

## **EUROPEAN COMMISSION - PRESS RELEASE**

# EU starts negotiations on Caspian pipeline to bring gas to Europe

Brussels, 12 September 2011 – Today the European Union has adopted a mandate to negotiate a legally binding treaty between the EU, Azerbaijan and Turkmenistan to build a Trans Caspian Pipeline System. This is the first time that the European Union has proposed a treaty in support of an infrastructure project. The treaty will be concluded by the EU after decision by all 27 Member States that the European Commission should lead the negotiations on behalf of them all.

This decision is a direct follow-up of the visit of President José Manuel Barroso and Energy Commissioner Günther Oettinger to Baku and Ashgabat in January 2011 and their meetings with Presidents Aliyev and Berdimuhamedov. It constitutes a milestone in the realisation of the Southern Corridor and is the first operational decision as part of a co-ordinated and united external energy strategy, as proposed in the European Commission's <a href="Communication on security of energy supply and international cooperation - "The EU Energy Policy: Engaging with Partners beyond Our Borders" - adopted on 7 September.</a>

Energy Commissioner Oettinger stated that: "Europe is now speaking with one voice. The trans-Caspian pipeline is a major project in the Southern Corridor to bring new sources of gas to Europe. We have the intention of achieving this as soon as possible."

The Trans-Caspian Pipeline agreement will set the basis for the construction of a submarine pipeline connecting Turkmenistan to Azerbaijan, and in turn link this pipeline to infrastructure that will bring gas from Central Asia to the EU.

Discussions with Azerbaijan and Turkmenistan will focus on *inter alia* a treaty setting out legal commitments between the European Union, Turkmenistan and Azerbaijan, the bilateral arrangements necessary for Turkmenistan and Azerbaijan to achieve the commissioning, building, and operation of the trans-Caspian pipeline itself, and the legal framework that will apply to filling the pipeline with gas from Turkmenistan, including an appropriate recognition of commercial arrangements

## **Background**

Azerbaijan and Turkmenistan have expressed the availability of substantial gas volumes and a clear willingness to sell it to Europe. The European Union is ready to give the political and legal support for the gas deliveries to take place.

The Southern Corridor aims at supplying Europe with gas coming directly from the Caspian basin and the Middle East. It intends to increase security of supply for European households and industry by diversifying gas sources and routes, thus minimising dependence on few suppliers and potential gas cuts.

Over the last months, the EU has engaged in a regular dialogue with Azerbaijan and Turkmenistan, which figure among the key potential gas suppliers for Nabucco, ITGI (Interconnector Turkey- Greece-Italy) and TAP (Trans-Adriatic Pipeline).

In January 2011, President Barroso signed a Joint Declaration with President Aliyev which supports the swift allocation of available gas resources in Azerbaijan.

## **Further information**

http://ec.europa.eu/energy/infrastructure/strategy/2020\_en.htm
http://ec.europa.eu/energy/international/security of supply/cooperation en.htm

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