
A gas powered ski trip.

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President Saakashvili went skiing recently, not in his beloved Gudauri, but in the Armenian resort of Tsakhkadzor. His partner on the slopes was his Armenian counterpart Robert Kocharian. There is nothing especially unusual in this, the president is a keen skier, and what better place to maintain the generally excellent bilateral relations Georgia and Armenia enjoy than on the piste. But a few things about this visit were a mite unusual, firstly it was relatively impromptu. There was none of the normal, weeks in advance, 'the sides will discuss' flurry of press releases that usually precede such visits, rather, it was a "brief, private, friendly visit", said the Foreign Ministry.

While it went largely unreported in Georgia, the Armenian press felt there might be reasons deeper than an afternoon's skiing, and concluded that the real purpose of the visit was to talk about gas.

A gas pipeline connecting Armenia-which has no reserves of its own-and Iran has just been inaugurated. The pipeline, built and owned by Russia's state owned gas monopoly Gazprom, will see Armenia having two sources of gas for the first time in the small nation's history. But that in itself could prove a threat to Georgia, whose well publicised gas woes could get worse.

The pipeline itself is a little on the thin side-its diameter is significantly less than originally planned. Why? At its current diameter its capacity will not be enough to transit gas to third countries (namely Georgia), and thus the gas in it will not compete with the Gazprom gas that Russia sells Georgia.

But why worry? According to Georgian Energy Minister Nika Gilauri Georgia is no longer dependent on Russian gas. Well, not as dependent as it used to be for sure, but more than half of the country's gas is still Russian, and though the blossom is out the nights are still cold. Georgia needs that Russian gas. Before the Iran-Armenia pipeline was built, Armenia depended on Russian gas that crossed Georgia, so Russia couldn't simply turn the tap off without hurting its strategic, long suffering ally Armenia (mysterious explosions notwithstanding). But with the new pipeline, Russia can happily stop deliveries to Georgia without leaving Armenia out in the cold.

This has not gone unnoticed in the Armenian press, which speculates that the real purpose of Saakashvili's "brief, private, friendly" visit was to strike a deal so that Armenia will delay the launch of gas deliveries until well into the spring.

But some experts wonder whether Gazprom would bother building a small diameter pipeline way down in Iran just to be able to put the squeeze on Georgia. Might there not be some grander strategy, they wonder. Gazprom has long perfected the art of buying cheap, non Russian gas to sell to its domestic consumers, and then sell its own, more expensive Russian gas to its customers in Europe. Iran, where gas is plentiful but export something of a problem, could well fit into this master plan. After all, pipelines can be expanded. Taking this into account, and given that Gazprom already owns all of Armenia's pipelines, the only missing piece in the puzzle is the pipeline running from the Armenian border across Georgia to Russia. No wonder the Russians were so hopping mad when Georgia wouldn't sell it to them...
