Ukraine's offshore territory.⁴

Yet, Gazprom has also sought to augment the capacity of Turkey's gas pipeline infrastructure to serve European markets. The "Blue Stream" pipeline, operational since 2003 and capable of piping up to 16 bcm of Russian gas to Turkey, could be expanded (in a second phase) to act as a Southern complement to the Northern European Gas Pipeline, known as "Nord Stream." The latter Russo-German project is to link Russia's Yamal Peninsula fields via the Baltic Sea to Germany and elsewhere in Europe, circumventing Ukraine, Poland and EU member states of the Baltic Sea region and thus raising concomitant security-related issues for EU member states (Belkin 2007: 4; Larsson 2007). In short, "Blue Stream II" envisages converting Turkish pipelines into a Gazprom conduit to Europe via Greece, thus coopting the Southern corridor to bar independent transport of Caspian gas (Kramer 2005). Relatedly, Gazprom CEO Alexei Miller even offered to invest in expanding the capacity of the Turkey-Greece Interconnector (see below) and guarantee affiliated Russian gas supplies (Torbakov 2006b). Indeed, Russo-Turkish projects have been associated with Gazprom's corrupting influence on EU member and candidate countries (Winrow 2003), as well as its broader strategy of creating gas trading companies with opaque structures of ownership in Europe, acquiring transit lines and buying into local distribution outfits (Roberts 2006: 219)

The EU has also been engaged in dialogue with Russia. To some, Russia's interest in cooperation is motivated by Gazprom's highly subsidized domestic gas prices, which deprive it of investment capital for new fields and make it more reliant on the Euro-Turkish retail markets (Darley 2004: 104; Roberts 2006: 220-221; Victor & Victor 2006: 139-141). The EU would like to maintain access to Russia's upstream energy sector and obtain Moscow's ratification of the WTO-compatible Energy Charter Treaty (ECT) and its Transit Protocol (i.e., in order to obtain non-Russian Caspian gas), while the Kremlin seeks WTO membership and greater latitude for Gazprom to buy into Europe's downstream gas networks. To this end, it has allowed selective Western multinational access to Russia's energy reserves (especially the offshore Sakhalin Island and Shtokman gas fields, slated for liquefied natural gas [LNG] exports), while periodically threatening Europe with larger LNG and piped-gas exports to East Asia and elsewhere (Baev 2006; Romero 2006; Torbakov 2006a). The Kremlin has also maintained control over use of the only independent trans-Russia conduit with foreign corporate participation—the Caspian Pipeline Consortium (CPC) pipeline carrying Tengiz (Kazakhstan) oil to the Russian port of Novorossiisk (Socor 2007b).⁵ This suggests caution in increasing EU reliance on Russian gas and the need for a more active effort to ensure that Turkey's pipeline network is capable, not merely physically, but also politically, of advancing the EU's collective energy-security interest in diversification of routes *and* suppliers for those routes. In sum, the EU may have to move more decisively on Turkey's accession in order to bring Turkey's energy transit infrastructure more securely under Union regulation.

⁴"Ukraine Surfaced in South Stream Project," *Kommersant International*, February 29, 2008, available via <http://global.factiva.com/ha/default.aspx>, accessed March 10, 2008.

⁵Russia reportedly later allowed CPC expansions only on the condition that Kazakhstan agree to participate in the Transneft-led Bourgas-Alexandroupolis Pipeline that is to link Russia to Bulgaria and Greece. See "Russia: The Putin Doctrine," *Energy Compass*, January 4, 2008, available via <http://global.factiva.com/ha/default.aspx>, accessed March 10, 2008.

In diametric contrast to the EU's situation vis-à-vis Russia, the EU has a more pressing need, not shared at all by Russia, for non-Russian FSU gas to cross Turkey. During the Cold War, the Caspian Basin was largely Soviet territory, yet left relatively undeveloped by Moscow. Even now, most export routes cross Russia. Clearly, the EU's proclaimed policy of gas-supply diversification opposes Gazprom's dominant hold on gas from Kazakhstan, Turkmenistan and Uzbekistan. As expressed in the 1994 ECT and related Transit Protocol, the EU seeks to loosen Gazprom's and Transneft's respective chokeholds over the Central Asia-Center (CAC) gas pipeline and the various oil pipelines that terminate at Russia's Black Sea and Baltic ports or cross directly into Europe (Olcott 2006: 222-226; Roberts 2006: 217-218; Belkin 2007: 3, 11). This chokehold may become even tighter if another planned Gazprom-dominated pipeline is built to carry additional Turkmen and Kazakh gas northwards along the Caspian littoral into Russia.⁶ Thus, the Union has had to pursue additional means of accessing Caspian energy.

