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**RUSSIA-TURKEY SOUTH STREAM COOPERATION: INVITING
NEW GAME PLAYERS OR TRIGGERING OSTPOLITIK?
(РОССИЙСКО-ТУРЕЦКИЙ ЮЖНЫЙ ПОТОК:
ПРИГЛАШЕНИЕ К СОТРУДНИЧЕСТВУ НОВЫХ ИГРОКОВ
ИЛИ ЗАПУСК ВОСТОЧНОЙ ПОЛИТИКИ?)**

INTRODUCTION

European energy security has entered into a new process with the political, military and economic breakups as a result of the Ukrainian crisis. While the price reductions suppressing the gas prices depending on the rapid reduction in the oil prices affect the economies of the source countries especially in terms of supply security, cause a partial relief in the economies of consumer countries [1]. Putin cancelled the South Stream Pipeline project, in his visit to Turkey together with 10 ministers, and announced that the line has changed the route transiting Turkey. Russia still gets to build a pipeline under the Black Sea – but now redirected to Turkey and, crucially, pumping the same amount of gas South Stream would [2]. According to Fyodor Lukyonov, the move fits into Russia's new system of priorities. He says frustrated by obstruction and cooling relations with the EU, Moscow is developing its own version of what in Germany was once known as “Ostpolitik” – “Eastern Policy.”¹ Most

¹ As a result, a new *Ostpolitik* is being formed. But on this occasion the initiative stems from Moscow and is directed to the east and southeast of Russia: a series of gas agreements with China, the adoption of a more active position toward Asia, the gamble on Turkey as a consumer and transit country for Russian crude, the energy deal with Iran and so on [3].

importantly, these developments have caused new comments and serious worries on the Western side. The sale of 14 billion of the total 63 billion cubic meter gas pipeline to the Turkish market has opened traditional balances between the supply security and demand security for discussion theoretically. South Stream pipeline 660 km under the Black Sea and 250 km route towards Turkey. We think in international politics side, one of the most important questions is what can kind of considerations realize to flow this project eco-political price interest and influence? Creating new initiative to Turkey transition link gas for Russia will results isolate or not from the European and world energy market? Putin stressed that Russia's agreement with Turkey is solid. About the futures possible steps he also underline that *"If they (the European Commission) don't hinder us, then in essence we could realise part of the former South Stream project via Turkey"* [4].

UNDERSTANDING THE CRITICAL VECTORS OF THE SOUTH STREAM PIPELINE (SSP)

Energy security has jumped to the most important and disputed key subject between the Russia-EU relations. Indeed, Russian Federation is the 3rd biggest world trade partner of the EU [5]. Will EU face the growing influence of Turkey on European affairs and lost leverage over Russia? Can Turkey turn out to be an alternative supply route for Gazprom to Europe? Why Turkey-Greece- pipeline ties are more important for Russia more than Bulgaria? In this study, the South Stream Pipeline Project and the main vectors of Russian supply capabilities, and political, legal and economic factors behind the cancellation of the project will be analyzed. We will also discuss the new alternatives of the EU against the surprise move of Russia as the main supplier other than Norway and North Africa. In this regard, possible LNG exports of the USA will be summarized. Finally, the effects of the project, which has not gained any legal certainty yet, on Turkey, will be analyzed and together with the increased dependency of Turkey on Russia by 56%, TANAP and TAP projects' future will be discussed. Contrary to the some pessimistic expectations, by

not cutting the Ukrainian gas, *Russia has moved the supply security* out of this political tension. Moreover, other than the Baltic line, with the new route of the SSP Ukraine and Bulgaria are by-passed. Under the initial agreement, Gazprom Company will deal with subsea section in addition to onshore storage and transmission will be realized by the Turkish Botas company system operator. According to Gazprom chief Alexei Miller first phase of the pipeline 15.75 bcm/y will start to deliver in December 2016 to the Turkish market in realistic timetable [6].

