The various storylines produce publicly acceptable narratives that are used to support and justify the Commission’s concrete policy actions. As a result, by comparing the Commission’s crisis discourses and attributions, one can identify three major narratives that have developed over time, although differing in their degree and characteristics. Firstly, energy dependence – particularly on Russian imports – is identified as the central concern. Secondly, diversification of supply sources and routes, namely via Turkey and the SGC is presented as the proposed policy solution to counter dependence. Thirdly, more generally the Commission articulates the need ‘to speak with one voice’ and thereby strengthen the supranational level and role of the Commission regarding external energy policy.

As the previous discourse analysis has shown, the three crises combined to act as a catalyst for promoting a common EU external energy policy. During all three crises the Commission emphasises a need ‘to speak with one voice’ which “does not mean a single Community representative for external issues, but effective planning and coordination to ensure a commonality of both action and message at Community and Member State level” (Commission of the European Communities, 2008a, p. 10). The rationale is that energy security and challenges stemming from the gas crises would be too serious to be handled at national level. As a result, this led to a “convergent intersubjective understanding of energy security as a problem with a supranational solution” (Maltby, 2013, p. 437). Guaranteeing energy security is spatialised as a European challenge at EU level.

The most recent and probably furthest-reaching example in this context is the Energy Union Package. Maroš Šefčovič concludes that the combination of geopolitical events, notably in Ukraine and Russia, together with worldwide energy competition and the impact of climate change are triggering what he calls a ‘mind switch’ in terms of the energy and climate strategy. “Momentum is thus building up for the Energy Union like never before” (SPEECH/14/1684). It is described as “undoubtedly the most ambitious European energy project since the European Coal and Steel Community, some 60 years ago” (SPEECH/15/4520).

The idea of an Energy Union was first mentioned in the wake of the 2006 Russo-Ukrainian gas crisis. In a letter to all EU and NATO members Poland proposed the establishment of a European Energy Security Treaty...
based on the idea of solidarity and common responses to energy threats. Whilst this proposal was rejected, nevertheless the principle of solidarity was later included in the Lisbon Treaty. In April 2014, the then outgoing Polish Prime Minister Donald Tusk proposed the idea of an Energy Union just after his appointment as President of the European Council. The EESS already outlines that:

> decisions on energy mix are a national prerogative, but the progressive integration of energy infrastructure and markets, the common reliance on external suppliers, the need to ensure solidarity in times of crisis, all imply that fundamental political decisions on energy should be discussed with neighbouring countries. (European Commission, 2014c, p. 17)

The importance of external supply security as part of the Energy Union was reinforced in July 2015 when the Council adopted the ’Energy Diplomacy Action Plan’ that envisages: the strengthening of strategic guidance through high-level engagement; the establishment and further development of energy co-operation and dialogues, particularly to support diversification of sources, suppliers and routes; support efforts to enhance the global energy architecture and multilateral initiatives as well as strengthening common messages and energy diplomacy capacities (Council of the EU, 2015).

Diversification of supply sources and routes leading to the construction of a Southern Gas Corridor has developed into a constitutive pillar of the EU’s external energy security strategy. Finally, the Energy Union clarifies that to ensure gas supply diversification “work on the Southern Gas Corridor must be intensified to enable Central Asian countries to export their gas to Europe” (European Commission, 2015b). Hence, Sub-Chapter 7.1 below presents a first analysis of how the diversification narrative has developed over recent years, including discursive aspects, before Sub-Chapter 7.2 turns to the related policy actions.

### 7.1 Diversification as Key Policy Solution

The goal of diversification, introduced in the Green Paper of 2000, was reinforced and developed into a common-sense narrative because of geopolitical reasoning derived from the Russia-Ukraine gas crises. It is constructed as the proposed policy solution to counter energy dependence, in particular on Russian gas imports. This perceived causal relationship becomes
obvious in the Energy Union Package, where one of the proposed action points is: “The Commission will work with Member States to develop access to alternative suppliers, including from the Southern Gas Corridor route, the Mediterranean and Algeria, in order to decrease existing dependencies on individual suppliers” (European Commission, 2015b, p. 19). By constantly reiterating import dependence on a single supplier as a problem and diversification of supplies and routes as a solution, the Commission has established a publicly-accepted narrative about supply diversification, paving the way for opening the SGC. Šefčovič quotes TANAP as being, “a project that will bring gas from Azerbaijan’s Shah Deniz II field through Turkey, into Europe. It is this kind of project we need” (SPEECH/15/4621).