Earlier economic obstacles to the construction of non-Russian pipelines from the Caspian Basin were formidable. These stemmed both from the fact that pipelines controlled by Gazprom and Transneft were already built and thus enjoyed considerable cost advantages vis-à-vis proposed alternatives (Roberts 2006, p. 220). They also related to the evident economic infeasibility, notably during the soft energy market of the 1990s, of building all of the desired "multiple pipelines" comprising the centerpiece of Clinton-era U.S. government policy of fostering an East-West energy corridor in post-Soviet space (Williams & Tekin 2008). Scepticism about the financial viability of non-Russian-controlled Caspian pipeline infrastructure then undergoing construction lingered even as late as the U.S.-led invasion of Iraq in March 2003, widely anticipated to unleash a deluge of cheap hydrocarbon supplies (Andrianopoulos 2003: 80). However, by constricting that country's energy output, internal violence in post-invasion Iraq helped to raise hydrocarbon prices (Williams 2007: 51) and bolster the economics of Caspian-based projects. This underscores the fact that high prices, while undesirable for consumers in the short term, support the entry of otherwise prohibitively expensive alternative sources and suppliers, lowering prices in the long term (Fusaro 2002: 47-48; Maugeri 2006).

Consequently, Russia's former transportation stranglehold has been relaxed by newer projects that, despite over a decade of awkward progress, have finally been ushered into operation. The Baku-Tbilisi-Ceyhan (BTC) pipeline now transports oil, in volumes projected to reach 1.5 million barrels per day, from Azerbaijan's offshore territory via Turkey for (mostly) European customers. In 2007, its parallel Baku-Tbilisi-Erzurum (BTE) pipeline, or South Caucasus Pipeline (SCP), began carrying natural gas in volumes that could eventually total 20 bcm (6.6 bcm for Turkey), offshore from Azerbaijan for shipment via Georgia to Turkey, from where it can be linked via the Turkey-Greece Interconnector (at present) or Nabucco (in the future) to various nodes of the European gas grid.⁷ According to a bilateral agreement, Turkey can deliver or "on-sell" Azerbaijani energy received through these pipelines to European markets, while it is con-

⁶"Russia: The Putin Doctrine," *Energy Compass*, January 4, 2008, available via <http://global.factiva.com/ha/default.aspx>, accessed March 10, 2008.

⁷Opponents have not been idle bystanders to the progression of these key Turkish transit projects. Even after they were already operating, their lingering vulnerability was highlighted by the August 2008 Russian invasion of Georgia and the PKK terrorist group's sabotage of the BTC line, both of which influenced BP's decision to shut down the BTC and BTE lines and Russia's offer to purchase Azerbaijan's gas exports (Daly 2008).

tractually prohibited from doing the same with Russian (via the Blue Stream project) and Iranian gas (Roberts 2004: 15-16).

Greece and Turkey built a two-way pipeline interconnection between 2005 and 2007 able carry up to 12 bcm of (primarily Caspian) natural gas to Europe. Via extension, this line is expected to reach Italy and possibly Albania, Macedonia and Bulgaria, members of the Energy Community (Winrow 2004: 32-33). The first leg of this larger South European Gas Ring germinated under the aegis of the EU's INOGATE program and received Commission funding for feasibility studies (Winrow 2004: 36). Noting a distinct drawback of Turkey's exclusion from the EU in this context, observers have remarked that Turkey has the right to mark up the price of Azerbaijani gas going to Greece and Italy while forcing Greek and Italian purchasing companies, via intergovernmental agreement that permits Ankara to inspect the relevant contracts, to sell Turkey gas at the price paid to Azerbaijan.⁸

As European firms are prominent in the Caspian energy sector, they have a corollary interest in ensuring the most competitive terms for their oil and gas exports. British Petroleum (BP) leads the associated BTC and Azeri-Chirag-Guneshli (ACG) oilfield project consortia and shares the leadership, with Norway's Statoil, of the complementary SCP and Shah Deniz gasfield projects. On the opposite side of the Caspian, Italy's Eni-Agip and British Gas control most of Kazakhstan's Karachaganak gas output and, in partnership with France's Total and Anglo-Dutch firm Shell (as well as ExxonMobil), own a combined 75 percent share of that country's Kashagan oil field, although state company KazMunaiGaz unilaterally bolstered its share to 18-19 percent in 2007 to create an equal five-way division (Stern 2007). This oilfield could eventually supply – via tanker or undersea pipeline – the BTC pipeline, of which Total and Eni-Agip have a combined 10 percent stake. Total also has a 10 percent share in the SCP line, which could pipe Turkmen gas via a proposed Trans-Caspian line, estimated by Azeri officials to cost \$5 billion and to be capable of carrying 30 bcm (Socor 2006b).