The Russian side critical decision abandonment of the South Stream project would be a surprise for Eastern European countries that the work would mean for their economies and for the energy transport fees. We know the big picture make clearer ongoing global gas market is undergoing turning radical changes but estimations differ in how fast these colors and consequences both supply and importer actors side. These systematic institutional transformations faced with in first dimension long term may change Russian gas pipeline directions which may separate EU market. Second, oil and gas prices have in cheapen trends that reflecting “take or pay” renegotiations methods with EU energy charter influences legal gas pricing mechanism. Thus if global supplies increase, global prices are more likely to decrease. Thirdly, from the trade perspective, new LNG supply capacity has in radical challenges liability to weaken Russian gas bargaining for European states consumers. In this regard, there are optimistic expectations about the EU’s total oil and gas payments in 2015. However, further economic sanctions by USA and EU as a result of Russian insistence on the annexation of Crimea and conflicts centered on the Eastern Ukraine region, revive the possibility of degradation in ruble and recession in the inflation reminding the days of crisis in 1990s.

It can be said that Putin has pushed the button for a new energy war with the radical economic steps against the sanction by the West. As we mentioned above Kremlins’ Ostpolitik idea, realized in critical step after a 400-billion USD gas agreement with China. Energy exports and energy policy has been a key tool of Russian geopolitical strategy for a very long

time [7, p. 88–102]. For the Kremlin, Russia's energy sector is the most important commercial asset and economic pillar of its domestic stability and foreign policy leverage. EU is dependent on Russian gas and other energy exports; Russia is dependent on the EU as its most important gas export market, European investments and technologies. But Russian Siloviki (officials from the security sector) has always called this an "asymmetric interdependency". This is because, while Russia can live at least one year without any European/Western investments and technologies, Europe cannot survive even 30 days without Russian gas [8].

The SSP project has become increasingly important for Moscow over the past year as the crisis in Ukraine threatens the reliability-both politically and technically-of Russian natural gas exports to Europe through Ukraine. The South Stream Pipeline project was initiated by Russian company Gazprom and Italian company Eni in 2007, establishing a joint company for the project in 2008. Germany's Wintershall AG and France's Electricité de France SA (EdF) also hold minority stakes in South Stream. South Stream was a large pipeline project by Russian natural gas behemoth Gazprom to export Russian natural gas from the Russian mainland, under the Black Sea, to Southern and Central Europe – Bulgaria, Serbia, Hungary, Greece, Slovenia, Croatia and Austria.

The primary purpose of the pipeline was to connect Europe to Russia directly without transiting Ukraine, which previously transported 80 percent of Russian natural gas to Europe. Gazprom held 50 percent of the project, Italy's ENI held 20 percent; Germany's Wintershall held 15 percent and France's EDF held 15 percent. The initial plan was for the South Stream Pipeline to reach a capacity of 63 billion cubic meters (bcm) by 2018, which would accommodate approximately 40 percent of Russia's natural gas exports to Europe if run near capacity. Mr. Putin hailed South Stream's "strategic significance" and said it would "ensure energy security for Europe" [9]. We think that more than legal framework in project

cancellation is one of the main reasons for the U-turn is money.¹ The plunging oil price has put a huge strain on both public and corporate finances in Russia. Gazprom, the mostly state-owned Russian energy giant, never liked the plan. South Stream was a costly project, with a political rationale (bypassing Ukraine and buying influence in Europe) that dwarfed its business case. EU gas consumption is dropping. So is the gas price.

Vladimir Putin has stated which was televised live across Russia during prime time that “If Europe does not want this to be realized, and then it will not be realized.” He said it would be “ridiculous” to invest hundreds of millions of dollars in the pipeline to bring it to Europe through Bulgaria only to have to abandon it because of political differences. We believe that it does not coincide with Europe’s economic interests and harms our cooperation,” Mr. Putin added. “But such is the decision of our European friends. They are, in the end, customers. It is their choice” [10]. For Russia, the likely cancellation of South Stream hurts its efforts to further isolate Ukraine while still dominating the European energy market. Putin is showing recognition of a new reality, where the EU is able to exert external power vis-à-vis dominant suppliers such as Russia [11]. Russia's critics have long argued that, parallel to nuclear expansion, gas pipelines constitute “the long fingers of the Kremlin”, opening the way for political as well as economic influence. Russia’s fall back plan is to export more gas to Turkey. But, as with its new gas exports to China announced this year, such a deal requires costly sweeteners. Over the past two decades, Russia supplies Europe with a third of its gas needs. It has already started pumping more oil to China, and aims to double the volumes this decade.

