

# Turkey's Relations and Energy Cooperation with the BSEC

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**ABSTRACT** Turkey is conducting an increasingly active energy diplomacy and in order to understand the role and strategies of Ankara in energy geopolitics, it is important to apprehend Turkey's behaviours at international level. In this respect, Turkey's energy ties with international (energy) organizations have key importance. Hence, this paper seeks to analyze the energy relationship between Ankara and the BSEC. Turkey attends activities of the organization in order to increase its visibility at international level, become a leader in the Black Sea region, and boost its political and economic ties with member states. However, due to the limited effectiveness of the organization in general and in the field of energy in particular, its contribution to the Turkish energy sector has remained modest.

## Introduction

**T**urkey has one of the largest energy markets in Europe. The significant growth in its economy, population, urbanization, and industrialization has recently caused a rapid increase in the energy demand of the country. The average annual increase rate in its energy need since 1990 is 4.6 percent.<sup>1</sup> The annual energy need of the country is envisaged to double in 10 years and to grow annually by 4.5 percent until 2030.<sup>2</sup> Since the country does not have sufficient domestic energy resources to meet its energy demand, it has to import around 75 percent of its energy requirements. Turkey needs to import around 98 percent and 90 percent of its gas and oil supplies, respectively. Although some volatility has been seen in the oil and gas imports parallel to the economic growth of the country, Turkey's oil and gas imports have been increasing.

In 2016, Turkey's total gas imports were 46,352 million cubic meters (Mcm), originating from Russia (52.94 percent), Iran (16.62 percent), Azerbaijan (13.98 percent), and other countries (16.45 percent).<sup>3</sup> On the other hand, the

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**Turkish leaders believe that the organization serves as a platform for regional cooperation that helps to increase stability, prosperity, and peace in the region. Thus, the country attaches significant importance to the organization**

hub between energy producing countries and European markets in order to enhance the significance of the country as a transit corridor in energy geopolitics. Turkey tries to adopt an effective energy strategy in order to achieve these targets. In this regard, Turkey conducts an increasingly active energy diplomacy and augments its participation in regional and international (energy) organizations.

There are numerous academic studies on Turkey's energy strategy and bilateral energy relations. These studies notably increased after the collapse of the Soviet Union and the emergence of new sovereign energy producing countries in the Caspian Sea, because these developments increased the possibility of importing energy resources of these new states to Turkey and to Europe via the Turkish territory. The existing academic studies emphasize that Turkey's energy security concerns have increased as its energy need and imports have been growing.<sup>5</sup> They also highlight the fact that Turkey has emerged as an important energy transit country, especially for European consumers and Caspian energy.<sup>6</sup> Besides, the majority of the existing academic studies on Turkey also analyze bilateral energy relationships between Turkey and its energy partners such as Russia,<sup>7</sup> Iran,<sup>8</sup> and Central Asian countries.<sup>9</sup> These studies point out a growing energy cooperation between Turkey and these suppliers. However, there are surprisingly no academic studies that analyze energy relations between Turkey and international (energy) institutions. Yet, the exploration of these relations is necessary in order to comprehensively apprehend some behaviors of the country in energy geopolitics as analyzing only its energy strategy and bilateral energy ties would not provide us with the complete picture of Turkey's role and importance in global energy politics. Hence, this paper seeks to contribute to filling in this important gap in the academic literature through analyzing Ankara's energy relations with the Black Sea Economic Cooperation (BSEC). Considering the fact that the energy issue was one of the main drivers for Turkey to initiate the establishment of the

country imported 40,064 million tons of petroleum in the same year, mainly from Iraq (23.09 percent), Russia (19.38 percent), Iran (17.32 percent), and other suppliers (40.21 percent).<sup>4</sup> These numbers indicate that Turkey is highly dependent on Russia and Iran to meet its energy need.