Relative to the decisiveness with which Europe's own private-sector actors aimed to tap gas supplies from the newly independent Caspian littoral states, EU member governments have, until more recently, shown a mixed attitude to Caspian energy. This ambivalence has stemmed from members' heavy reliance on Russian gas, which has only reinforced the pursuit by some of their companies, with official backing, of separate deals with Gazprom (Belkin 2007: 9-13). Indeed, as the European Commission (2007a: 18-19) admits, EU members have visibly struggled to "speak with one voice" on common energy concerns. While Caspian gas would cover a small fraction of overall European imports, as the BTE line will convey only about 10-15 bcm per year of Azeri gas to Europe, a small volume compared to the EU's projected future annual consumption of 700 bcm (Roberts 2004: 2-3), it could hold gas prices down at the margins.⁹ Moreover, if this gas finds an exit route via Turkey to EU markets, it could also strengthen Caspian states' economic independence and stability (United Nations Economic Commission for Europe 2006: 9).

When it does address Caspian energy issues, the Union has tended to do so through broad-based initiatives, such as the largely defunct Transit Corridor Europe-Caucasus-Central Asia (TRACECA) and its current European Neighborhood Policy (ENP). In parallel to a U.S. propo-

⁸"Turkey, Greece Open Gas Link," *Platt's International Gas Report*, December 3, 2007, available via <http://global.factiva.com/aa/default.aspx>, accessed March 10, 2008.

⁹Steven R. Mann, "Remarks: Florence IEA Conference," April 14, 2003, available via <http://www.iea.org/Textbase/work/2003/caspian/Mann.pdf>, accessed March 10, 2008.

sal that NATO's Article V mutual defense clause serve as a possible model for emergency sharing of Euro-Atlantic energy supplies (Belkin 2007: 27), the European Commission (2006a: 8) implies that tighter integration of Turkey into the EU could also bolster Community mechanisms for securing physical infrastructure from attack. This would complement Turkey's potential role in augmenting total EU gas stocks that can be cooperatively stored and released in the event of supply disruptions. Although Turkey's pronounced vulnerability to these attacks militates against increased reliance on its pipeline network, the country has gained practical experience in responding to sabotage of the Iraq-Turkey crude oil pipeline in January 1997 (Karagiannis 2002: 98), the Iran-Turkey gas pipeline in August 2006 (U.S. Energy Information Administration 2006), and the BTC line itself in August 2008 (Daly 2008). Indeed, the pipelines, albeit not the valves, along the BTC/BTE route are buried, and Turkey has carried out joint military exercises with NATO "partners for peace" and BTC/BTE transit states Azerbaijan and Georgia, in addition to cooperating with foreign forces in training to protect pipelines within its own territory (Luft 2004; Tigner 2006). By bringing the Caspian states physically and politically closer to the EU, Turkey's accession could give the Union reciprocally greater and more multi-dimensional influence in the Caspian.

The Middle East (and North Africa)

With the world's largest combined hydrocarbon reserves, the Middle East and North Africa represent the least tractable areas for the Union (or any outside actor) to influence. First, due to a longer period of extractive activity associated with Western colonial dominance and geographical access to seaborne transportation routes, this region already has ample production and export infrastructure. Secondly, regional countries have exerted output and pricing power via asset nationalization, embargo and cartel action. As they did during the 1973-1974 Arab oil embargo (Skeet 1988: 118), and as they are now doing with Russia, European countries have adopted largely non-confrontational strategies in seeking to stabilize energy prices. Indeed, the European Commission (2001: 73) is attuned to the "expectations of several producer countries regarding political developments in the Middle East."

Like its European counterparts, Turkey has minimal influence over this region, although it has slightly more leverage on the gas issue, because of the continued prominence of Europe-oriented transit pipelines, than in the oil sector. For the past thirty years, punctuated by several periods of stoppage, Iraq has been a major exporter of crude oil via the Kirkuk-Yumurtalik pipeline that terminates in Ceyhan, Turkey. Post-occupation infrastructure sabotage in post-invasion Iraq had rendered the pipeline largely inoperable (Williams 2006: 1078) until late 2007.¹⁰ This may also have imparted new impetus to a 1996 bilateral proposal to develop the annual capacity to pipe 10 bcm of gas from northern Iraq to Turkey (Roberts 2004, p. 7; Winrow 2004, p. 34).¹¹ Qatar, the world's second largest holder of gas reserves behind Russia, remains noncommittal on supplying trans-Turkey pipelines, partially because it is undertaking enormous projects to liquefy natural gas and export LNG by tanker. By 2030, given its relatively smaller population and larger share of an expanded LNG trade, this tiny kingdom could emerge as the "swing producer," affecting global supply and price levels at the critical margin in the area of natural gas (Jaffe & Soligo 2006: 459).

¹⁰ "Iraq Oil Min: Iraq Currently Producing 2.5 Mln B/D," *Dow Jones Commodities Service*, March 5, 2008, available via <http://global.factiva.com/ha/default.aspx>, accessed March 10, 2008.

¹¹ "Turkey and Iraq Agree on Trade and Energy," *Turkish Daily News*, August 9, 2007, available via <http://www.turkishdailynews.com.tr/article.php?enewsid=80469>, accessed August 9, 2007.

