

The Future of Russian-Turkish Energy Relations

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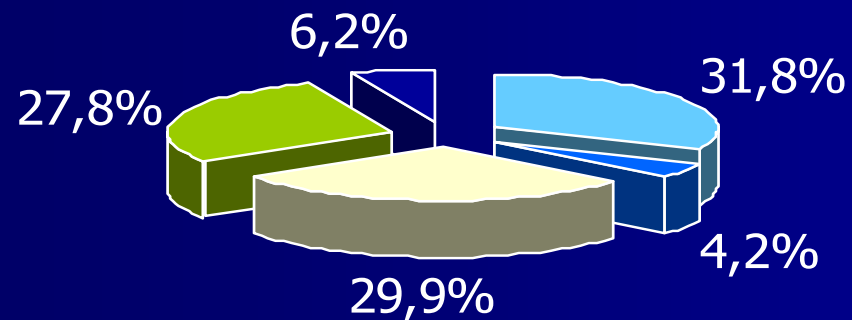
The Future of Russian-Turkish Energy Relations

- Energy Status of Turkey
- External Energy Policy of Turkey
- Energy Corridor Turkey
- Cooperation between Turkey and Russia
- Conclusions

Primary Energy Mix of Turkey

(2008: 106.3 Mil. Tep)

Source: MENR



■ N. Gas

■ Hydro+Wind+
Geoth+Solar