Turkey's external oil and natural gas strategy seeks to meet the increasing energy demand of the country, reduce its high reliance on a few suppliers, and turn the country into an energy

BSEC in 1992 due the growing energy need of the country, the paper chose this organization. In this regard, it tries to understand what kind of energy relations Turkey has developed with the BSEC, how the BSEC contributes to the Turkish energy sector, to which degree and how Ankara supports energy activities of the BSEC, and to which extent energy issues stay as priority for Turkey in its ties with this organization.

The paper addresses the subject in five steps. Firstly, it briefly gives background information about the BSEC. Secondly, it analyzes Turkey's role and the extent of its participation in the BSEC. Thirdly, it covers the role and activities of the BSEC in the field of energy. Fourthly, it scrutinizes energy ties between Ankara and the BSEC. Finally, it concludes with an overview and assessment of the findings and provides a number of recommendations.

## The BSEC

The BSEC covers a geography including the territories of the Black Sea littoral states, the Balkans, and the Caucasus with an area of about 20 million square kilometres, represents a region of 335 million people, and reaches an intra-BSEC trade volume of \$187 billion per year.<sup>10</sup> The organization was established by heads of states/governments of Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Turkey, and Ukraine in İstanbul in 1992. Its emergence was seen as a turning point in the regional cooperation process, signifying the first coherent indication of collaboration in the Black Sea region, which encouraged the regional players to integrate further.<sup>11</sup> The BSEC is a political and economic initiative, which seeks to foster the interaction among its members and assure peace, stability, prosperity, and good-neighborly relations in the Black Sea region.<sup>12</sup> Owing to the establishment of the BSEC, the countries, which considered each other as rival due to the historical factors, obtained the opportunity of coming together to take a step in the process of economic collaboration.<sup>13</sup> The BSEC "creed" was directed by the notion that effective economic collaboration would also provide for growing mutual trust and wealth, which in turn, would augment the potential for political partnership. Thus, despite mainly economic area of activity, the BSEC also obtained a major political significance, coming to address and handle hard sensitive security matters.<sup>14</sup>

Agriculture, banking and finance, combating organized crime, culture, customs matters, education, energy, environmental protection, healthcare, information and communication technologies, SMEs, tourism, trade, economic development, and transport are among the main areas of collaboration within the BSEC. The structure of the organization includes the Parliamentary Assembly, a Council of Foreign Ministers, a Permanent Secretariat, an Interna-

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tional Centre for Black Sea Studies (ICBSS), and a Trade and Development Bank (BSTDB).

However, member states have until now concluded only a couple of mandatory deals and common sectoral action plans in the framework of the BSEC and in areas that originally lay outside its major focus. The organization is frequently criticized for lacking effectiveness and efficiency. The current decision making process, where the Council of Ministers of Foreign Affairs is the main decision making authority for almost all subjects, has proven to be cumbersome and time-consuming.<sup>15</sup> The decision-making procedure, which requires unanimity for all significant decisions, causes the BSEC to be a very uneasy format for regional collaboration, considering disputes and conflicts among BSEC members.<sup>16</sup> In addition, the perceived weakness in the work of the BSEC institutional structures may occasionally be attributed to the low level of interest shown by national officials of member countries toward the organization. What is more, the Committee of Senior Officials, which frequently functions as a preventing factor to new proposals, is given an extreme weight of competences. The international secretariat of the organization, which has an unbelievably small number of professionals, does not have the necessary right to take initiatives and to carry out independent analyses, assessments and estimations. The BSEC has limited financial resources at its disposal.<sup>17</sup> Additionally, the non-existence of an operational mechanism to observe the implementation of intergovernmental conventions, as well as of the resolutions, decisions, and recommendations adopted by the BSEC Council of Ministers seriously influences the efficacy of the BSEC, with negative consequences on its prestige and visibility.<sup>18</sup> Moreover, the BSEC's functioning shows the particular difficulties that its member states encounter, such as economic problems and little financial resources, security difficulties, and problems regarding state building. Furthermore, the heterogeneity of member states with regards to their size, economic development, security anxieties, and foreign policy preferences has therefore blurred the identity of the BSEC and the sense of common goals. This has also frequently led it to 'paralysis'.<sup>19</sup> It is a sad fact that member states frequently have incompatible interests and even clashing ones. This gives an explanation of their dissimilar anxieties, preferences, and stances, causing unclearly worded statements, resolutions, decisions, and recommen-



dations that are eventually adopted, but sadly are equivalent to empty words of little result.<sup>20</sup>