Iran, holding the world's third largest reserves, could provide an alternative source of European gas. Iranian gas has been estimated as capable of meeting more than 10 percent of the Union's medium-term needs (European Commission 2005: 15). Given that most Iranian gas bound for Europe will flow through Turkey, bilateral Turco-Iranian disputes complicate the viability of this transport route. Related to the underlying issue of Turkey's over-buying of imported gas supplies on a "take-or-pay" basis, which also applies to Russia, Turkish authorities ceased Iranian imports in early 2003, just weeks after the 10 bcm-capacity Tabriz-Erzurum pipeline commenced operations, in an attempt to force changes in the terms of trade (Winrow 2004: 29-30). Iran itself has stopped the flow of gas into this conduit, ostensibly to cover domestic shortages, in recent winters, a situation exacerbated by an early 2008 decrease in the flow from Turkmenistan to Iran that in turn caused a reduction in gas flow to the recently completed Turkey-Greece Interconnector.¹² Reflecting the amicability of Russo-Iranian relations, Gazprom has announced its intentions to invest in the South Pars gasfield. This has uncertain implications for Nabucco, although these plans are more likely motivated by the desire to strengthen Gazprom's weak position in the LNG market.¹³ On the other hand, although the EU seems to have become less receptive to importing energy from Iran over the stalemated nuclear issue, the latter's energy firms, holding 10-percent shares of both the BTE pipeline and its feeder Shah Deniz gas, have an interest in the Southern energy corridor.

By the same token, Iran also has an interest in facilitating Nabucco. The project, however, has run into unforeseen difficulties. First, Hungary's MOL energy firm, one of six Nabucco consortium partners, has agreed with Gazprom to undertake the rival South Stream project and OMV, Austria's national energy company, has consented to transform the Baumgarten gas storage and distribution hub into a joint venture with Gazprom (Socor 2008). Second, the project has also been stymied by Turkey's opposition to the inclusion of Gas de France, whose home country has staunchly opposed Turkey's EU accession, as a seventh member company of the pipeline construction consortium, which recently added a German partner (Özerkan 2008). While the first problem seems to undermine EU energy security, the latter problem suggests that a lessening of resistance to Turkey's EU membership could strengthen this security by bolstering Ankara's willingness to move ahead on Nabucco.

Egypt, a new LNG exporter, may also wish to use Turkey (after Jordan and Syria in succession) to pipe its gas to Europe. Accordingly, Egypt, Jordan, Syria – where Gazprom's partially owned construction company Stroitransgaz has built the Syrian leg, and Turkey agreed to extend a proposed Arab Gas Pipeline (AGP) project up to Turkish territory, where additional connections could link it to Nabucco (Winrow 2004, pp. 34-35).¹⁴ EU members do not enjoy immunity from attempts by its primary suppliers to influence flows of Middle East and African energy supplies to Europe. In addition to seeking to invest in Iran and participating in the AGP, Gazprom has leveraged its home country's Soviet-era alliances with the relevant regimes to enter North African energy sectors. In Libya, which exports gas to Italy via pipeline, Gazprom has acquired gas and oil assets from a subsidiary of the German BASF firm that is party to a number of

¹²"Iran Cuts Gas Supply to Turkey," *Platts*, December 12, 2006, available via <http://www.platts.com/Natural%20Gas/News/8781901.xml>, accessed December 16, 2006; and 'Factbox-Turkmenistan's Natural Gas Projects', *Reuters*, February 7, 2008, available via <http://global.factiva.com/ha/default.aspx>, accessed March 10, 2008.

¹³"Oil and Gas: Iran," *Economist Intelligence Unit-Business Middle East*, March 1, 2008, available via <http://global.factiva.com/ha/default.aspx>, accessed March 10, 2008.

¹⁴See also "Egypt-Export Pipeline Project," *APS Review Gas Market Trends*, available via <http://global.factiva.com/ha/default.aspx>, accessed March 10, 2008.

joint projects elsewhere, including “Nord Stream” (Socor 2006c).¹⁵ However, Algeria, which supplied 55 bcm (just under two-thirds of which came in the form of piped supplies to Italy and Spain), or 14 percent of Europe’s total 2006 gas imports (BP 2007: 30), is more salient in this regard. In 2006, Gazprom agreed with Sonatrach, Algeria’s state energy firm, to produce gas and jointly market it to Europe in return for permitting the latter entity to help with an LNG development in Russia (Socor 2007a). Gazprom has even begun exploring the possibility of producing Nigerian gas and delivering some of it via a proposed \$10 billion trans-Saharan pipeline to Algeria and from there to Europe (Gray 2008). These efforts correlate with Russian and Algerian interests in coordinating official positions in the fifteen-member-state Gas Exporting Countries Forum (GECF), a collaboration that could impact 40 percent of Europe’s market. Yet, this gas cartel formation effort is presently hobbled by competition among pipeline-based suppliers (Chazan 2007) and thus seems addressed, for Gazprom, to ensure its own security in the more globalized LNG market of the future.