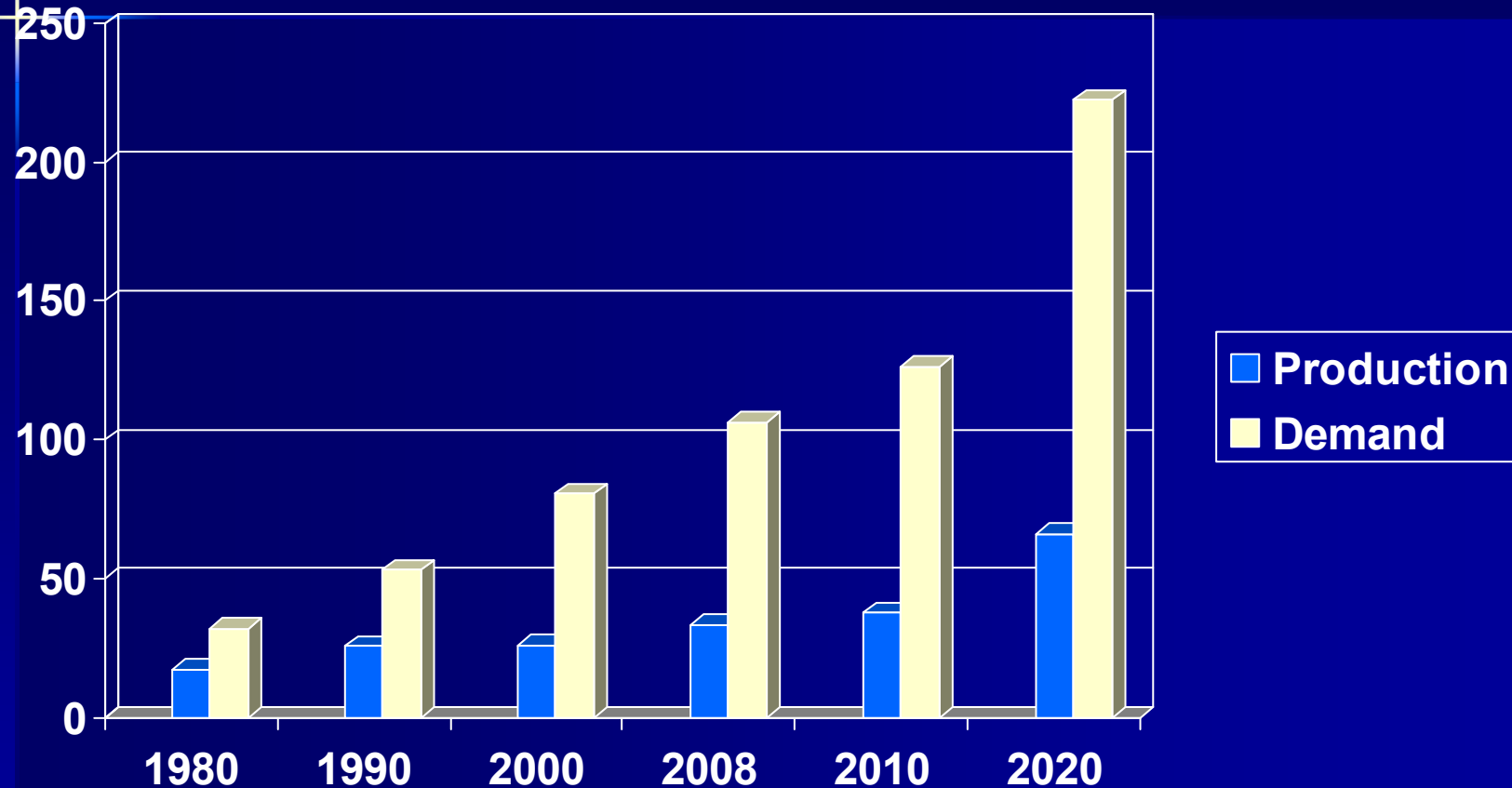
■ Oil

■ Coal

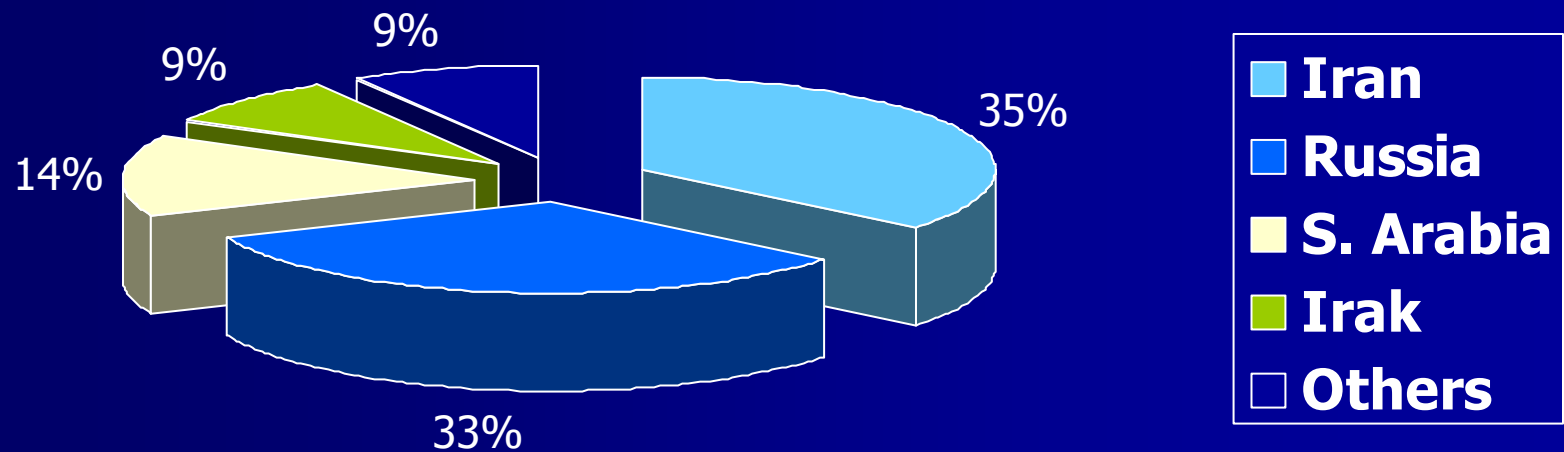
□ Others

Indigenous Energy Production and Primary Energy Demand of Turkey

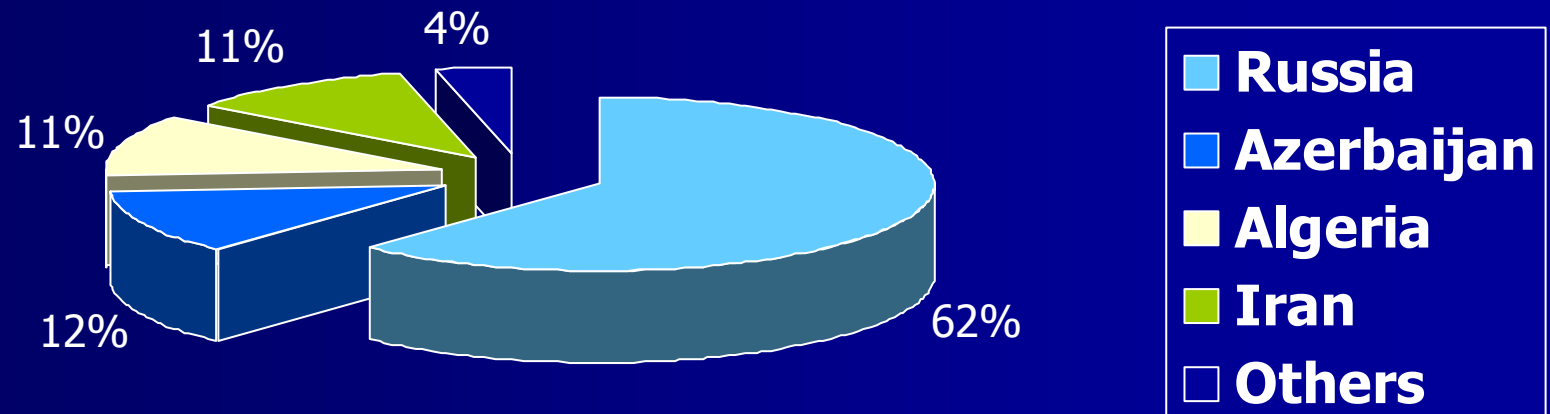
Source: MENR



Crude Oil Imports of Turkey 2008 (21,7 Mil. t)



Natural Gas Imports of Turkey 2008 (37.8 bcm)



External Energy Policy of Turkey

- 1960's: Iran,
- 1970's: Iraq,
- 1980's: Qatar and Russia,
- 1990-2010: Russia, Iran, Caspian Region

THE CASPIAN REGION AND EAST WEST ENERGY CORRIDOR

- 
- *Strengthen the independence and prosperity of the new Caspian States*
 - *Encourage market economy and democratic developments*
 - *Stabilise the region by building the economic linkages between the countries*
 - *Help to diversify and secure the energy supply of Turkey and her partners*
 - *Increase the business opportunities for Turkish Companies*