## Turkey and the BSEC

The BSEC was established with the initiation of Turkey's former President Turgut Özal. The primary incentive of Ankara was to create an atmosphere of cooperation based on economy in order to impede the likelihood of future conflicts in the Black Sea region.<sup>21</sup> Moreover, Ankara sought to make Turkey a crucial player in developing the post-Soviet economic and diplomatic standards of the Black Sea, and thereby to become the region's leader.<sup>22</sup> In fact, Ankara's objective was to fill the strategic gap after the disintegration of the USSR.<sup>23</sup>

The Black Sea is the world's most isolated sea, linked to the rest of the world's oceans solely through the two Turkish straits.<sup>24</sup> Hence, Turkey has key importance with regards to accessibility of/to the region. In addition, Turkey has the longest shoreline of all the littoral states and hosts the secretariat of the organization.

Turkey's active participation in the BSEC enables the country to realize its foreign policy goals towards the region. Turkish leaders believe that the or-

Leaders of Turkey (3<sup>rd</sup> L), Azerbaijan (2<sup>nd</sup> L), Serbia (4<sup>th</sup> R), Ukraine (L), North Cyprus (3<sup>rd</sup> R), and Turkish Deputy PM (2<sup>nd</sup> L) attended the opening ceremony of Trans-Anatolian Natural Gas Pipeline (TANAP) on June 12, 2018. MURAT ÇETİNMÜHÜR DAR / AA Photo

## While the energy strategies of the BSEC members were in competition during the 1990s, the regional cooperation in the context of the BSEC has transformed this competition into collaboration

ganization serves as a platform for regional cooperation that helps to increase stability, prosperity, and peace in the region. Thus, the country attaches significant importance to the organization. In addition, through the BSEC, Ankara has developed political and economic relations with member states. For example, the BSEC provided an important platform where Turkey and

Russia could gradually bolster their regional dialogue as well as bilateral economic ties in the field of tourism, energy, and trade.<sup>25</sup>

In the organization, Turkey is currently the country-coordinator of working groups on “Agriculture and Agro-Industry,” “Banking and Finance,” “Customs Matters,” “Information and Communication Technologies,” “Tourism,” “Trade and Economic Development,” “Transport,” and of the ad hoc working groups on “Massive Forest Fires” and “Floods and Torrents.” Besides, “Ad Hoc Working Group for Collaboration among BSEC Countries in Exploration and Exploitation of Hydrocarbon Resources of the Black Sea” was established with the initiative of Turkey. Moreover, Turkey, in addition to Greece and Russia, is one of the largest shareholders of the BSTDB with 16.5 percent stake.

In the course of Turkey’s latest chairmanship<sup>26</sup> of the BSEC during January-June 2017, the sectorial priorities of the country were agriculture and agro-industry, trade and economic development, strengthening the role of SMEs and supporting inclusive businesses, banking and finance; energy, tourism and education.<sup>27</sup> In the context of its chairmanship, the country held several high-level meetings, including the 25<sup>th</sup> Anniversary Summit of BSEC in June 2017, with the participation of the heads of state and government of the BSEC member states.