PROBABLE REASONS OF ABANDONMENT BEYOND THE SSP PARTIES: LEGAL OR POLITICAL?

Although in many cases Russia is willing to prioritize its strategic goals over economic costs, the commercial viability of the South Stream

¹ The South Stream pipeline is the area’s most expensive gas import project, which will further increase the EU’s already high gas prices (three times higher than in the US).

pipeline was uncertain from the very beginning [12]. Meanwhile, energy executives across Europe were scrambling on to understand the implications of surprise announcement that Russia would scrap the long-planned South Stream project, planned to pipe natural gas to Europe [13]. Moscow has altered political and energy relationships involving Russia, Turkey and Europe which is economically feasible. Russia's planned South Stream Project-SSP was an attempt to regain sway in south-eastern Europe. However, building an alternative pipeline through Turkey is great historical news for being an alternative transit country with new horizons.

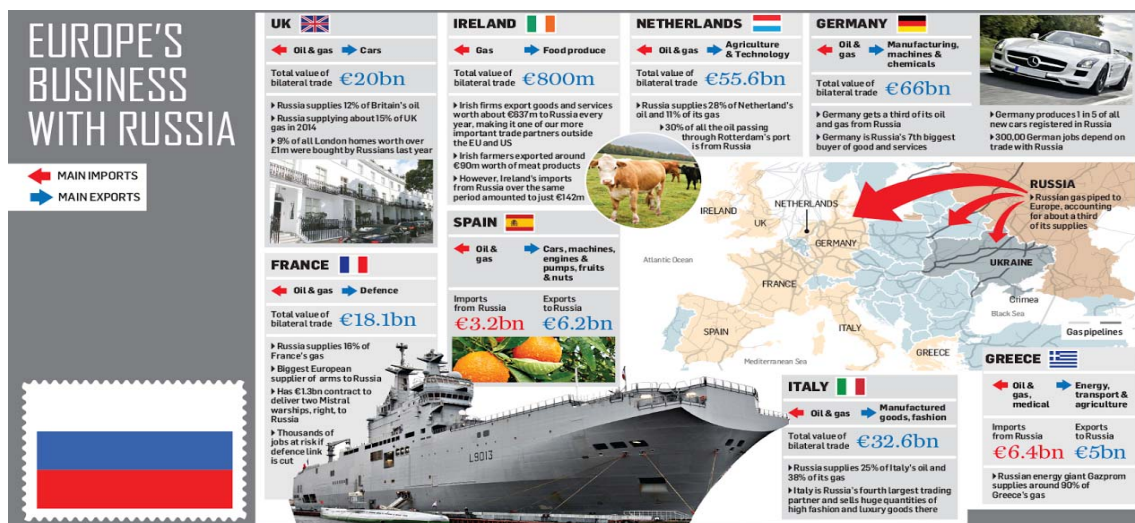
We think one of the important reasons is that the European Union has contested the pipeline, saying it violates the Third Energy Package, European legislation that splits energy production and transmission. The pipeline, which would cross the Black Sea, has been often criticized as a political project that makes no commercial sense because of the high construction costs. Should it be regarded as a normal commercial entity, or should it be seen as an agent of Russian domestic and foreign policy? [14, p. 58–74] According to Putin, Russia has dropped the project because of the European Union sanctions which removed the support of the European banks and EU technical cooperation and were considered politically unacceptable by Russia, materially hampered the realization of the project [15]. “At the same time, South Stream was never a real priority for the European Commission,” said Sergiy Agibalov, chief of the economic department of Russia's Institute of Energy and Finance [16].