Baku-Tbilisi-Ceyhan

Crude Oil Pipeline Project



DELTA HESS KHAZAR
LIMITED



South Caucasus N. Gas Pipeline

Source: EBRD

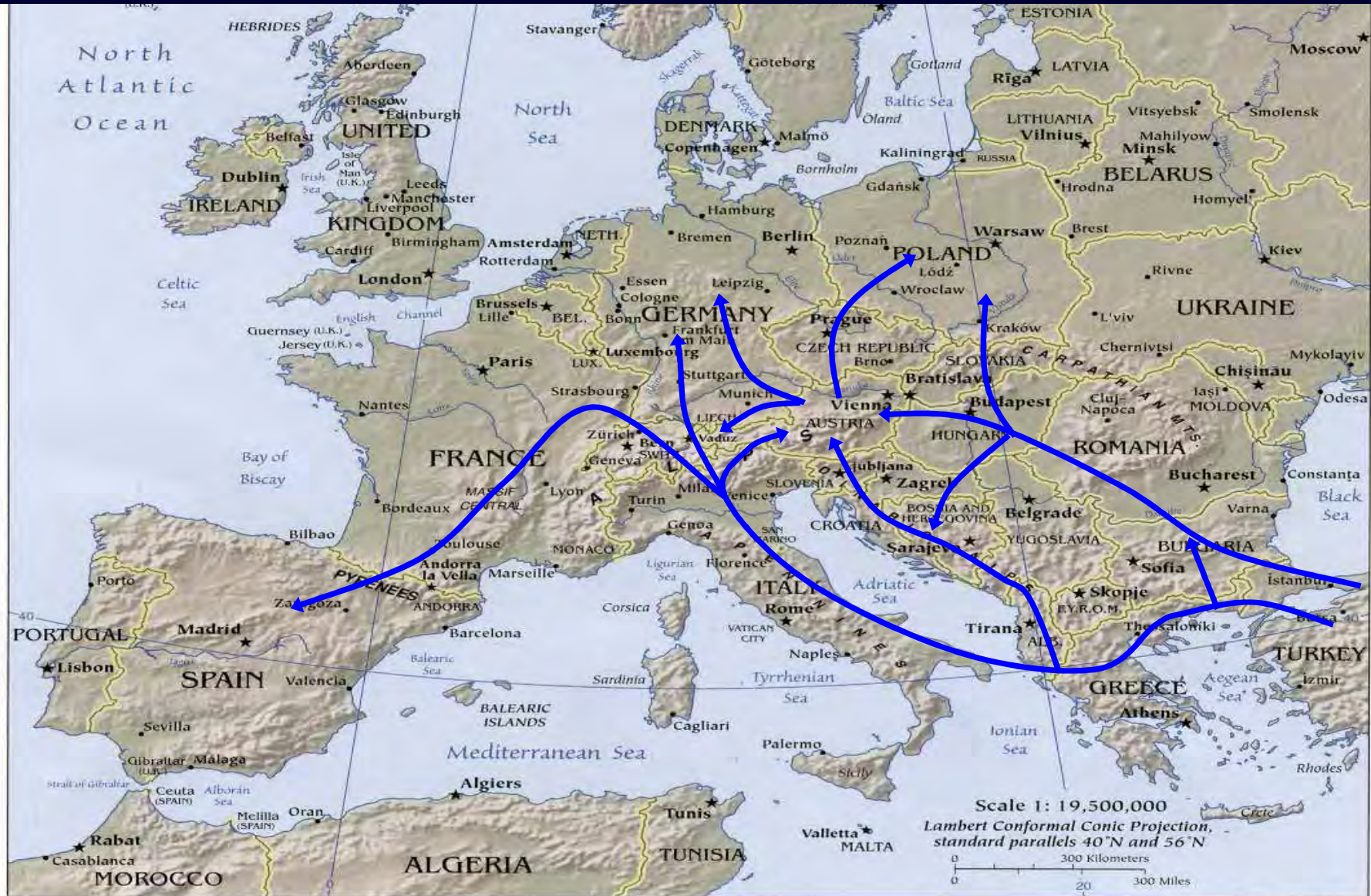


Pipelines of Turkey

(Source: Botaş)