Ankara wants the organization to have stronger capability and better efficiency as an international organization and thereby encourages member states to work in order to achieve this. From the point of view of Turkish President Erdoğan, the actual trade and investment volume among member states had not met its potential.<sup>28</sup> In 1995, Black Sea countries accounted for only two percent of Turkey’s entire exports, while by 2008, that number was about 12 percent, the majority of which was conducted with Russia and Romania. But, in 2015, the trade with the Black Sea region had reduced to seven percent of Turkey’s entire trade.<sup>29</sup> Additionally, in recent years, Turkey has growingly criticized the BSEC for delaying joint projects.<sup>30</sup> This is why Erdoğan recently called on member states to become more active in the organization and participate more

in projects. He stated that “Of course, our wish is for each member state to undertake the coordination of at least one group... The more we lean toward the projects that address the daily lives of the people on our streets, the more we are on the right track.”<sup>31</sup> Moreover, according to Erdoğan, the organization has to be utilized as a tool to settle problems by refraining from unproductive political debates<sup>32</sup> given that political problems between some member states impede the organization from working effectively.

## Energy Collaboration in the Framework of the BSEC

Energy was one of the key areas at which cooperation was aimed for during the establishment of the BSEC. The organization was founded with the aim of cooperation that would enable Turkey to meet its energy needs and allow the Soviet Union to meet their necessities for food and consumer products.<sup>33</sup> Today, energy is still one of the key areas of cooperation among members and there is a good potential for collaboration, particularly for production and delivering oil and natural gas in the region. BSEC countries have the world's largest oil and gas reserves after the Middle East.<sup>34</sup> Russia and Azerbaijan are the major producing states of oil and natural gas in the region. Furthermore, searches for new oil and gas fields are carried out by all states in the region as there are signs of the presence of oil and gas fields in the Black Sea<sup>35</sup> and in regions of Greece.<sup>36</sup> These resources are not solely a main, strategic asset but also an inevitable issue in bilateral and multilateral economic collaboration.<sup>37</sup>

The region has obtained much significance over the last two decades, as it has become host to alternative routes for the transportation of Caspian, Central Asian, and even Middle Eastern hydrocarbon resources to EU countries.<sup>38</sup> Turkey, Bulgaria, Georgia, Romania, and Ukraine are already performing as energy corridors.<sup>39</sup>

The BSEC's key energy target is to “pursue convergence and cooperation of the national energy markets (including all kinds of energy sources –oil, natural gas and electricity) at the regional level in order to establish mutual advantages.”<sup>40</sup> It is considered that implementation of energy projects will provide enduring security and stability in the region. While the energy strategies of the BSEC members were in competition during the 1990s, the regional cooperation in the context of the BSEC has transformed this competition into collaboration. The actualization of the Blue Stream natural gas pipeline project between Turkey and Russia is an example of this change in the energy strategies of BSEC members.<sup>41</sup>

Energy ministers of member states stress the necessity to focus on a number of areas, including energy efficiency, renewable energy, oil and gas transporta-

tion, and creation of a Data Bank on energy programs.<sup>42</sup> The statistics of sectorial meetings at ministerial and working group levels of the organization prove that until now the largest number was allotted to energy matters.<sup>43</sup>

The BSEC has one Working Group on Energy, which deals with all relevant issues during its two-day meetings organized twice a year. The group covers various energy related issues such as energy security, environmental protection, energy efficiency, alternative and renewable sources, international cooperation, and project development. The 2015-2017 action plan of the BSEC Working Group on Energy focuses on some priority spheres, namely exchange of information on legislation in energy sector and national programs, sustainable energy development, and development and improvement of energy infrastructure in the Black Sea region.<sup>44</sup>

Additionally, the BSEC has started a process of setting up a BSEC Network for exchanging information and sharing experience and know-how among national administrative bodies and/or centers and organizations authorized to further energy sources and energy efficiency steps. Principal topics, which are being debated in this framework, include development of electrical interconnections among members, collaboration in exploration and extraction of hydrocarbon resources of the Black Sea, promoting cross-border trade of natural gas in the region, and reinforcing the partnership between BSEC and other international institutions and agencies in the field of energy.<sup>45</sup>