Placing a dominant focus on natural gas, the need to diversify gas supply is acting “as one of the key drivers” in the European foreign energy policy (Colombo et al., 2016, p. 21). As Günther Oettinger emphasised, “[w]e need to diversify our supplier countries, especially in the field of gas. The development of the Southern Corridor, which will enable gas deliveries from Azerbaijan as from the end of 2019 is crucial in this respect” (IP/14/585). Commissioners Cañete and Šefčovič highlight on various occasions the importance of supply diversification both in regard to routes and energy suppliers: “We should work intensely on the SGC to get Caspian gas to Europe” (SPEECH/14/1883 /1920 /2223). As the first of five pillars the Energy Union seemingly prioritises ‘energy security, solidarity, and trust’ over other policy objectives. In this context, the SGC becomes “a strategic project” (SPEECH/15/4825).

All relevant energy strategies and communications between 2006 and 2017 have mentioned “diversification of suppliers and routes” as one key policy solution. Most of the explicitly worded documents refer to the Southern Gas Corridor and Turkey’s transit role. In short, since the launch of its SGC strategy, the Commission’s narrative describes Turkey as a pivotal partner for the EU’s security of supply and a natural bridge ensuring the diversification of gas supplies. Albeit downgraded, the SGC strategy’s pipeline projects remain key pillars of both the EESS and Energy Union. Recalling the changing global energy landscape, one would have expected the rhetoric to reflect the changing global and domestic context, since narratives create not only a strategic instrument for policy makers, but vice versa are also shaped by domestic, regional, and international developments.

Looking at developments today, European gas demand is not rising as projected in the early 2000s; the giant flagship project Nabucco failed; ad-
ditional gas deliveries from Iran and Turkmenistan seem unlikely. In addition, the Third Energy Package and especially the Supply Security Regulation have strengthened internal solidarity and interconnectivity amongst Member States. Employing reverse flow in pipelines or enhancing new connections have led to considerably more flow flexibility within the EU and strengthened individual countries’ supply security. Those companies that have agreed terms for gas deliveries from TAP include Bulgargaz (around 1 bcm/y), DEPA (around 1 bcm/y), E.ON (around 1.6 bcm/y), as well as Enel, Gas Natural, engie, Shell, Axpo Trading and Hera Trading (Dickel et al., 2014). Apart from Bulgaria and Greece, this suggests that countries in south-east Europe have not contracted for gas arriving via the Southern Corridor. That means that although the SGC would finally deliver some non-Russian gas to the region, it will not impact the supply situation of highly dependent Balkan countries such as Serbia, Bosnia & Herzegovina and Macedonia unless pipeline connections are built.

Furthermore, alternative pipeline gas sources including LNG compete with the Southern Gas Corridor project in terms of investment needs. In this context, generating the necessary investment to develop new infrastructures for diversifying gas suppliers and routes is particularly complicated, not least with a view to competition from Asian markets, where gas prices are traditionally higher than those in the EU. Neither the crisis discourse nor related Communications and Strategies take stock of this changing energy environment.

Conversely, in commentary concerning additional gas from the Caspian, one can observe continuing and even intensified rhetoric using metaphorical and dramatic language. Geopolitical reasoning changed after the 2014 crisis, further securitising energy policy (Goldthau, 2015; Youngs, 2017). Perceptions about the EU’s energy dependence on Russia changed in the wake of the crises.

Until the beginning of the 2010s efforts were made to realise a kind of strategic partnership with Russia; pipeline negotiations were based on company-to-company relations between Gazprom and Western clients, backed by governmental deals and long-term contracts. The market environment was that of growing European gas demand, which would be needed to be met. In 2011, with Third Energy Package’s entry into force, the Commission challenged Gazprom’s position in the European market, not least resulting in the cancellation of South Stream. Moreover, the EU’s energy demand was not growing as expected due to the economic crisis of 2008. The Crimea annexation and conflict in eastern Ukraine further represented a serious challenge, which led to a broad consensus among EU in-
stitutions and Member States that geopolitics was back (Youngs, 2017, p. 49). A period of uncertain political developments since then has challenged the former focus and the likelihood of a strategic partnership between Russia and the EU. Against this background, energy security discourse is now focused on and constructed around the geopolitical argumentation of Russian dependence. Commissioner Cañete argues that:

Without swift and decisive action Member States will remain dependent on a single supplier that views the sale of gas not simply as a commercial matter, but as a political weapon. Furthermore, the EU will become more dependent on imports; extra imports delivered via new pipelines like the Southern Corridor will be offset by declining domestic production. (SPEECH/15/4439)

The narrative about Russian dependence has developed into an existential threat for the European Union. To this end diversification has become a strategic policy solution to the perceived threat.

