Abstract

This thesis focuses on the discussion of the diversifying natural gas imports into the European Union and the role played by the Caspian region in this respect. The aim of the thesis is to describe the European Union's energy policy in the natural gas sector and to analyze the role of Caspian natural gas and the project of the Southern Gas Corridor. The question of relevance of the Caspian natural gas for strengthening the European Union’s energy security comes along at the right time in the current debate on the further development of climate and energy policy. The policy, along with the draft framework for the creation of the Energy Union of 2015, integrates previously parallel European policies related to fight against climate change, energy security, internal energy market and external energy relations with third countries.

The thesis is based on the hypothesis that the Caspian region is an alternative resource region capable of providing a diversification of natural gas imports to the European Union. The basic research questions are the following; "Is the European Union capable of influencing the conditions under which Caspian gas will be transported to Europe?" and "Is the Southern Gas Corridor capable of meeting the expectations of its planned volume of 60-120 billion cubic meters of natural gas per year?".

From a theoretical point of view, the work is anchored in the Copenhagen school approach, more precisely in approaches that attempt to modify the concept of the Copenhagen school so as to be able to capture the complex dynamics of energy policy and energy relations at the different analytical levels. The initial concept for describing and analyzing the relation between the European Union and the Caspian region as part of the discussion on diversification of resources is reformulated concept of the Energy Security Complex authored by Palonkorpi. Emphasis is put on material and formal causes that allow analysis of issues not only related to the interaction between actors but also to the physical and organizational characteristics of the energy sector, in this particular case the gas sector.

This thesis is primarily empirically driven and represents a qualitative, unique case study of the Caspian region as a significant source of natural gas and Southern Gas Corridor as import infrastructure. The chronologically thematic view of this thesis then follows the relevant processes, themes and events related to the realization of the Southern Gas Corridor. From methodology point of view the thesis is based on methodological pluralism, while the analysis and comparison of relevant infrastructure projects use a method of contrasting contexts with the aim to explain the causes of the implementation of selected projects or the failure of competitive projects.
The thesis comes to the conclusion that the Caspian region is able to provide the European Union with an alternative source of natural gas through the Southern Gas Corridor, however not in volumes that would make it relevant supplier compared to existing major suppliers. Dominant role in meeting this goal is not delivered by the active European Union diversification policy focused on delivering alternative supplies to Member States dominantly reliant on a single supplier (Russian Federation), but by the market, preferences of resource countries in the Caspian region and by investment decisions of energy companies. Concerning the question of the expected contribution of Caspian gas to diversification, we can conclude that under the current conditions the Caspian region will not be able to provide the originally planned volumes of natural gas in the coming decade. Regarding the role of the interconnected internal market as an instrument strengthening the energy security, it might be concluded that Caspian gas will help to strengthen competition and therefore will also indirectly contribute to the diversification of supplies across the European Union.