In addition, the Working Group on Energy commenced working for the elaboration of a BSEC Green Energy Strategy Paper. A BSEC Green Energy Network was established in 2015 for exchanging information and sharing experience and know-how among national administrative institutions authorized to encourage renewable energy sources and energy efficiency steps and policies in the BSEC region.<sup>46</sup>

Moreover, the BSTDB, the financial pillar of the BSEC which holds an authorized capital of €3.45 billion and a subscribed capital of €2.29 billion,<sup>47</sup> provides financial supports<sup>48</sup> for the implementation of projects in several areas within the framework of the BSEC, including energy. According to the Bank, between 2000 and 2018, it disbursed over €248 million to projects in the field of energy.<sup>49</sup>

As said above, the anticipations regarding the potential for energy to become a main driving force of regional collaboration have been high from the very beginning of the organization. However, even though the discussions on energy have been quite active within the BSEC, the real consequences at regional level, apart from bilateral deals which are significant, have been frustrating.<sup>50</sup> For instance, while an “Ad Hoc Working Group for Collaboration among BSEC Countries in Exploration and Exploitation of Hydrocarbon Resources of the

Black Sea” was established in 2007 and Turkey, Romania, Bulgaria, Russia, Ukraine, and Georgia currently conduct some energy exploration studies in the Black Sea, there is no considerable cooperation between them to jointly explore energy sources in the Black Sea.

Five major factors have prevented a substantial energy collaboration among the BSEC members. First, there are some serious conflicts between member states such as Abkhazia and South Ossetia, Transnistria, Nagorno-Karabakh, Russia-Ukraine crisis, and Turkey-Armenia dispute. These conflicts impede members from carrying out considerable energy cooperation. Second, member states keep conducting *bilateral* energy collaboration instead of collaborating in the framework of the organization. Members believe that they can already conduct bilateral energy projects and therefore do not see the added value of cooperating on energy in the framework of the BSEC.<sup>51</sup> Third, BSEC energy projects have been overambitious. The experience of the BSEC over the last two decades demonstrates that it might be logical to step back from the overambitious, and thus unrealistic, grand designs and concentrate instead on more practical and realizable measures.<sup>52</sup> Four, due to the lack of an effective BSEC fund, projects are being carried out with national contributions. However, the size of such projects is quite small. Thus, overall concrete success of the BSEC in the sphere of energy has been rather limited. Finally, the general weakness in the effectiveness of the BSEC and difficulties in its decision making process have indispensably affected its activities and efficacy in the field of energy.



**According to Ankara, the strategic importance of the Black Sea region mainly stems from its location at the intersection of the major energy routes of Eurasia**

## **Turkey's Energy Cooperation with the BSEC**

In the establishment of the BSEC, Turkey principally sought to extend its economic impact in the post-Soviet region while facilitating its access to raw materials and energy resources.<sup>53</sup> That is, energy was one of the key issues that encouraged Turkish leaders to push for the establishment of the BSEC. Today, energy is still one of Turkey's important areas of interest in the framework of the organization. Two BSEC members, namely Russia and Azerbaijan, are already Turkey's main gas suppliers. In addition, Turkish authorities collaborate with Russia and Greece in order to send Russian gas to European markets. As explained before, Turkey aims to emerge as a transit hub between Caspian Sea energy sources and European consumers. In this regard, Turkey seeks to cooperate with BSEC states with the view of achieving this goal.