The Relative Cost Advantages of Turkish Energy Transport

A further assumption underlying the claim that Turkey’s EU membership would aid European energy security holds that Turkish territory is a relatively cost-effective means of conveying energy resources from East to West (Tekin & Walterova 2007). As was mentioned earlier, while Turkey is not a globally essential oil corridor for the EU, its hosting of the U.S. \$3.2 billion BTC crude oil pipeline, once regarded as prohibitively expensive prior to the 2003 Iraq War, may help not only to hold oil prices down at the margin, but also to allow Caspian crude in particular to compete with Russian and OPEC oil in Europe. Additional factors favoring landward Turkish oil transit is the fact that transporting Caspian oil by trans-Iranian pipelines to the Gulf, where countries can already load crude supplies produced in that region, and then by tanker, is less economically viable than exporting it via Turkey to the Mediterranean. Moreover, Azerbaijan and Kazakhstan crude blends are more conducive than many of the typically heavier and more sour grades of the Persian Gulf to European-area refineries regulated by stricter environmental directives.¹⁶

The building of pipelines is necessitated by the larger volume of Caspian crude oil that is coming on line. The economic prospects of trans-Turkey transit routes were certainly boosted by high energy prices, which finally eased in late 2008. The energy seller’s market was aggravated at the margins by a decrease in Kazakhstan’s Tengiz oilfield output due to increasingly stringent conditions that Russia had been seeking to impose on expansion of the CPC pipeline, thereby enticing the multinational corporations extracting oil for export via that line to entertain the more expensive trans-Caspian route of export to Baku instead (Socor 2007b). Otherwise, the overall per-barrel costs of Caspian oil could not have gained much competitive advantage relative to Persian Gulf exports. However, growth in volumes of the latter may be restrained either by a potential onset of geophysical decline in the fields of major producer Saudi Arabia (Simmons 2005) or by the unwillingness of major oil-producing states like Saudi Arabia and Kuwait, in stark contrast to Azerbaijan and Kazakhstan, to open and liberalize their upstream sectors (Mau-

¹⁵See also “Libya Signs Oil Deal with Gazprom on Oil and Gas Production,” *RIA Novosti*, available via <http://global.factiva.com/ha/default.aspx>, accessed March 10, 2008.

¹⁶Terry Adams, “Caspian Hydrocarbons, the Politicization of Regional Pipelines, and the Destabilization of the Caucasus,” 2004, available via <http://poli.vub.ac.be/publi/crs/eng/Vol5/adams.htm>, accessed March 10, 2008. As expressed in the EC’s 2003 Directive for the Promotion of Biofuels, the EU is endeavoring to comply with the 1997 Kyoto Protocol and other EC directives pertaining to fuel quality standards and energy taxation (Pahl 2004: 83-91).

geri 2006). Conversely, technological innovation and infrastructure integration may help to hold down the costs of Caspian extraction and attainment of long-term regional stability should lower transportation costs. For some observers, Caspian crude extraction costs were expected to fall to U.S. \$8 per barrel by 2010, which compares unfavorably to the per-barrel Gulf price of about U.S. \$2, but is economically competitive at world prices over U.S. \$15 (Adams 2004). These seemed likely to endure in the absence of any major demand contraction, as in Asia in 1997 and globally in 2009, or any lasting stabilization and liberalization of major source regions.¹⁷

In terms of gas, Central Asia, the Caspian and Iran are believed to hold enough gas to supply Europe through Turkey at reasonable costs. Consequently, developing conduits to ship this gas to Europe via Turkey could restrain the overall price that Gazprom can demand for its supplies (Gow 2008; Roberts 2004: 17-18).¹⁸ The BTE or SCP line, the capacity of which BP initially set at 7-8 bcm but later thought capable of being expanded to accommodate 20 bcm, suggesting that much of the gas would be shipped onwards to Europe, was projected in early 2004 to cost almost U.S. \$1 billion by the time of its expected completion (Roberts 2004: 6). Indeed, the SCP project played a key role in bolstering the viability of the BTC pipeline. Other than the overlapping memberships of the ACG-BTC and Shah Deniz-BTE consortia and economies of scale associated with building two pipelines along the same right-of-way, the Shah Deniz field's estimated 500 million barrels of oil condensate and additional possible crude reserves provided a potentially valuable increment to the quantity and quality of oil that could be shipped through the BTC line (Cutler 2000; Roberts 2004: 6).

