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The Strategic Partnership of Türkiye and Azerbaijan in Bolstering European Energy Security

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Abstract

The energy supply of the European Union (EU) countries is provided mainly at the expense of foreign countries. Dependence on foreign countries for a significant part of the provided energy resources is one of the main reasons that push the EU countries to form a common energy policy. A reliable and affordable energy supply is vital for the European economy. However, the European Union countries do not have enough energy resources to meet their needs. Currently, 90 percent of EU countries' demand for oil and 70 percent of their demand for natural gas are covered by imports. The EU has developed many options for the implementation of energy imports, and work is underway to implement new ones. Oil, one of the main sources of energy, is available in different regions of the world and can be sold and transported around the world flexibly. The supply of natural gas is relatively different and there are problems in this area. So, natural gas is usually imported through pipelines. It takes a lot of time and time to build these types of pipelines, and it takes years to put them into production. Before the start of the Russia-Ukraine war, about 40 percent of EU countries' natural gas imports were provided by only one supplier - Russia.

Even with greater renewable energy supply, imported natural gas will remain the mainstay of the EU's energy mix for decades to come. Europe is trying hard to find other suppliers to reduce its dependence on Russian gas. Azerbaijan's natural gas resources, which are transported to European markets through Türkiye, have recently become more relevant in this matter.

Azerbaijan has rich hydrocarbon deposits. In general, the volume of Caspian basin oil reserves is 203.2-257.7 billion barrels, of which 39-72 billion barrels belong to Azerbaijan. The volume of confirmed gas reserves of the Caspian region is 232 trillion cubic meters, of which 30 trillion cubic meters belong to Azerbaijan. The volume of gas only in the Shah Deniz field is estimated at 1.4 trillion cubic meters.

The Caspian Sea basin is of great geostrategic importance, being of interest to international and regional powers, and the main part of it is Azerbaijan and its natural resources. The current war between Russia and Ukraine has further increased the importance of Caspian hydrocarbon resources in the energy security of Europe.

Thus, natural gas supplied from Azerbaijan will have a decisive role in Europe's energy supply. The embargoes imposed on Russia as a result of the war with Ukraine, as well as the prolongation of the war, give reason to say this.

Keywords: Europe, Energy Security, Azerbaijan, Türkiye-Azerbaijan Cooperation, Russian-Ukrainian War

INTRODUCTION

The European Union sets a number of key goals on the energy security. They can be summarized as follows:

Energy diversification: The European Union aims to diversify energy production and exports in order to ensure energy security. This requires strengthening energy security supply by employing different energy sources. This will be achieved by establishing ties with the Caspian Sea basin and especially with Azerbaijan, which is rich in hydrocarbon reserves.

Energy efficiency and the consumption of renewable energy in energy production: The EU encourages enhanced efficiency in energy production and the further use of renewable energy sources in energy consumption. This will strengthen energy security and make energy production more flexible and of higher quality.

Improving the quality of energy industry infrastructure: The European Union is committed to ensuring that energy sector infrastructure benefits from a solid and stable supply. This ensures full security for energy production and export as well as energy security.

Energy diplomacy: The European Union prioritizes cooperation with other countries on energy security as well as greater support and integration in energy relations. This ensures a secure and stable power supply and helps reduce power outages.

Türkiye-Azerbaijan economic cooperation, especially in the field of safe transportation of hydrocarbon reserves to EU countries, without a doubt, is of paramount significance for achieving these goals and other policies as well as measures regarding energy security.

Navigating the Future: Challenges and Solutions in Global Energy Security.

After World War II, in the 1940s, the United States became the world's largest industrial producer, as the country's demand for energy carriers grew even further. Since then, the United States has also transitioned from being an oil consumer to an oil importer. Since this period, oil imports have continued to raise political and strategic concerns. These concerns have further increased due to currency inflows, tensions, wars and extremism in the Middle East. This situation also causes the major countries of the world, which are dependent on oil imports, to formulate their policies in this direction. Overall, United States, for instance, accounts for 40 percent of the total energy of its trillion-dollar economy with both domestically produced and imported oil. [9, p.768] More efficient use of oil and other energy sources is becoming a significant political objective in all countries around the world. Even though the industry sector is twice as energy efficient as it was in the 1970s, the demand for oil and other hydrocarbon resources has not only decreased, but also even increased. Furthermore, many efforts are being made to improve future efficiency and its potential is highly appreciated. However, the ever-growing world economy, higher incomes and population growth will likely require more hydrocarbon products. According to research and some estimates, demand could increase by 40 percent or more in the next 25 years [9, p.769]. For this reason, energy is defined as the top priority for great powers. The need for new supplies of