## Due to the limited effectiveness of the BSEC in the field of energy in general, its impact on the Turkish energy sector has so far stayed quite limited

According to Ankara, the strategic importance of the Black Sea region mainly stems from its location at the intersection of the major energy routes of Eurasia.<sup>54</sup>

During Turkey's latest chairmanship, energy was one of the primary sectors of the country. In this regard, the country worked towards promoting activities regarding energy security, green energy and sustainable energy development. Turkish officials also organized a round table meeting with the participation of the energy regulation institutions of

BSEC members in order to boost closer interaction and exchange in the area of energy regulation policies of member states. During the meeting, energy regulatory authorities agreed on developing collaboration on regulatory issues in a more systematic framework.<sup>55</sup>

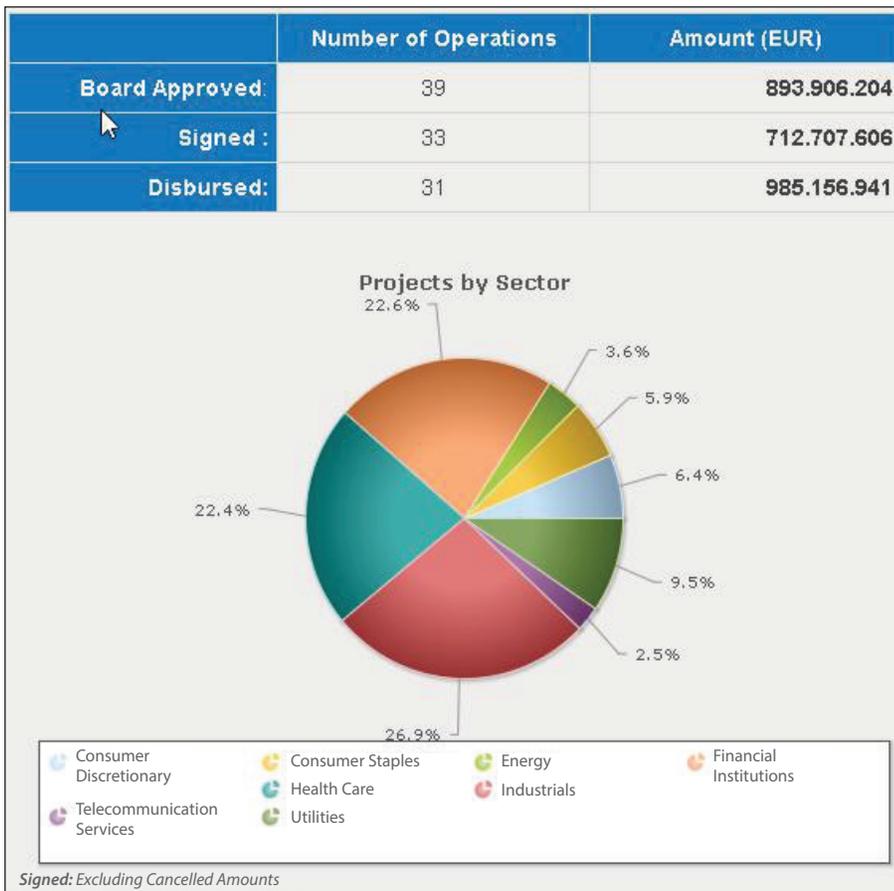
When meeting reports<sup>56</sup> of the BSEC Working Group on Energy are analyzed, Turkey is obviously one of the most active countries in the group. During energy related gatherings, Turkish institutions share their experience and best practices on energy with BSEC members. Additionally, Turkey was the country-coordinator of the Working Group on Energy from July 1, 2013 until June 30, 2015. Besides, as said before, the "Ad Hoc Working Group for Collaboration among BSEC Countries in Exploration and Exploitation of Hydrocarbon Resources of the Black Sea" was established upon Turkey's initiative. The first meeting of the group was held in Istanbul on September 7, 2007 and Turkey was selected as its country-coordinator.

The BSEC membership has, to a certain extent, contributed to the Turkish energy sector. For instance, being one of the eleven founding members of the BSTDB, Turkey receives medium- and long-term loans for financing energy and infrastructure projects. As Figure 1 indicates, energy projects constitute 3.6 percent of the total projects that have been financed by the BSTDB in Turkey from 2000 until 2018.

