

THE EUROPEAN UNION, RUSSIA, AND TURKEY: A BRIEF COMPARISON OF THE ENERGY THINKING

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The European Union (EU), Russia and Turkey have dominated the headlines of the world press recently whenever there has been a debate about the stability of the energy supply to Europe. However, little effort has been invested in the comparison of their energy thinking. This note initiates this comparison by briefly outlining the energy motivation and strategies of Brussels, Moscow and Ankara and by drawing some parallels among them.

The energy strategies of the three partners are pre-determined by the role that they perform in the energy chain. **Russia** is a key supplier of oil and natural gas to the international arena. However, it is also a significant consumer and a transit country for hydrocarbons, which originate in Central Asia. Russian policy is, therefore, determined by a three-fold motivation: stability of internal supply, profit maximization from the export of oil and natural gas abroad, and by the wish to use energy as a political leverage to increase its status in the world.

The Russian Energy Strategy to 2020 outlines four priorities for the development of the Russian energy strategy. They are stable energy supply both to the domestic market and abroad; financial and economic stability of the energy structures; innovative development of the sector; energy efficiency, energy saving and development of the renewable sources of energy. The strategy also demonstrates that political motivation is secondary to profit maximization for Moscow.

The **EU's** role in the energy relations is defined by its being a major consumer. It is also the main partner for Russia in the energy business. The EU is, therefore, logically concerned with stability, uninterruptedness and cost-effectiveness of the energy supply. Moreover, environmental ideas have for the last 20 years climbed to the top of Brussels agenda, influencing hugely its energy policy.

Therefore, today's European Union's energy thinking – as it is fixed in its 2006 Green Paper and documents, outlining its development to 2020 – is based on three pillars. These are liberalization, which is meant to do away with the internal frontiers in the EU and put consumer in the centre of all energy relations; energy efficiency, energy saving and development of renewable sources of energy; and last but not least security of supply. In the pursuit of the latter the EU for the last six years have tried to diversify away from Russia, which in turn increased the significance of Turkey.

Finally, **Turkey** is a significant consumer but most importantly it is a pivotal transit country, located in the immediate vicinity to 72,7% of world oil and 71,8 of world gas reserves. It also has good relations with most of the countries of the region, which allows Ankara to make use of its transit potential. It is, therefore, logical that Turkey's key energy goals are stable domestic supply and taking advantage from its fortunate geographical position to ensure supply to the own consumers but also to increase its political weight in Europe.

Not surprisingly Turkey's renewed in 2009 energy strategy emphasizes three priorities: stable supply to the internal market; liberalization, meant to appease Brussels and to demonstrate that Ankara follows the EU's regulatory paradigm in energy; and the development of transit. Significantly, most of the Turkish energy strategy is devoted to transit, and its political and economic use. Moreover, the political tone of this strategy is further increased by the fact that its drafting and application is coordinated by the Ministry of Foreign Affairs.

The following table provides a summary of the key points of the Russian, EU's and Turkish energy strategies.

Russia	EU	Turkey
<ul style="list-style-type: none"> stable energy supply to the internal market and outside 	<ul style="list-style-type: none"> Security of supply 	<ul style="list-style-type: none"> Diversified, reliable and cost-effective supplies
<ul style="list-style-type: none"> financial and economic stability of the energy structures innovative development of the sector 	<ul style="list-style-type: none"> Liberalization 	<ul style="list-style-type: none"> Liberalization
<ul style="list-style-type: none"> energy efficiency and min. environmental impact 	<ul style="list-style-type: none"> Sustainable energy, climate change prevention, increased energy efficiency 	<ul style="list-style-type: none"> Evolution in to a key transit country and energy hub

What conclusions can we draw from this brief sketch?

Firstly, all three sets of energy thinking are characterized by the mixture of political and economic motivation. The EU seems to be the least politically motivated although its strategy of diversifying away from Russia is a manifestation of politicization of the energy relations and of the fear to become too dependent on Russia. Moscow has a more significant element of politics in its energy policy because occasionally it looks at energy as an instrument to pursue its foreign policy goals. However, it is frequently overlooked that Turkey's energy thinking is even more political because Ankara views its transit position as a leverage to increase its political standing both in the region and in Europe.

Secondly, all three players share the concern about the stability of energy supply to their domestic markets. This is the only factor that brings them together.

Thirdly, the EU and Turkey proclaim the ideas of liberalization with Brussels taking the lead. In fact, Ankara has very little choice here: if it plans to enter the EU or to become a hub for the redistribution of natural gas, it has to accept EU energy legislation in full, including liberalization. Liberalization for Brussels and, consequently, for Ankara is a way to achieve the most efficient market organization. In turn, Russia is preoccupied with financial and economic stability of the energy structures and innovative development of the sector but does not accept that liberalization is the only method to achieve these goals.

Fourthly, the EU's and Russian energy thinking are similar in how they are preoccupied with the development of renewable sources of energy, improvement of energy efficiency and energy saving. The EU is the leader in this field while Russia is still a newcomer and it takes fewer steps to improve green energy practices and energy efficiency. Turkey, on the other hand does not mention energy efficiency and green energy at all, which means that Turkish energy thinking is not affected by the paradigmatic shift towards cleaner and more efficient energy supply, which occurred in the last twenty years.

Lastly, one should not forget that Russia and Turkey are states while the EU is a complex polity in the making where competences are shared between the EU and its member states, and energy mix as well as security of supply is still predominantly in the hands of its national authorities. Therefore, decision-making in Brussels is much more complex and procedure-driven compared to that in Moscow or Ankara.

These differences and similarities go to the very core of energy thinking, planning and policy of Russia, the EU and Turkey. They are to be kept in mind whenever we discuss any construction of new infrastructure or the establishment of new rules guiding energy transactions