The 2014 South Stream summit was presenting a challenge to the authority of the European Union. The commission said the plan was illegal: under the rules of the EU's liberalized gas market, a company cannot own both the pipeline and the gas that flows in it. The South Stream countries demand exemptions from that rule. Russia has never ratified the Energy Charter Treaty and Transit Protocol for several reasons: First of all, the ratification would undermine Gazprom's position on the European markets by forcing Russia to open up its network for cheaper gas from Central Asia, and secondly, the ratification would jeopardize the system of

long-term contracts for supplies of Russian gas to Europe that Russia relies on [17]. Gazprom controls the 160,000 km Russian gas pipeline network, which covers nearly the entire populated part of the country. The character of Gazprom as a state-controlled monopoly has given rise to much discussion in Europe. Since 2006 Gazprom has legally exercised the monopoly right to export the gas produced in Russia, so that Gazprom's total gas exports thus constitute Russia's total gas exports. Gas produced by independent producers is exported only if Gazprom has purchased it in lieu of its own production. Gazprom annually purchases roughly 60 billion cubic meters of gas from Turkmenistan and Uzbekistan, which it sells to its European customers, principally to Ukraine [18].

The fundamental benefit of both Nord Stream and South Stream pipelines for Gazprom is that they would supply gas directly to Europe, thus eradicating all transit risk. Although transit-avoidance pipelines would potentially launch a transit-free geography for Russian gas exports to Europe, thus resolving a problem of insecure transit, they do encounter another central problem that is to with the changing European regulatory environment. Until March 2014, Gazprom had been negotiating an exemption from Brussels. But talks were abruptly frozen after Russia's annexation of Crimea, according to people involved in those discussions. The EU says its opposition to South Stream was legal – not political. “Gas pipelines must be built and operated under European legislation,” said Anna-Kaisa Itkonen, a European Commission spokesperson. “Pipelines developed and operated in conflict with EU law endanger the functioning of the internal market and they may also fall short in any expected improvements in the security of supply.” [9] The second constraint was the rising cost of the pipeline. Gazprom projected a \$10 billion price tag in 2007, but projected costs grew to \$30 billion in 2014 and likely would have risen further. Gazprom has already spent \$4.5 billion on South Stream, mostly on 300,000 tons of underwater trunk pipelines that have been delivered to the Black Sea coastline. If the parties continue to keep increase these sanctions war tension which side will be winner? Western

nations in recent months have cost the country \$40 billion and, alongside plummeting oil prices, have edged Russia toward a recession. Russian President Vladimir Putin's government shows no signs of halting its ongoing involvement in neighboring Ukraine, largely because such policies have proven wildly popular with the Russian public. Putin and his colleagues saying they want negotiations to end conflict. Moscow plays it as a loss for Europe, indicating that even if the sanctions continue to have an effect on its economy, Putin won't accept defeat [19].



Source: <http://www.independent.ie/business/world/gasguzzling-europe-pressed-to-toughen-russian-sanctions-30460484.html>

EU'S SIDE REACTION AND NEW ALTERNATIVE ARRANGEMENT PLANS

In the light of above mentioned information, what can be the new alternative routes of EU? Can EU guarantee new assurances by engaging the LNG option against Russian move? Can new pipelines be an option in the North Africa? On the other hand, can Turkey offer a new cooperation chance for Greece and Italy? As another important argument, what options can be applied by Bulgaria, in the first place, Serbia, Austria, Hungary and Slovakia? What plans can Russia employ in this regard? EU is currently the world's second largest energy market. It is, and unquestionably will remain, Russia's most important energy export market, especially given that the EU's energy consumption and imports should rise considerably in the future. But the European Union has said that despite President Vladimir

Putin's shock decision, Brussels will continue internal talks to resolve the problems that Putin blames for the collapse of the multi-billion dollar project. "Russia's decision to stop South Stream and the way it was taken shows why the diversification of the energy sources is important for Europe," Georgieva, who is native Bulgarian, is at the heart of the dispute over the pipeline, told reporters. "The Commission will closely examine the consequences of this decision and how we can speed up the interconnection of Member States." Belgrade's accusation of Moscow for duplicity should be discussed separately among the countries reacting to the termination of the South Stream project [20]. Prime Minister Aleksandar Vučić has underlined that "Serbia has been investing in this project for seven years; we have done a big job and did not abandon the South Stream project even in the most difficult times." According to the expert, economic losses represent 500 million dollars for gas transit, and several thousand jobs, and 5 billion direct and indirect investments, in other words the South Stream project was essentially Belgrade's most fruitful project for the past 14 years.

