Turkey may become oil, gas mediator, says former PM

Aram Sarkisian, a former Armenian prime minister, says Turkey ‘is the only country’ that could bring Iran and Russia together again to open negotiations for energy security in the region. The pipeline projects to bring the vast resources of the Caspian region to Europe through Turkey are still in question, says Sarkisian, who is currently the head of a London-based institution involved in research and policy development on Russian oil and gas.

‘TURKEY MIGHT PLAY ROLE IN GAS PRICING’

ISTANBUL – Hurriyet Daily News

Turkey has significant potential to become a gas hub where “price dynamics” would be determined, according to Güller Sabancı, top economist at Sabancı University.

Turkey already demonstrated its role through oil and gas pipelines and the current trends in global energy dynamics will increase the role and the responsibilities of the country in improving energy security in the future,” Sabancı said during her speech at the “Global Energy Outlook” meeting organized by Istanbul International Centre for Energy and Climate in Istanbul.

Recent events like the turmoil in Arab countries carry the potential to become “game changers” in the global gas market, which in turn can provide new opportunities, said Sabancı. She noted that there are also serious challenges in front of Turkey, as the country produces neither gas nor oil.

Over the next 25 years at least 80 percent of the rise in global oil production will be attributed to Middle East and Caspian countries such as Saudi Arabia, Iran, Iraq, Azerbaijan and Kazakhstan, she said. “This is why the political regimes in these countries and their stability are global issues and concern us all.

During this period, two-thirds of the world’s investments in energy will be in emerging economies, she said, adding that the amount turns up to $21 trillion. “Most of this will be in electricity, which will amount to around $10 trillion,” Sabancı added.

The interruption of the flow of Libyan oil, nearly 1.6 million barrels per day, to the European market could not be easily met by Saudi resources,” said Raïm Birla, chief economist at the Institute for Economics and Foreign Affairs.

“The quality of oil that European refineries need is the light crude oil of Caspian origin, which cannot be obtained from Saudi Arabia,” said Birla.

FACILITY: The Iran South Pars Gas Complex Company, a consortium of various Iranian, European and Asian companies, is seen in the bigger photo. The Nabucco plan may change its route due to rising demand in China, says Aram Sarkisian (L).