As for gas, we are currently reviewing the means to ensure the secure flow of gas into and within the EU. Here again, diversification of energy sources, suppliers and routes will be crucial. We are therefore advancing the Southern Gas Corridor and engaging in energy diplomacy for opening up to new suppliers. (SPEECH/15/5341)

This geopolitical discourse is not restricted to energy related documents. Whilst the EU’s 2003 ‘European Security Strategy’ (ESS) referred to energy dependence as a “special concern” (European Council, 2003, p. 3) for what is the world’s largest importer of gas and oil, it was not considered to be one of the five “key threats” facing the EU\(^53\). By contrast, the Global Strategy of 2016 explicitly refers to energy security as one of the key priorities besides terrorism, hybrid threats, cyber concerns, organised crime and external border management (EEAS, 2016b, p. 20). Moreover, for East European countries the ENP Review of 2015 identifies an “over-dependence on specific suppliers” (European Commission, 2015c, p. 11), which calls for diversification, not least via the SGC. One can observe the emergence of a surprisingly dramatic, geopolitical language, which is contrary to the general impression of the Commission as a non-geopolitical actor.

Moreover, in July 2015, the Council endorsed the first ‘EU Energy Diplomacy Action Plan’ to support a more coherent EU foreign and ener-

\(^{53}\) Terrorism, the proliferation of weapons of mass destruction, regional conflicts, state failure and organised crime.
gy policy action that takes geopolitical developments into account (Council of the EU, 2015). It foresees using the full range of foreign policy instruments to provide support in promoting common messages and “narratives” on the top priorities and challenges for EU energy diplomacy (Ibid.).

7.2 From Nabucco to TANAP: The Southern Gas Corridor – a Geopolitical Exercise

Translating its discourse into action, one can argue that the Commission has tried to act strategically in facilitating the development of its preferred pipeline project (Prontera, 2017; Siddi, 2017a). Commissioner for Energy, Andris Piebalgs, clearly states that the Commission is “developing an active policy to promote the diversity of suppliers, in particular regarding gas” (SPEECH/07/437). As examples, he voices his approval for a long-term derogation of TPA not only to a new non-Russian pipeline between Greece and Italy, but also to new LNG terminals that would benefit from similar exemptions. The European Commission frequently expressed its preference for Nabucco over competitors such as South Stream. His successor, Günther Oettinger, openly admits that “we support some projects more than others” and South Stream is not “our top priority.” For him South Stream “seemed more of a concept than a concrete project,” while the SGC comprises a series of possible supplier countries and “concrete pipeline projects” such as Nabucco, ITGI, TAP or White Stream (SPEECH/11/382). Günther Oettinger further emphasised that for the development of the internal market’s external dimension the promotion of “strategic corridors” is essential, such as the SGC (SPEECH/11/98). For those strategic corridors, the EU should be seeking to conclude an agreement at its own level setting the key principles (transit rights, protection of investments) and covering all partner countries at the same time, he further adds.

The planned Nabucco pipeline project would have conformed with EU internal market regulation. Since 2007, the Commission has been actively involved in drafting and negotiating legal agreements for the SGC in line with a regulatory framework that is based on international law and respects the EU’s energy acquis. Supported by the European Commission, all five transiting countries—Austria, Bulgaria, Hungary, Romania and Turkey. The IGA was signed in Ankara in July 2013.
regarding transparency, TPA and tariff setting fixed for a period of at least 50 years. In this context, Commission President Barroso qualifies Nabucco as “a truly European project” (SPEECH/09/339). Former Dutch Foreign Minister Jozias van Aartsen was appointed as ‘European Coordinator’ to monitor planning developments and coordinate work on the pipeline.

Due to the existence of potential contributors to market failure, such as a number of politically burdened relationships that must be considered within the region and cost-intensive transport infrastructure yet to be put in place (Devlin & Heer, 2010, p. 8), the Commission launched several initiatives by way of active support for the project. Oettinger uses a metaphorical language to describe the Commission’s involvement saying that “no institution, the European Union included, had the muscle to open the Corridor”. However, according to him, the European Commission demonstrates that a way can be “navigated through this tangle of countries”, even though he is “well aware that this is a delicate navigation” (SPEECH/10/402).