Hungarian Foreign Minister Peter Szijjarto has said that his country will have to look for alternative natural gas sources to replace South Stream supplies. Hungarian energy expert Attila Holoda, Managing Director of Aurora Energy Ltd. has mentioned that "the European Union has won in the first round against Gazprom, but he is waiting for the second round in this fight. In fact it is a typical bluff from the Russian government who are saying 'never mind, we will go through Turkey and from there we will hold a new linkage via Greece and Italy to the EU' [21]. Holoda believes that "This new route will not solve the original problem from the EU's Third Energy Package – they are also EU member states so the regulations apply to them." Furthermore, in addition to Greece connection, Turkey and Hungary are examining new energy policies after Russia's axing of its South Stream Project. Russian biggest trading partner Hungary Foreign Minister Peter Szijjarto outside of the EU said: "We are looking for new alternatives since the cancellation of the South

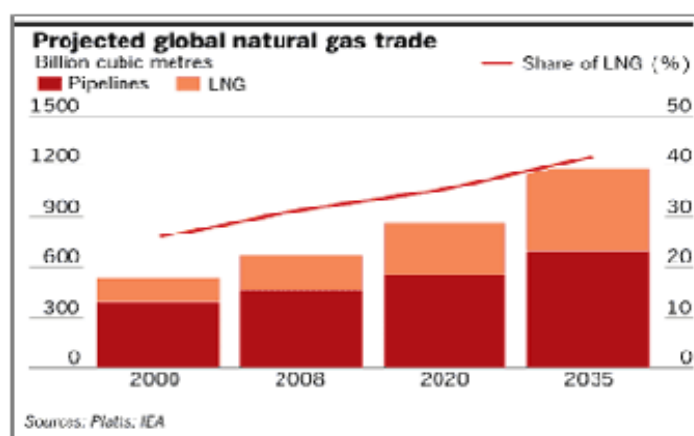
Stream project, and Turkey is an important factor.” [22] Following Hungary visit President Putin, Budapest also is interested in the implementation of a project of gas transportation from Russia across Turkey to Greece to Hungary [23]. According to Hungarian Prime Minister Viktor Orban; Europe not competitive without Moscow also isolation politics are not practical. He stresses that and if Blue Stream the project is beneficial for his country and said “*is fully committed to continue investments.*” [24] Russia’s behavior has boosted the EU’s planned Energy Union. Bulgaria’s interconnector with Romania will be working next year and a new pipeline to Greece is planned. Bulgaria and Serbia plan an interconnector too. Slovakia wants a 20 bcm Baltic-to-Balkans pipeline. Hungary is hoping to revive long-held plans to bring gas from Azerbaijan to central Europe [25].

CAN UNITED STATES EXPORT LNG TO EU?

USA uses its oil and shale gas production as a trump card in the prices of the energy market. The potential recession in the Russian economy in 2015 strengthens the US theory that policies in the liberal market regarding the Ukrainian crisis would be more effective than a military solution. Within this information, which alternatives can USA produce for the European energy demands? Can the Customs Union agreement between the USA and EU constitute a point of exit? Is this crisis will result in a rise of a new era of American energy diplomacy? Should Obama announce new a series of steps that will export energy to EU?

The shale revolution in the U.S. has already strengthened Europe’s hand somewhat. Under this point, one of the main arguments shaping American natural gas export policies is that Washington’s national security and economic goals can be supported while boosting aid to key allies around the world. This challenge will turn as an energy diplomacy responsibility instrument strategic weapon to help allies overseas especially those deeply dependent on hostile nations to meet their energy needs [26]. US LNG export plans having the capacity of 113 bcm per annum represent at different levels of advancement of which 94 bcm per

annum of export capacity had acquired non-FTA approval by September 2014. Nonetheless, final investment decisions have merely been made for 40 bcm/year of capacity, and although other projects will unquestionably be accepted over forthcoming months and years [27, p. 30–32]. It is anticipated that the first project will merely start exporting in late 2015 and reaching to full capacity in 2018 and the second one in 2019. Due to the expectation four year constructions, one can mention the fact that deliveries will not be able to begin importantly before 2019 and the year 2020 is the probable year. As of 2030, non-US LNG supply might be doubling up from its 2014 level to 700 bcm/year which, if US supply grasps more than 100 bcm/year will immensely upsurge global LNG trade. The central issue is to discern how much of this LNG will be accessible to Europe. This might be determined by the factors of growing Chinese LNG demand, North American gas prices and exports, the inclination of European buyers, and the enthusiasm of Gazprom to lessen its prices.