recognized, renewable, alternative energy, as well as cost, safety and climate concerns has driven a wave of innovation and research across the energy industry. In this sense, it is clear that the policy will be primarily energy-oriented. Radical changes in world oil and natural gas will inevitably focus attention on energy security. Energy is one of the most fundamental and important factors for the economic and social development of every country. In this context, "Energy security" is one of the key elements for economic security and national security. Energy is used in the subsectors of industry, transport, residential areas and commercial enterprises as an essential factor for the sustainability of social activities. The energy consumed around the world comes from a variety of sources, but primarily non-renewable energy sources such as oil, natural gas and coal, account for 84 percent of these sources. According to the information provided by BP for 2019 [8, p.6], while oil accounted for 33.1 percent, coal for 27 percent, and natural gas for 24.2 percent of primary energy consumption in the world, hydro energy accounted for 6.4 percent, renewable energy for 5 percent, and nuclear energy for 4.3 percent. As it can be seen, oil accounts for the largest share in primary energy consumption in the world and it is the main source of energy, especially for the transport sector. After oil, coal and natural gas constitute the basis for power generation. According to the aforementioned indicators of 2019, oil and natural gas provided 57.3 percent of the world's energy demand. According to previous research results from various organizations and companies, oil and natural gas are expected to account for the majority of primary energy consumption for a long time to come. This is evident from the information provided by BP, one of the largest oil companies in the world. Hence, if in 1990 oil and natural gas consumption together accounted for 96 million barrels of oil equivalent per day, it was 112 in 2000, 134 in 2010, and 157 in 2020, and it was estimated that this indicator will be 173 million barrels of oil in 2030, and 185 million barrels of oil per day in 2040 [8, p.7]. The two world wars in the 20th century, the processes, wars and crises in the countries of the Middle East have revealed the strategic significance of energy, especially oil and natural gas. Nevertheless, the current international system of energy security was born out of the Middle East wars of the 1970s, the resulting oil crisis, and the International Energy Agency and further developed in the decades that followed. The situation has changed significantly in recent years. China and India, the new giant consumers, should join the international energy security system. This requires greater trust and communication between the traditional importing countries. In addition, the physical security (oil and gas pipelines, power stations, transmission lines, as well as the supply chain that transports oil and natural gas to consumers from the Persian Gulf, West Africa, Central Asia and the Caucasus, as well as other regions) of the energy infrastructure is also an issue that requires urgent consideration [9, p. 768-769]. Integrating China and India and focusing on infrastructure, especially with the recent war between Russia and Ukraine, are critical to energy security in the 21st century.

Between Power and Politics: EU's Energy Strategy in the Face of the Russia-Ukraine War.

Russia's military intervention in Ukraine and the outbreak of the war between these two countries threatened European natural gas supplies. Russia is the largest gas supplier to Europe, and Europe's major natural gas-related industries are supported by this supply.

The global coronavirus pandemic has caused numerous industries to shut down since the beginning of 2020, which has decreased the demand for natural gas. Natural gas prices and demand surged following the outbreak, and allegations emerged that Russia, which provides half of the EU's needs, was attempting to take advantage of this situation. This is evident from the remarks made by Jacob Sullivan, adviser of the US president on international security issues. He reiterated the tension in the situation when he said in his address: "it is important for Russia to meet the growing demand of European markets" and expressed his concern about Russia using energy as a political tool [5]. In total, Russia transports natural gas to Europe via a number of pipelines. The Nord Stream, Yamal-Europe and Druzhba pipelines are the most important of them. The Nord Stream transports natural gas from Russia to Germany by passing through the Baltic Sea, Yamal-Europe to Poland by passing through Belarus, and the Druzhba Pipeline to Slovakian territory via Ukraine. From those locations, natural gas is stored and transported to other European countries. Gazprom, the primary shareholder of Russia, performs natural gas transportation to Europe and contracts are signed to this end. The regulations covered by those agreements primarily have two contents [5].

1. Term contracts covering 10-25 years in total,
2. Contracts stipulating the exclusive sale of a specific amount of natural gas.