GAS TO EUROPE



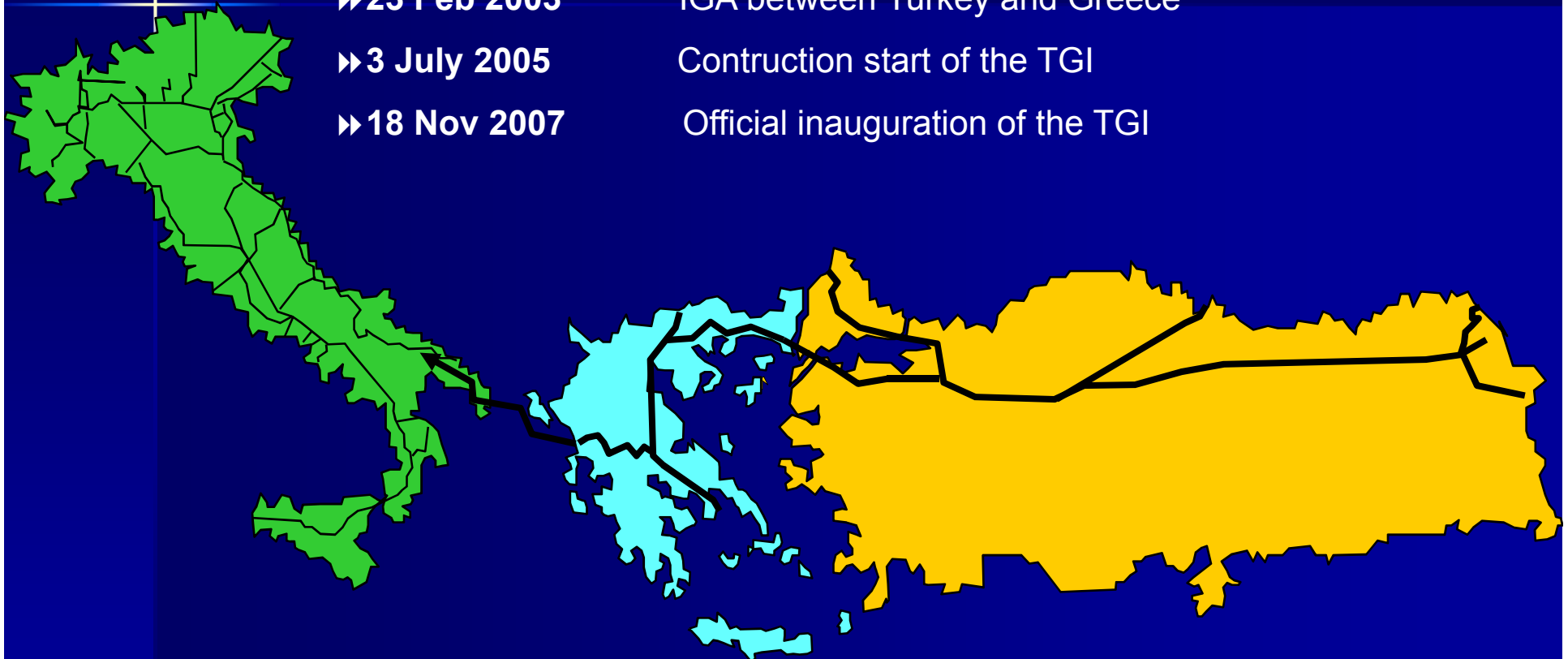
Nabucco Gas Pipeline Project

Source:OMV



SOUTH EUROPEAN GAS RING

- ▶▶ 7 July 2000 Concluding Statement signed between European Commission, Turkey and Greece
- ▶▶ 28 March 2002 MOU between BOTAS and DEPA
- ▶▶ 23 Feb 2003 IGA between Turkey and Greece
- ▶▶ 3 July 2005 Construction start of the TGI
- ▶▶ 18 Nov 2007 Official inauguration of the TGI



- ▶▶ 4 Nov 2006 IGA between Greece and Italy
- ▶▶ 11 June 2008 Formation of the IGI Poseidon SA

