
EU Says Turkey is Committed to Nabucco

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The European Union (EU) co-ordinator for natural gas projects in Southern Europe, Jozias van Aarsten, said at the weekend that Turkey was fully committed to the EU-endorsed Nabucco pipeline project. Van Aarsten had held a meeting with Turkish officials and planned to hold further talks soon on a disagreement over a pricing mechanism for the project. Turkey has failed to agree on the pricing of the project and is also opposed to French company Gaz de France joining the consortium that will build the pipeline. Turkey has been angered by France's objections to its bid to join the EU and by French moves to make denying the alleged Armenian genocide. Turkey rejects the label genocide and insists the mass killings of Armenians at the start of the last century were the result of the chaos of war. A delegation, led by France's Trade Minister, is scheduled to visit the Turkish capital, Ankara, next week to try, among other things, to overcome Turkey's objections to Gaz de France, the state-run Anatolia news agency reported.

Significance: In the past two weeks, there has been a lot of newsflow from Nabucco. The latest EU-level talks come after the European Commission confirmed its approval of a third-party access exemption for the Austrian stretch of the proposed Nabucco pipeline. The decision means the project developers--OMV, MOL, Transgaz, Bulgargaz, BOTAS, and RWE--will have exclusive rights to use up to 50% of the pipeline's Austrian-based capacity. Turkey has made two public objections to GDF joining Nabucco, and differences need to ironed out fast if the project is to keep up its current momentum.