After Turkmenistan had stressed that it intended to sell gas at the border without downstream commitments, the Commission, together with the European Investment Bank and the World Bank were investigating the feasibility and possible structure of a single purchasing mechanism, the ‘Caspian Development Corporation’ (CDC), which would have examined infrastructure aspects (across the Caspian). The idea was basically to aggregate the gas demand of member states into a consortium, convince Caspian producers to commit their resources to the EU and then to coordinate market actors through the CDC. The strategic calculation concluded that individual and comparatively small European companies were not able to compete with large players such as Gazprom or the ‘China National Offshore Oil Corporation’ (CNOOC) in handling such enormous gas volumes. Eurogas, an association that represents gas industry interests towards the EU institutions, mentions its concerns about “the need to carefully address the compatibility of such an instrument with the EU competition law acquis” (2011, p. 5).

Besides the CDC, the Commission has not only acted as an organiser of investment conferences to attract additional capital but has also provided financial assistance (Devlin & Heer, 2010). Since commercial and financial commitments by energy companies were missing the Council invited the Commission to “continue its efforts to facilitate the development of strategic corridors […] such as the Southern Corridor” and supported the pro-

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55 For more information see e.g. IHS CERA, 2010.
56 See Eurogas, http://www.eurogas.org (last access: 15.06.2018).
posal to grant EU funding to infrastructure projects that were unable to attract market-based “financing but justified from a security of supply/solidarity perspective” (European Council, 2011a). The 2013 TEN-E guidelines therefore expand the options for PCIs allowing them to profit from EU grants (Regulation (EU) 347/2013). The SGC was granted TEN-E status from the outset, albeit targeting different infrastructure projects. In 2010, the Commission identified three gas infrastructure priorities for the next two decades, including the Southern Corridor, to deliver gas directly from the Caspian Sea to Europe by way of diversifying gas sources. In 2013, with the introduction of Regulation (EU) No 347/2013 Nabucco became one of the selected PCIs.

Furthermore, in 2011 the European Council granted the Commission a mandate to negotiate agreements with Turkmenistan and Azerbaijan on the Trans-Caspian pipeline. It constitutes the first mandate to negotiate external diversification infrastructure on behalf of the EU Member States. Accordingly, the President of the European Commission José Manuel Barroso and the President of Azerbaijan Ilham Aliyev signed a Joint Declaration on gas delivery for Europe in Baku.

However, it is ultimately up to the companies that agree the terms of contracts to purchase gas and assume responsibility for building the necessary infrastructure. Consequently, the pipelines selected were TANAP and TAP rather than the Commission’s preferred Nabucco project. Azerbaijan and Turkey reached an agreement on the construction of TANAP in December 2011. In July 2013, the companies operating Shah Deniz 2 opted for the TAP project instead of Nabucco West. Finally, the initial idea of Nabucco, as a “standalone gas corridor based on a multilateral non-discriminatory transit regime” (Herranz-Surrallés, 2016, p. 1400), was replaced by several pipelines based on bilateral agreements between the respective countries, often via state-owned companies.

In contrast to Nabucco, the chosen pipelines – TANAP and TAP – have different provisions applying: Connecting to TANAP at the Turkish-Greek border, TAP runs through Greece, Albania and Italy. TAP is based on a 2013 IGA between the three countries, conforming with EU regulation. The EU’s internal market regulation applies with Greece and Italy as EU Member States and Albania as a member of the EnC. Recognised as a PCI, TAP is eligible for additional EU financing (European Commission, 2017c). In February 2018, the European Investment Bank approved its

57 Others were the Baltic Energy Market Integration and the North-South corridor in Western Europe to remove internal bottlenecks.
largest ever single loan, providing a EUR 1.5bn credit to TAP (Euractiv, 2018). In 2013, TAP secured an exemption from third party access\(^{58}\) and from regulated tariffs for 10 bcm/y gas volumes from Azerbaijan supplied under the relevant Shah Deniz sales agreements over a period of 25 years as well as ownership unbundling (Offenberg, 2016).

In 2014, the EESS identified 27 gas-related PCIs, one of which was TAP and subsequently in 2017 the Commission published its recently updated ‘Union List of PCIs’. It revised and clustered PCIs in accordance with their independent or potentially competing nature. At the same time, other projects were no longer considered to be PCIs or were integrated into other confirmed PCIs. The Priority Corridor Southern Gas Corridor – cluster 7 (see Table 11) – comprises infrastructure in the Caspian Region (7.1), the East Mediterranean (7.3) and the development of gas infrastructure in Cyprus (for details, see European Commission, 2017c).