Requiring upgrades and augmentations of its territorial pipeline infrastructure, Turkey needs more infusions of outside capital. Iran's potential as an investor is hampered by sanctions and the need for outside investment to develop its own gas sector to the point where that country can serve as an actual source of gas for Europe (Roberts 2004: 11). As mentioned above, Gazprom has made overtures to buy into Turkey's gas distribution and storage network, but primarily in order to establish a position from which to thwart the effective diversification of EU gas suppliers. Alternatively, as Transneft did in supporting the construction of the trans-Black Sea Bourgas-Alexandroupolis oil pipeline, Gazprom has also sought to bypass Turkey via the similarly routed South Stream gas pipeline.

The European Commission (2007a: 25) has underscored the EU's interest in Nabucco by advocating the commingling of funds amassed under the auspices of its proposed Neighborhood Investment Fund with those raised by the European Investment Bank (EIB) and European Bank for Reconstruction and Development (EBRD). These entities earlier agreed to cover 70 percent of the cost of the project (Socor 2006b), calculated by U.S. officials to be capable of providing gas for as low as one-fifth the cost of South Stream (Gow 2008).¹⁹ This would help to undergird development of a longer "trans-Caspian energy corridor" and pave the way for a transparent

¹⁷Terry Adams, "Caspian Hydrocarbons, the Politicization of Regional Pipelines, and the Destabilization of the Caucasus," 2004, available via <http://poli.vub.ac.be/publi/crs/eng/Vol5/adams.htm>, accessed March 10, 2008.

¹⁸See also Steven R. Mann, "Remarks: Florence IEA Conference," April 14, 2003, pp. 7-8, available via <http://www.iea.org/Textbase/work/2003/caspian/Mann.pdf>, accessed March 10, 2008

¹⁹The share of an unspent €3.75 billion in EU money for electricity and gas interconnections that is to be spent on Nabucco was recently reduced from €250 to €200 million. "Ministers Give Nod to EU Energy Security Agenda," EurActiv.com, February 20, 2009, available via <http://www.euractiv.com/en/energy/ministers-give-nod-eu-energy-security-agenda/article-179638>, accessed February 26, 2009.

legal framework to promote investment in international energy projects by means of a European coordinator mechanism.

European energy security and the Turkish accession process

There has been a lively debate on the EU's motive behind enlargement. While many have underscored the decisiveness of the moral and ethical logic behind the recent EU enlargement to Eastern Europe, others have emphasized the dominant role of geostrategic reasons (Moravcsik & Vachudova 2003; Sjursen 2002). However, there is a broader consensus on the EU motives for endorsing the Turkish candidacy and starting membership negotiations for Turkey (Öniş 2000; Tekin 2005). Forward movement of the Turkish process finds its strongest explanation in the rational calculations of the EU. In this respect, Turkey's role in the security of energy supplies to Europe figures prominently in the discussions. Admittedly, it is difficult to differentiate the energy security aspect from the other geostrategic variables at work. Yet, it is possible to discern linkages between the energy security of Europe and the Turkish accession, as evidenced in statements of the EU policymakers on the changing Turkish question.

The EU policy between the 1997 Luxembourg and 1999 Helsinki EU Council Summits shifted dramatically. The Helsinki Summit agenda included, besides the Turkish candidacy, strong efforts to advance the EU's geostrategic interests (Tekin 2005). Supporters of the Turkish cause have explicitly cited Turkey's geostrategic advantages, including the energy security issue, in the EU Council's internal debates. Some initially Turkey-sceptic leaders were seemingly convinced by this line of argument. Carl Bildt and Massimo D'Alema, foreign ministers of Sweden and Italy, respectively, wrote in a joint article that "... Turkey is a key actor in the realm of energy security. Given the uncertain state of energy markets, and the stakes involved, it is our shared interest to incorporate Turkey in a functioning integrated system" (Bildt & D'Alema 2004).

This instrumentalist logic of Turkish accession is also prevalent in many reports. The report by the Independent Commission on Turkey spelled it out quite clearly: "Turkey's geopolitical position makes it a vital factor for Europe's security of energy supplies" (Independent Commission on Turkey 2004: 18). Another report by the World Economic Forum cited Turkey's significant role in mitigating the long-term impact of oil price shock and energy supply interruptions on Europe. The report asserts that "For Turkey to play this risk mitigating role, Turkey must be securely anchored in European energy frameworks, infrastructure and transit agreements" (World Economic Forum 2006: 15).