Long-term contracts are preferred by Gazprom because of their durability and reliability. It is also of great importance in terms of long-term sales strategy and preserving a stable market. Though it was frequently suggested on many forums that Russia exploiting the EU's energy requirements as a political pressure tool, it was not until late 2021 that this was made publicly evident. Because the Gazprom largely fulfilled its duties and exhibited near-loyalty to the negotiated contracts and the studies provide proof of this. Jacques Sharples, of the Oxford Institute for Energy Studies, stated: "Most of Europe's major media companies are analysing these constraints as a deliberate undercutting of Gazprom's supply to force German leaders and the European Commission to approve Nord Stream 2." However, according to Sharples, the truth of this is doubtful. Angela Merkel, German prime minister at the time, made similar claims in her remarks. As a result, she declared that she was not aware of any scenario in which Russia had failed to meet its commitments under the contracts and added that Russia could only supply the amount of natural gas specified in the contracts, not as much as it desired. Kadri Simson, press secretary for Energy of the European Commission likewise shared her viewpoint [5]. Nevertheless, it would be naive to believe that Russia does not intend to exert pressure on Europe through energy, even if this is not explicitly stated. Hence, starting from the end of the 20th century and the beginning of the 21st century, Russia has taken attempts to dominate the supply of natural gas, including oil, to the EU. The Caspian basin, in particular, desired to view hydrocarbon resources as part of its imperial interests.

Even Azerbaijan attempted to pass the main export oil pipeline through its territory, as well as transfer its natural gas to Europe via the pipelines within its borders. Furthermore, in the conflict with Ukraine, Russia leveraged the fact that it controls the majority of Europe's gas supply as a source of advantage and pressure. In addition, due to the war, the Druzhba natural gas export pipeline remained in the area of active military operations. The suspension of gas transportation in that way affected significantly the supply of natural gas not only to Ukraine, but also to the Balkan nations such as Moldova, Romania, and Bulgaria. The impact was observed not only in terms of meeting energy demands, but also in other areas of the economy. The research conducted by the German Institute for Economic Research (DIW) in this area yielded some extremely intriguing results. According to the research, the problem of grain export from Ukraine, the sanctions imposed on Russia and the resulting energy crisis had a significant influence on the global economy. Western countries suffered more damage. In these nations, inflation is expected to rise by 10 percent in 2022. The International Monetary Fund predicts that the global economy will grow by only 2.9 percent this year. However, this figure could be greater. In total, the Russia-Ukraine war cost the global economy 1.3 trillion dollars [11].

Following the outbreak of the war, from mid-2022, supply cuts proceeded considerably, resulting in a 60 percent decline in Russian gas exports to the EU by the fall of 2022. Poland, the Netherlands, Germany, Austria and Italy have seen the greatest decline in gas exports. This situation has heightened interest in obtaining gas from alternative sources. The provision from the Caspian region, particularly from Azerbaijan, is crucial among them [6, p.18].

Navigating Energy Supply Issues in the EU.

In general, the European Union (EU) countries' energy supply is primarily provided at the expense of foreign countries. One of the key reasons for the EU members to develop a single energy policy is their reliance on other countries for a significant part of the provided energy. The European economy depends on a reliable and affordable energy supply. Nevertheless, EU countries lack sufficient energy resources to meet their needs. Currently, imports cover 90 percent of EU members' need for oil and 70 percent of their demand for natural gas. The EU has established numerous options for implementing energy imports, and work is currently underway to implement new ones. Oil, one of the most important sources of energy, is available in many areas of the world and can be easily marketed and transported around the globe. Natural gas supply is inconsistent and there are issues emerging in this area. As a result, natural gas is typically imported via pipelines. It takes a lot of time to build these types of pipelines and putting them into production takes much longer. Prior to the outbreak of the Russia-Ukraine war, Russia supplied about 40 percent of EU countries' natural gas imports. If we only look at gas consumption alone, we can observe that there has been a growing trend in the volume of natural gas consumption in recent years, both globally and in the EU. However, there are some differences here. Therefore, while the global growth trend

has been consistent, in the EU has seen a rise and even a fall in various years. In total, natural gas consumption in the EU increased by 4.6 percent from 380.3 billion cubic meters to 396.6 billion cubic meters in 2021. The global average growth rate from 2011 to 2021 was 0.2 percent. The lowest indicator reported throughout the time was 331.4 billion cubic meters in 2014. However, in 2011, the consumption was 389 billion cubic meters [3, p.31].