While interconnections with Turkey (7.4), such as the Interconnector between Turkey and Bulgaria, are no longer considered as PCI, the Commission has reaffirmed its commitment to support the construction of additional infrastructure such as the Trans-Caspian Gas Pipeline that would potentially bring gas from Turkmenistan to Europe by connecting to the existing TANAP pipeline which starts operating in summer 2018.

TANAP is based on an IGA between Azerbaijan and Turkey. The pipeline will be governed under ECT provisions that do not include a third party access regime and unbundling. Since both Azerbaijan and Turkey are not members of the Energy Community and are thus not obliged to implement the EU’s acquis, EU energy acquis stipulations and hence provisions from the Third Energy Package do not apply. This allows the ‘State Oil Company of Azerbaijan Republic’, SOCAR, not only to hold a 58%\(^{59}\) stake in the pipeline but also to control its operation. Additionally, in the IGA it is recorded that states involved even agree that the participating interest of state entities owned by the Republic of Azerbaijan in the TANAP Project Entity shall not be less than 51% of the total participating interest. That means that de facto SOCAR and – as a state-owned company – to this end Azerbaijan is in a position to control the gas transit through Turkey, being able to allow or refuse the feed-in of additional gas quantities from other sources and may set transit fees. This is of importance when the Commission speaks about opening the SGC for third countries, thinking

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\(^{58}\) TPA exemption was granted under Art. 36, Directive 2009/73/EC.
\(^{59}\) 51% SOCAR plus 7% ‘SOCAR Turkey Energy’, the Turkish unit.
7 Spatialisation of the Crisis Discourse

for example about the Trans Caspian pipeline from Turkmenistan, which received PCI status.

Table 11  Priority Corridor Southern Gas Corridor (SGC)\textsuperscript{60}

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<th>No.</th>
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| 7.1 | PCI Cluster of integrated, dedicated and scalable transport infrastructure and associated equipment for the transportation of a minimum of 10 bcm/a of new sources of gas from the Caspian Region, crossing Azerbaijan, Georgia and Turkey and reaching EU markets in Greece and Italy, and including the following PCIs:  
  7.1.1 Gas pipeline to the EU from Turkmenistan and Azerbaijan, via Georgia and Turkey, [currently known as the combination of “Trans-Caspian Gas Pipeline” (TCP), “South-Caucasus Pipeline Future Expansion” (SCPFX) and “Trans Anatolia Natural Gas Pipeline” (TANAP)]  
  7.1.3 Gas pipeline from Greece to Italy via Albania and the Adriatic Sea [currently known as “Trans-Adriatic Pipeline” (TAP)], including metering and regulating station and compressor station at Nea Messimvria. |
| 7.3 | PCI Cluster infrastructure to bring new gas from the East Mediterranean gas reserves, including:  
  7.3.1 Pipeline from the East Mediterranean gas reserves to Greece mainland via Crete [currently known as “EastMed Pipeline”], with metering and regulating station at Megalopoli and dependent on it the following PCIs:  
  7.3.3 Offshore gas pipeline connecting Greece and Italy [currently known as “Poseidon Pipeline”]  
  7.3.4 Reinforcement of the South-North internal transmission capacities in Italy [currently known as “Adriatica Line”] |
| 7.5 | Development of gas infrastructure in Cyprus [currently known as “Cyprus Gas2EU”] |

Source: European Commission, 2017c.

To sum up, in line with its discursive practice the Commission has strategically promoted infrastructure development in the Caspian region. However, compared with Nabucco, the TANAP pipeline represents a power shift from Brussels to Azerbaijan. The Azeri government, together with the Shah Deniz producing consortium, which for includes BP, replace the European companies that were involved in Nabucco. Turkey’s move to support TANAP reduces the Commission’s say significantly. Even more significantly, the idea of a European corridor fully in line with EU standards has become obsolete – a fact the Commission does not reflect in its discourse.

Hence, analysis of the geopolitical vision and its components, which follows in Chapter 8, provides added value to the ‘geopolitical reasoning’ and extends the research design in an appropriate way. By analysing the discur-

\textsuperscript{60} While the missing numbers 7.1.2, 7.1.5; 7.2; 7.4 are no longer considered relevant, the others are now integral part of other PCIs.
sive construction of the SGC this study analyses how far the SGC and therewith especially Turkey’s transit role have been constructed symbolically, spatially and institutionally as space for European interaction vis-à-vis Russia.

7.2 From Nabucco to TANAP: The Southern Gas Corridor – a Geopolitical Exercise