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# Franco-Turkish dispute overshadows Nabucco project

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Gaz de France's intention to become the seventh partner in the Nabucco pipeline project has been thwarted by Turkey's decision to block the participation of the company following a motion by the French Parliament to outlaw denial of the Armenian genocide.

The decision to withdraw the application of Gaz de France (GDF) for participation in the Nabucco project was announced on 18 February by France's Minister of Trade Hervé Novelli during a visit to Istanbul.

"We have recalled our application because we think that the decision of the Turkish authorities was dictated by political reasons," Novelli said.

GDF is the second French company, following Total, to have its bid to become a partner in Nabucco blocked for political reasons by Turkey, a key transit country for the pipeline.

There are also growing concerns that disputes between Paris and Ankara could harm business ties between the two countries. French President Nicolas Sarkozy has made no secret of his opposition to Turkish EU membership and has declared that "Turkey has no place in Europe" (EurActiv 11/12/07).

In an apparent effort to downplay the situation, Novelli said that the French government had not endorsed a bill, approved by the country's national parliament and passed to the Senate, outlawing public denials that the massacre of Armenian civilians by Turkish (Ottoman) troops in 1915 was an act of genocide.

The bill is not on the government's agenda, Novelli said, according eventual future participation in the project cannot be ruled out. "It is true that political disputes have affected economic decisions [...] but (business) decisions should be taken on economic grounds," he said.

The Nabucco pipeline project is to span 3400 kilometres, bringing 31 billion cubic metres of natural gas per year from the eastern end of Turkey across Romania, Bulgaria and Hungary into Austria.

Nabucco is geopolitically significant because it will bypass Russia, but the project, scheduled to be completed by 2013, has encountered financing problems and a lack of political will from some member states.

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