The efforts made by the EU to secure energy security have both internal and external dimensions. Internally, the EU is fostering integrated European natural gas markets and reducing consumption by boosting renewable energy and energy efficiency. Externally, the EU has prioritized energy in its external ties. The EU encourages member states to take a coordinated approach to energy suppliers such as Russia. In line with its commitment to the multilateral rules-based system, the EU supports international energy frameworks such as the International Energy Agency and the Energy Charter. Even with additional renewable energy sources, imported natural gas will continue to be a mainstay of the EU's energy balance for decades to come. Europe is working hard to identify other suppliers in order to minimize its reliance on Russian gas. Azerbaijan's natural gas resources, which are delivered to European markets via Türkiye, have recently gained prominence in this sense. Furthermore, Central Asian natural gas reserves can be regarded in the short term, and Iran's natural gas reserves in the long term. Furthermore, liquefied natural gas (LNG) creates new prospects for imports from nations without pipelines to the EU. However, it is more expensive and most European countries lack the necessary infrastructure to import it. Nevertheless, the proportion of short-term contracts in overall LNG trading has risen from 25 percent in 2017 to roughly 40 percent in 2021. It covers both direct short-term contracts between producers and end-users, as well as short-term trades between purchasers who buy LNG from producers under long-term contracts and resell it at higher rates in the markets [7, p.15].

All of this suggests that the natural gas supplied from Azerbaijan will play a critical role in Europe's energy supply. This is supported by the embargoes imposed on Russia as a result of the war with Ukraine, as well as the war's escalating length. Thus, there is no doubt that Azerbaijan will become Europe's primary energy supply partner. Currently, oil and oil products account for the majority of the world's energy supply. The Middle East holds 56 percent of the world's oil reserves, 15 percent in Central and South America, 5 percent in North America, 9 percent in Africa, 9 percent in Eurasian countries, 3 percent located in the countries of the Asia-Pacific areas, whereas 1 percent are located in the European continent, 0.5 percent of which are located in the territory of the European Union states [2, p.6].

Generally, beginning in 2021, global demand for basic energy products has nearly restored to pre-pandemic levels, according to various indicators. Thus, the demand for primary energy products climbed by 5.8 percent in 2021, exceeding the level of 2019 by 1.3 percent. Non-renewable energy products continued to have a significant edge, accounting 82 percent of all energy products.

However, their total level was slightly lower than in previous years. Therefore, that indicator was 83 percent in 2019, and 85 percent in 2016 [3, p.3]. There was also an increase in oil consumption. The global overall consumption of oil climbed to 5.3 million barrels per day in 2021. However, it was 3.7 million barrels per day lower than in 2019. An increase in the price of oil was also observed. The price of a barrel of oil in 2021 climbed to the second highest level since 2015, averaging \$70.91. An increase in global oil output was also noted. In 2021, average daily oil output increased by 1.6 percent over 2020, reaching 89,877 thousand barrels. The rise was 0.7 percent as compared to 2011. On the contrary, a decrease in the volume of oil production was recorded in the EU. As a result, compared to 2020, average daily oil production in 2021 fell by 7 percent and amounted to 366,000 barrels. The decline was 4.8 percent as compared to 2011. The table below demonstrates the above-mentioned figures.

Table- 1. Comparison of oil production in the world and the EU (thousand barrels/day)

Years	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Global	8405	8620	8658	8874	9173	9205	9254	9487	9491	8849	8987
UN	600	572	560	552	535	471	465	448	415	393	366

Source: [3, p.15]

As shown in the table, although global oil production is increasing year after year, EU countries' production is decreasing. This situation renders their developing industry increasingly reliant on foreign oil imports. In comparison, it is worth highlighting that only Azerbaijan's annual oil production for 2021 is almost twice that of all EU countries. As a result, whereas the EU's oil production for 2021 is 17.8 million tons, the stated indicator in Azerbaijan was realized in the amount of 35.1 million tons.