Source: [http://2.bp.blogspot.com/-f1xO679X-](http://2.bp.blogspot.com/-f1xO679X-4c/TessLxXnFqI/AAAAAAAAACTY/5hbAQKyx9O0/s1600/Picture2.png)

[4c/TessLxXnFqI/AAAAAAAAACTY/5hbAQKyx9O0/s1600/Picture2.png](http://2.bp.blogspot.com/-f1xO679X-4c/TessLxXnFqI/AAAAAAAAACTY/5hbAQKyx9O0/s1600/Picture2.png)

In an important manner, the consequence of these indecisions will count on the curves of regional gas prices over the period up to 2030. The results of different pricings within the regional markets will be very central for the accessibility of LNG for Europe. Supply/demand dynamics in each of the major regional markets will be determinant of determine the course of prices in the period up to 2030. The model provided by the Oxford Institute for Energy Studies can be put forward as follows [27, p. 32]:

- **Scenario 1** – high Chinese demand/high US exports: Russian gas exports to Europe rise to more than 200 bcm/year in the late 2010s, and vary in the range of 170–190 bcm/year during the 2020s.
- **Scenario 2** – low Chinese demand/high US exports: Russian exports to Europe smash down to 100 bcm/year in the early 2020s and vary between that level and 120 bcm per annum up to 2030.
- **Scenario 3** – low Chinese demand/low US exports: result comparable to Scenario 1, but not so extreme, with Russian exports in the range of 150–180 bcm/year throughout the period, aside from a brief dip below 150 bcm per annum in the early 2020s.
- **Scenario 4** – high Chinese demand/low US exports: the best scenario for Kremlin, with exports to Europe rising progressively to 230 bcm/year in the late 2010s and lingering at 210–250 bcm/year up to 2030, with suspicions about Moscow's capability to supply, and Europe's readiness to receive, such high quantities.

CANCELLATION OF THE SSP AND ITS IMPACT ON TURKEY

When the uncertainties are removed from the project, can Turkey take a step further to accomplishing her goal of becoming an energy bridge? Most importantly, can Russia keep her commitments about the new roadmap and the assurances for Ankara? If all these developments occur, would Turkey become an energy market that is too much dependent on Russia like EU? Can Russia take further steps in the new roadmap with Turkey, preferring demand security as a NATO ally, instead of Brussels risking her own supply security? Why did US Vice President Biden, British Prime Minister Cameron, Italian Prime Minister Renzi and three commissioners of the EU visit Ankara at this very exact time to gain the interrupted relations between the EU and Turkey a momentum? Where does Turkey stand in the equilibrium of winners and losers of this energy game?

If there was one winner it was Turkey, which, along with China and other energy-hungry developing nations, has been exploiting the East-West rift to gain long-term energy supplies at bargain prices [10]. Turkey has

given its approval for the South Stream pipeline project at the end of 2011. Ankara will continue to try to balance Moscow with alternative suppliers such as Azerbaijan. Turkish officials have welcomed Putin's offer to replace the \$40 billion South Stream with a new pipeline to northern Turkey, as it was accompanied by a hot 6 percent cut in gas prices. Turkey currently buys 60 percent of its gas from Russia [28]. Russia will add capacity to directly supply Turkey, its largest natural gas customer, much like Russia's Nord Stream pipeline connects Russia to Germany, its second-largest customer. Moreover, Turkey is likely to receive a 6 percent discount on its current natural gas supplies as part of the construction deal.

Under the new plan, energy supplies would still bypass Ukraine, but would now be contingent on Turkey transiting the supplies. Russia does not hold the influence over Turkey that it has held in Ukraine, meaning that Moscow will be less able to politicize natural gas supplies going to the continent. Yet adding a natural gas supply route through Turkey would give Moscow more flexibility in supplying Europe. Russia already has pipelines running to Europe through Belarus, Ukraine and Germany. Adding another major route through Turkey would give Russia a greater ability to shift supplies from one route to another, targeting specific European countries for cut-offs depending on how Moscow wants to shape the political climate [29]. Turkish energy minister Taner Yıldız has addressed that Ankara may well offer to Moscow for the constructing an LNG terminal in an energy complex on its border with Greece, as part of talks on prearranged new gas pipeline with its northern neighbor [30]. Also, Turkish Foreign Minister Mevlüt Çavuşoğlu has also emphasized that the TANAP Project is still a top priority for Ankara [31].