Yet, EU official positions remain disparate in terms of associating the Turkish accession process with European energy security. Olli Rehn, the Commissioner for Enlargement, recently stated that "the EU and Turkey share essential strategic interests, e.g., in security, economy and dialogue of civilizations. That is one of the reasons why the EU decided to open negotiations for membership with Turkey. . . . [Energy strategy] is an area where both the EU and Turkey can gain from deeper cooperation."²⁰ On the other hand, the EU seems to hedge in line with the uncertainties surrounding the eventual fate of the accession talks, as manifested in the statements of Energy Commissioner Andris Piebalgs. He depicts the EU-Turkish energy cooperation as offering "mutual benefits for both sides" and expresses determination "to work together with Turkey to realize these mutual benefits." He goes even further to state that "this is a process that

²⁰Joint Press Release, Turkey and the EU: Together for a European Energy Policy – High Level Conference in Istanbul on June 5, 2007, available via <http://europa.eu/rapid/pressReleasesAction.do>

... has nothing to do with the EU accession – the one does not prejudge the other or vice versa. ... they both stem from the understanding that further cooperation is needed between EU and Turkey in a number of fields.”²¹

While EU official documents use guarded language in linking energy security issues with the Turkish accession process, recent documents prepared by the Commission seem to give more emphasis to the importance of Turkey in meeting EU energy policy objectives. The Accession Partnership Documents of 2001 and 2003 carefully specify the short- and medium-term objectives of preparing to adopt the energy *acquis* and complying with the electricity and gas directives (The European Council 2003, Annex: 23). The last Partnership Document also emphasizes completing the alignment of national legislation with the *acquis* as well as promoting the implementation in Turkey of “projects of common interest” in the European Community Trans-European Networks-Energy Guidelines (The European Council 2005, Annex: 13 and 18).

Among the official EU documents, the 2004 Turkish Progress Report contains a detailed analysis of energy issues. It suggests that:

Turkey is strengthening its position as an energy transit country, including through the development of projects of common interest. It is increasing its role as transit country for gas from Russia, the Caspian sea region and the Middle East, including through the development of the Nabucco gas pipeline.... Turkey is encouraged to continue its efforts to improve its gas ... interconnections ... to strengthen the security of supply and also the future Energy Community in South East Europe. Following the increasing awareness in the EU on the need to protect energy infrastructures from malicious acts, Turkey will be expected to actively participate in all initiatives that the EU may take in view of a stronger security in the energy sector (European Commission 2004: 115).

The Report concludes that “Turkey will play a pivotal role in diversifying resources and routes for oil and gas transit from neighbouring countries to the EU” (European Commission 2004: 116).

The most recent Progress Reports (2006 and 2007) mention that “Turkey has not signed the Energy Community Treaty establishing a regional energy market in southeast Europe” (European Commission 2006b & 2007b: 49 for both). What seems to receive more emphasis in those reports is the Trans-European Networks (TENS). The Reports state that “under the energy networks programme, the Community supports transmission infrastructure feasibility projects to increase competitiveness in the EU electricity and gas markets while reinforcing security of supply.... The Nabucco natural gas pipeline project from the Caspian and Central Asian region to Europe via Turkey is among the priority projects of the EU, and Turkey should pursue efforts to support this project” (European Commission 2006b: 49; European Commission 2007b: 55).

The Screening Reports on the energy and TENS *acquis* chapters provide details of the developments within and future expectations from Turkey on energy security. The trans-European energy guidelines of 2006 identify axes of priority projects and projects of common interest (European Commission 2006b). Building upon these guidelines, the screening report on Trans-

²¹Energy Commissioner Andris Piebalgs, EU and Turkey: Together for a European Energy Policy, Speech delivered at the conference “Turkey and the EU,” Istanbul, June 5, 2007, available via <http://europa.eu/rapid/pressReleasesAction.do>, accessed 10 March 2008.

European networks points out that “TEN-[Energy] respond to the growing importance for securing and diversifying the Community’s energy supplies, incorporating the energy networks of the Member States and candidate countries, and ensuring the coordinated operation of the energy networks in the Community and in neighbouring countries” (European Commission 2007b: 2). The Turkish side has expressed that it can accept the *acquis* regarding the trans-European networks of energy by the time of accession (2). The report asserts that Turkey, “located in the vicinity of world’s greatest energy reserves,” is a “natural connector” between the producer countries and European energy markets (4). The on-going gas pipeline projects, connecting Turkey-Greece-Italy and Turkey-Austria (Nabucco), are both considered as “TEN-E priority projects.” Turkey also suggests that other projects, such as Arab Gas Pipeline-Turkey Interconnector, as well as the Baku-Tbilisi-Erzurum, Iraq-Turkey, and Trans-Caspian pipelines, should be considered as EU priority projects as they can supply gas and connect to Mediterranean networks (5). The report assesses that “overall, Turkey has reached a satisfactory level of preparedness regarding the strategic development of the ... energy networks in accordance with the design and objectives of the ... TEN-E” (5). Turkey has ratified the Energy Charter Treaty, and the development of energy networks in Turkey is a “significant step in ensuring the transit of energy resources and increase security of supply in Europe” (6).