Nabucco Gas Pipeline Project

Source:OMV



History of Russian-Turkish Relations

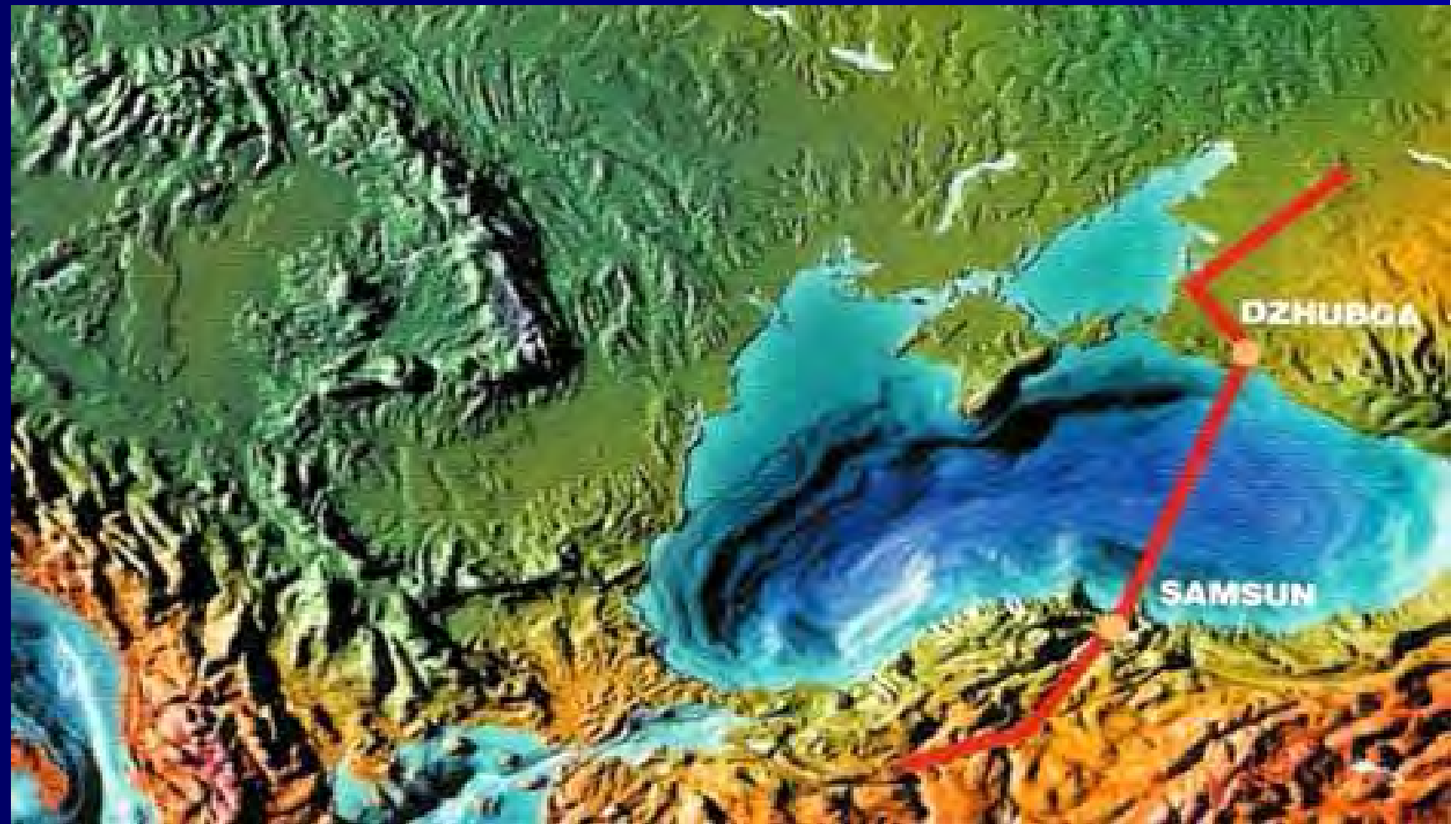
- Close commercial and Political Relations 1492-1512: Ivan III sends Ambassador Pleshchiev to Beyazid II.
- Competition in Ukraine and West of the Caspian Sea 1512-1647,
- Wars but lively trade 1647-1783,
- Hostile era 1783-1918 Turco-Russian wars,
- Intense cooperation 1920-1941; Friendship and Neutrality agreement of 17 Dec 1925,
- Stalin demands territories from TR 1945-1953; Turkey enters NATO,
- Good economic relations despite the cold war 1954-1990,
- Intense commercial ties with the Russian Federation 1991-,
- A strategic partnership since 2009 ?
- 2010 High level strategic cooperation council, 17 agreements

Energy Cooperation between Turkey and Russia

- 1967 Agreement between USSR and TR to build Aliğa Refinery and Orhaneli Power Plant,
- 1984/1986 Natural Gas Agreement of 6 bcm, gas flow started in 1987 via Balkans,
- 1996/1998 Second Natural Gas Agreement of 8 bcm,
- 1997/1999 Blue Stream Agreement of 16 bcm, gas flow started in 2003,
- 2005-2009 ongoing negotiations on Samsun-Ceyhan Crude Oil Pipeline and Bluestream II,
- 2008-2009 negotiations on Akkuyu Nuclear Power Plant,
- Putin visit, 6 Aug 2009 MoU on the routing of Southstream through Turkish Territorial waters,
- 19 Oct 2009 MoU on the Samsun-Ceyhan Pipeline,
- Turkey is the 3rd largest customer of Russian gas after Germany and Italy
- Medvedev visit 11-12 May 2010, Nuclear Deal