Putin stressed that Russia's agreement with Turkey is solid. About the futures possible steps he also underlines that *"If they (the European Commission) don't hinder us, then in essence we could realise part of the former South Stream project via Turkey"* [32]. Furthermore, in addition to Greece connection, Turkey and Hungary are examining new energy policies after Russia's axing of its South Stream Project. Russian biggest trading

partner Hungary Foreign Minister Peter Szijjarto outside of the EU said: "We are looking for new alternatives since the cancellation of the South Stream project, and Turkey is an important factor." [22] Following Hungary visit President Putin, Budapest also is interested in the implementation of a project of gas transportation from Russia across Turkey to Greece to Hungary [33]. According to Hungarian Prime Minister Viktor Orban; Europe not competitive without Moscow also isolation politics are not practical. He stresses that and if Blue Stream the project is beneficial for his country and said "*is fully committed to continue investments.*" [24]

CONCLUSION

In this short article, we aim to briefly explain Russia-Turkey new gas project impacts to EU and regional actors in terms of legal, economic and political dimensions. Of course one of the counters impacts the ongoing Ukrainian civil war which risks for NATO security strategies and Western states sanctions against to Kremlin. There is a critical reality for EU side same as Turkey on the table that it highly depends on to Russian gas supply. In another critical development may surprise for energy market of the United States shale gas market capabilities and possible LNG transport alternatives discussed inside of the various scenarios. In this point, EU may seek alternative new supplies such as US LNG needed to replace Russian quantity. Second option may be using African-Gulf Region-Mediterranean energy axis.

However, if Ostpolitik hypothesis will be realized, Russian-Iranian gas supplies either will available direction to EU market side or China-India-Japan-Korea routes in long terms. In other words, Moscow's decision has been to redirect the "South Stream" reflects weak demand for Russian gas in Europe, which wants to reduce dependence on the former. In contrary Western sanctions to Iranian case we believe that, apply to Russia's increasing economic and financial problems with Western allies sanctions and in particular falling oil and gas energy prices, Russia will face increasing some difficulties to finance new energy projects but may decide to create new alternative routes regarding historical lessons. In

short, first option may the change in the pipeline corridor projects would be increase new predictable consolidation for Turkey-Greece-Italy. This is not a big surprise. Russia has signed but Duma refused to ratify Energy Charter. Bulgaria has strongly supported EU-US economic sanctions packages against to Moscow. But, Athens aims to start strong ties with Gazprom, offering reduced price gas supply. New Greek Prime Minister Alexis Tsipras has said that they are open to aid from the Russia. He has also stressed that Greece wants to coordinate stance for a “bridge peace and cooperation between Europe and Russia” [34].

In this context, Russian Duma aims to determine about for the Germany to pay 4 trillion euros for WWII reparations [35]. The parties' contribution new pipeline infrastructure reaching into EU's demand for Russian gas energy can be satisfied alternate pipeline in the medium term. Thus, using this new route Eastern Europe and Balkan energy pipeline network may be enlarging. That time, we think initially regarding all possible alternatives with economic-political costs, Turkey route option is looking logical and more economic for gas energy flow to EU. Russia also decided selling its energy to Turkey and EU using via Black Sea-Anatolia line for consolidates relationship which now one of the biggest trading partner. Secondly, in economic feasible price side, all the game players may be winner in mutual terms of the interests. In foreseeable future, we think this cooperation model can create a supply and demand balance in terms of transit states infrastructures investment and opportunities of the create new jobs. Ankara did not join western sanctions against Russia for its actions Ukraine. On the other hand Turkey will become a great transit country by TANAP and TAP projects combination. Thirdly, in spite of critics and concerns for Ankara's excessive dependences on Russian sources, the future depends on the parties' good intentions – bona fide – without and interruptions in the trust and confidence capabilities. As a result this project may be realized if the parties can respect perfect plan and their mutual interests.

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