In June 2007, a high-level Istanbul conference dealt with the common challenges and opportunities for the EU and Turkey in the energy field. The joint statement of Turkish and Commission leaders called the conference “a milestone in their strategic cooperation in the field of energy.” The statement emphasized the importance of strategic cooperation and the exploitation of Turkey’s geographic location in providing energy security for Europe. Existing and future projects were discussed, the urgency of taking joint initiatives emphasized, and the strong commitments of both Turkey and the European Commission put forward. Firm commitment was extended for Nabucco and other projects with the goal of exploiting Turkey’s potential to become a major energy player.²²

The conference was also significant in that it clearly linked Turkey’s role in European energy security with its accession process. After affirming Turkey’s strategic importance for the security of energy supplies to the EU, the joint statement declared that “as Turkey is moving forward in the accession process, coherent policies will need to be implemented with a view to ensuring secure access to the energy resources of the region and their safe arrival to the markets.” The statement also encouraged Turkey to join the Energy Community as quickly as possible, “as an equal party in the decision making process.”²³

Attitudes on both sides are quite telling. The EU strongly and explicitly encourages Turkey to join the Southern European Energy Community while the Turkish government seems to be more reserved. Another example is the Turkish objection to the participation of the Gas de France in the Nabucco project, based on the disapproval of the French opposition to Turkish accession. In a recent visit to Romania, French President Sarkozy allegedly asked his Romanian counterpart to put pressure on Turkey for Gas de France to be included in the project.²⁴ This comes in contrast to recent Greco-Turkish rapprochement on the issue of energy. At the inauguration ceremony of the first leg of Turkey-Greece-Italy Interconnector on November 17, 2007,

²²Joint Press Release, Turkey and the EU: Together for a European Energy Policy – High Level Conference in Istanbul on 5 June 2007, available via <http://europa.eu/rapid/pressReleasesAction.do>

²³Joint Press Release, Turkey and the EU: Together for a European Energy Policy – High Level Conference in Istanbul on 5 June 2007, available via <http://europa.eu/rapid/pressReleasesAction.do>

²⁴ See <http://www.abhaber.com>, accessed March 6, 2008.

Greek Prime Minister Karamanlis stated that, "All Greeks want good neighbourly relations with Turkey ... and strongly support Turkey's course toward Europe."²⁵

Conclusion

The preceding discussion makes amply clear that the EU cannot easily diversify its energy suppliers. Currently, the EU largely depends on three main supply regions, two of which, the FSU (i.e., Russian and Russian-controlled exports from the Central Asian states of the Caspian Basin) and North Africa, are external to the EEA. The key to diversification, especially in the critical area of gas, seems to be increasing imports from a wider range of suppliers in the Middle East (e.g., including Egypt, Iran and Iraq) as well as developing independent access to energy supplies from Kazakhstan, Turkmenistan and Uzbekistan. This would enlarge the volume of Caspian supplies beyond those from Azerbaijan that currently reach Europe without crossing Russian territory.

In terms of the latter challenge, a Turkish energy corridor seems to offer one of the only feasible modes of connecting a greater diversity of suppliers to Europe along a larger number of secure and independent routes. However, as shown above, treating Turkey's capacity and willingness to serve as a transit country, primarily for gas, as a matter to be addressed within existing frameworks of cooperation may not be enough to ensure Europe's energy security. The proposed energy networks, associated with such mammoth infrastructural undertakings as the Turkey-Greece-Italy Interconnector or the Nabucco Pipeline, which have been prioritized by the Commission, involve the higher standardization and integration of regulatory environments characteristic of political union. Thus, more serious efforts by the EU on supplier diversification and the securing of those supplies may require less ambivalence on Turkey's accession.

Conversely, if the EU distances itself further from Turkey, as indicated by partial suspension of membership talks in late 2006, its energy security may face a number of potentially negative long-term consequences. For instance, if the Turkish accession process grinds to a halt, it would not be hard to imagine Turkish foreign policy becoming more pro-Russian. The two might indeed form an "axis of the excluded" (Hill & Taspinar 2006), a result of feeling like "outcasts from the European mainstream" (Barysch & Grant 2006: 28). Another concern focuses on the credibility of the EU within the Muslim world, with which the Commission seeks better relations as part of the EU's overall energy diplomacy (European Commission 2001: 73). Failure of the accession talks would damage the ability of the EU to influence the Muslim Middle East. This contrasts with calls for special emphasis to be placed on "dialogue in parts of the world which are of particular importance to the Union's energy supply, in which the Union has a major economic presence and in which it should also have a major political presence, as is the case with the Middle East" (Committee on Foreign Relations 2001).

As manifest in the elevated and more concerted policy and financial attention being dedicated to the Turkey-Greece-Italy Interconnector and the Nabucco pipeline, a significant number of EU members no longer appear to entertain the belief that they can gain their desired levels of energy security without involving Turkey more integrally in Union plans, programs and directives. In short, the concept of Turkey's belonging in the premier league of European states may gain firmer traction as EU countries seek to exert greater regulatory influence over the development and usage of increasingly critical Turkish energy pipelines.

²⁵"First Pipeline to Provide Europe with non-Russian Gas Supply," *Today's Zaman*, November 19, 2007.

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