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Table- 2. Comparison of oil production in the EU and Azerbaijan (million tons/year)

Years	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
UN	29.2	28	27.4	27	26.1	23	22.7	21.9	20.2	19.3	17.8
Azerbaijan	46.1	43.7	43.8	42.5	42	41.4	39.1	39.2	38	35	35.1

Source: [3, p.16]

As shown in the table, both the EU and Azerbaijan witnessed a reduction in oil production. However, the EU has a larger overall production volume and reduction rate. Thus, while Azerbaijan experienced a 0.6 percent growth in 2021, the EU experienced a 7.0 percent decrease, according to the same indicator. When we compare the ten-year indicator (2011-2021), we can see that the decrease in the annual oil production of Azerbaijan is 2.7 percent, and 4.8 percent in the EU. [3, p. 16]

The global demand for natural gas increased by 5.3 percent in 2021. As a result, gas consumption surpassed the pre-pandemic level of 2019 and exceeded 4 trillion cubic meters for the first time. The share of natural gas among primary energy products remained steady from the previous year,

at 24 percent. According to the above-mentioned information, the global amount of natural gas production has also increased. Production growth in 2021 is expected to be 4.8 percent compared to the previous year, reaching 4036.9 billion cubic meters. Overall, natural gas production increased by 2.2 percent between 2011 and 2021. On the contrary, the volume of natural gas output in the EU has decreased. Thus, compared to 2020, average annual natural gas production in 2021 fell by 7.7 percent to 44 billion cubic meters. The decline was 9.3 percent as compared to 2011. This can be seen from the table below.

Table- 3. Comparison of natural gas production in the world and the EU (billion cubic meters/year)

Years	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Global	3257	3326	3365	3433	3511	3545	3674	3852	3967.7	3861.5	4036.9
UN	118	114	114	100	84	82	77	69	61.1	47.8	44.0

Source: [3, p.29]

According to the table, as in the case of oil production, a decrease has been noted in the production of natural gas in the EU countries, contrary to the global figures. When the years 2011-2021 are regarded, it is worth noting that the volume of the decrease in this area is higher. If we compare with 2021 production to 2011, we can observe that it has decreased up to 2.7 times. For comparison, Azerbaijan has seen progress in this field as well. This can be seen from the table below.

Table- 4. Comparison of natural gas production in the EU and Azerbaijan (billion cubic meters/year)

Years	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
UN	118	114	114	100	84	82	77	69	61.1	47.8	44.0
Azerbaijan	16	17	17.5	18.4	18.8	18.3	17.8	18.8	23.9	25.9	31.8

Source: [3, p.29]

As can be seen from the table, Azerbaijan's natural gas production increased by 23.3 percent in 2021, compared to the previous year. The growth pattern was also observed compared to the period since 2011. Thus, Azerbaijan's natural gas production increased by 7.1 percent between 2011 and 2021.

In 2021, LNG output climbed by 5.6 percent (26 billion cubic meters) to 516 billion cubic meters. The growth rate from 2011 to 2021 was 4.6 percent. According to LNG import figures, the Asia-Pacific basin dominated, accounting for 72 percent of total imports. European countries imported 21 percent of LNG. In 2021, the total volume was 108.2 billion cubic meters. It was 6.6 percent less than in 2020. Therefore, in 2020, that indicator was 116.3 billion cubic meters. During the years 2011-2021, a 2 percent increase in the import of LNG was observed in Europe [3, p.35]. Natural gas transportation to Europe was primarily performed via pipelines supplied by Algeria

with 13 billion cubic meters more than the previous year. In the second place, it was carried out via the pipelines supplied by Azerbaijan and totalled more than 6 billion cubic meters [3, p.3].

Various policies and actions were implemented by European countries to support energy security challenges and the development of the energy industry. These policies address issues such as enhancing diversity of energy supply, promoting local energy generation, improving energy efficiency and strengthening the quality of energy infrastructure.

The Strategic Alliance of Türkiye and Azerbaijan in Energy Transport.

The oil strategy established by the national leader Heydar Aliyev was critical in laying the groundwork for the economic relations between Türkiye and Azerbaijan and their subsequent growth. The vigorous and multilateral negotiations that took place in that period, as well as the signed accords and Türkiye's engagement in those accords, resulted in significant economic gains not only for both nations, but also others, particularly EU members.