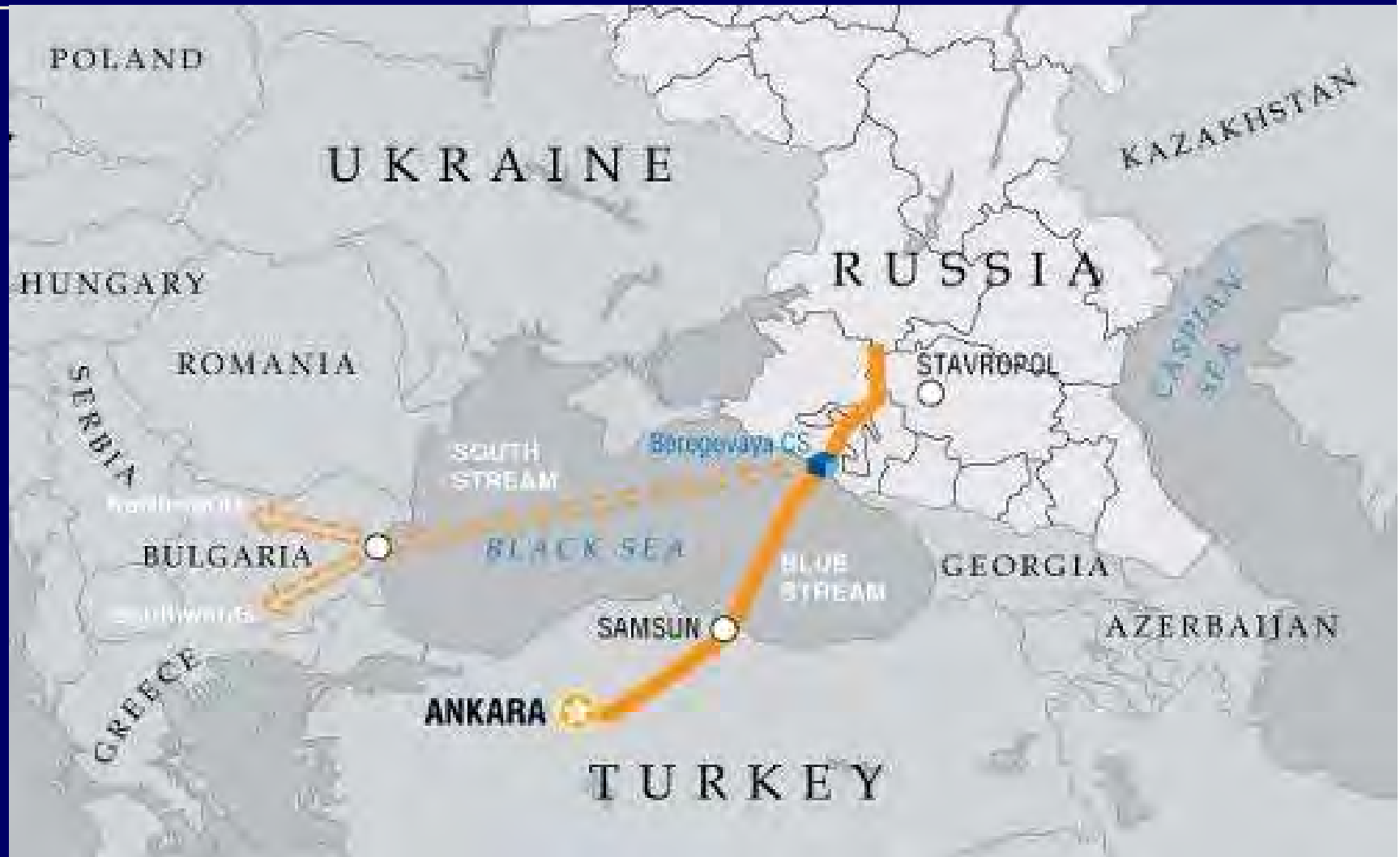
Bluestream Natural Gas Pipeline

(Source: offshore-technology.com)



South Stream N. Gas Pipeline Project

Source: Gazprom



Conclusions

- Energy Cooperation would be the backbone of a Strategic Partnership between Turkey and Russia,
- Additional Russian gas may flow via Turkey to Europe,
- Russian gas supply via Turkey may harm the European efforts for diversification,
- Future Russian interference in the internal affairs of the Turkic countries in the Caucasus and Central Asia may cause Turkey to change its policy towards Russia.

Thank you

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