Heydar Aliyev established the oil strategy with the signing of the "Contract of the Century" in September 1994 and he built on that success with the Baku-Tbilisi-Ceyhan pipeline project. With the goal of long-term protection of Azerbaijan's interests, the development of large-scale international economic cooperation, and the increase of oil production in the region, intensive efforts were carried out for the realization of the strategically significant Baku-Tbilisi-Ceyhan (BTC) main export pipeline project and the negotiations went successful to this end. The BTC project is intended to safely transport the oil produced in the Caspian Sea basin, the majority of which is Azerbaijani oil, via a pipeline to the port of Ceyhan in Türkiye and then via tankers to international markets [10, p.76]

On October 29, 1998, the Presidents of Azerbaijan, Türkiye, Georgia, Kazakhstan and Uzbekistan as well as the US Secretary of Energy signed the Ankara Declaration, which advocated for the construction of the Main Export Pipeline along the Baku-Tbilisi-Ceyhan route, and preliminary agreement was reached on this project. Therefore, on November 18, 1999, during the OSCE Summit in Istanbul, an agreement was signed on the transportation of Azerbaijani crude oil through the territories of the Republic of Azerbaijan, the Republic of Georgia and the Republic of Türkiye through the Baku-Tbilisi-Ceyhan main export pipeline. The agreement was signed between H. Aliyev, E. Shevardnadze and S. Demirel. The Istanbul declaration was signed by Azerbaijan, Türkiye, Georgia, Kazakhstan and Turkmenistan with the testimony of the United States to support the Baku-Tbilisi-Ceyhan project and draw the oil of Kazakhstan and Turkmenistan to this project. The declaration was signed by presidents H. Aliyev, S. Demirel, B. Clinton, E. Shevardnadze, N. Nazarbayev and S. Niyazov. On September 18, 2002, the construction of the Baku-Tbilisi-Ceyhan pipeline commenced in Sangachal as a natural continuation of this procedure. The ceremony was

attended by three heads of state - President of Azerbaijan H. Aliyev, President of Georgia E. Shevardnadze, President of Türkiye A. N. Sezer and US representative for Caspian affairs S. Menn. On May 25, 2006, a ceremonial ceremony was held at the Sangachal terminal on the commissioning of the Azerbaijani part of the Baku-Tbilisi-Ceyhan main export pipeline. The BTC oil pipeline is currently named after our Great Leader Heydar Aliyev. The success of this project resulted in a rise in foreign commerce of Azerbaijan and foreign capital invested in Azerbaijan. On July 13, 2006, the BTC primary production pipeline was inaugurated in the city of Ceyhan, Türkiye [1].

These projects went on to play a significant role in the accomplishment of additional international projects and economic development. The construction of BTC, the main export pipeline, via the territory of Türkiye was a bold gesture not only for the time, but also for the present and the future. This project was critical to the growth of Turkish-Azerbaijani economic relations, as well as the execution of future energy initiatives. Following this, more internationally significant projects were established and important steps were taken in this field. As one of these indicatives, the Southern Gas Corridor is also of paramount importance. The project calls for the supply of Azerbaijani gas produced as part of the second stage of the Shah Deniz gas-condensate field development project to Türkiye and EU countries. The Southern Gas Corridor (SGC), one of the priority energy projects for the EU, is a complex system of pipelines comprised of numerous segments [4]: "Shah Deniz 2", "South Caucasus Pipeline Expansion", "Trans-Anatolian Natural Gas Pipeline" (TANAP) and "Trans-Adriatic Pipeline" (TAP). They play an essential role in the energy security of Europe and Türkiye, in addition to being strategic projects strengthening the international importance of Azerbaijan. The 33 billion dollars megaproject connects the Caspian region to South-Eastern Europe and contributes significantly to the economic development of both Azerbaijan and Türkiye as a transit country, as well as other countries. On June 30, 2018, as part of the "Shah Deniz 2" project, the first commercial gas supply was transported to Türkiye via the TANAP pipeline. The opening ceremony of TANAP's European connection took place on November 30, 2019. With the commissioning of the TAP pipeline on December 31, 2020, the first stage of the SGC project was essentially finalized, and Azerbaijani gas was transported directly to the European market for the first time.

CONCLUSION

In general, the aforementioned data exhibit that the demand for energy in the EU countries, as well as globally, is growing year by year. This issue makes the issue of supplying those countries with primary energy products extremely pressing. Thus, until recently, Russia supplied a large portion of the supply of primary energy products of the EU. The outbreak of the war with Ukraine and the imposition of embargoes on Russia, as well as the consumption of Russia's own hydrocarbon reserves as a form of pressure force the EU countries to seek alternative sources. The significance of Caspian basin energy sources should be highlighted in this regard. Since the 1990s, Azerbaijan has attracted multinational oil companies to develop its hydrocarbon resources, and numerous

contracts have been signed in this field. Those resources are delivered to global markets via Türkiye. In this respect, Türkiye-Azerbaijan cooperation in the transportation of energy resources is of grave importance to ensure Europe's energy security.

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