In the field of energy, some areas of the particular focus of the BSTDB in Turkey include development and rehabilitation of natural resource facilities, exploration and production of hydrocarbons both onshore and offshore, construction of new or rehabilitation of existing energy transportation infrastructure, construction, upgrading, modernization, expansion, operation, and maintenance of all sorts of conventional and renewable energy and electricity capacities, and amelioration of energy efficiency, and conservation.<sup>57</sup> In addition, in 2016 the BSTDB approved a loan amounting to \$30 billion to Turkey Enerji A.Ş. (STEAS), a subsidiary of the State Oil Company of the Azerbaijan

Republic (SOCAR), in order to help the STEAS obtain seven percent stake of the TANAP project. According to the Bank, the transaction is expected to support STEAS's long-term policy of becoming a fully-integrated downstream oil and gas company in Turkey by benefiting from the country's strategic location and important market increase potential.<sup>58</sup>

**Figure 1: BSTDB's Projects by Sector in Turkey between 2000-2018 (percentage)**



Source: BSTDB

However, due to the limited effectiveness of the BSEC in the field of energy in general, its impact on the Turkish energy sector has so far stayed quite limited. Besides, although among BSEC members, Turkey is a leading country in the field of energy and encourages energy cooperation in the framework of the organization, Ankara does not consider the BSEC as one of main organizations that could help it enhance its energy security. Turkey only shows increased interests in the Black Sea policies if any other big power intensifies its presence in the region, particularly through energy projects.<sup>59</sup> Furthermore, despite the



The Foreign Ministers of Turkey (2<sup>nd</sup> L), Azerbaijan (3<sup>rd</sup> L), and Russia (3<sup>rd</sup> R) in a ministerial meeting of the Organization of the Black Sea Economic Cooperation (BSEC). Alexander Shcherbak. TASS / Getty Images

fact that Turkey pushes for increased cooperation among member states in the area of energy, its main priorities in the context of the BSEC are trade and transport rather than energy.

## Assessment and Conclusion

With the view of adopting an effective energy strategy and enhance its standing in the global energy arena, Turkey carries out an increasingly active energy diplomacy. In this regard, Turkey attaches importance to works of multinational (energy) organizations, including the BSEC. Ankara has a number of drivers for attending activities of the BSEC. First and foremost, it aims to enhance its energy security as the BSEC can help the country to acquire best practices, know-how, technology, and rules, which can allow Ankara to embrace a more effective national energy strategy. Besides, the BSEC provides the country with financial support for carrying out energy projects, which help it to further benefit from its indigenous energy resources. Secondly, Ankara seeks for strengthening capabilities of the national energy institutions via their active involvement in gatherings and activities of the BSEC. Thirdly, Turkey's active engagement in BSEC activities enhances the visibility and international standing of the country. Fourthly, during meetings of the BSEC, Ankara obtains the occasion of highlighting energy matters that are import-

ant for the country. Fifthly, energy collaboration in the context of the BSEC may occasionally provide Turkish (energy) firms with new markets for investment opportunities. Last but not least, activities of the BSEC allow Turkey to keep communication channels open and cooperate with member states even if it might sometimes have strained bilateral relations with some of

## **Activities of the BSEC allow Turkey to keep communication channels open and cooperate with member states even if it might sometimes have strained bilateral relations with some of these states**

these states. This was particularly important when Turkey and Russia had tense relations as Turkish forces downed a Russian jet on Turkey's border with Syria in 2015. After the crisis, the first contact between the two countries was made during a BSEC meeting. The Turkish Foreign Minister met his Russian counterpart on the sidelines of a BSEC foreign ministers meeting in the Russian resort of Sochi on July 1, 2016. This meeting was a significant step in the process of the restoration of friendly relations between the two countries after the crisis.<sup>60</sup> Thus, open communication channels in the context of the BSEC enabled Ankara and Moscow to maintain their contacts in spite of their strained bilateral relations. Therefore, bilateral contacts in the context of the BSEC might, to a certain degree, allow Turkey and other members to smoothen their clashing positions in energy and/or other issues and continue their energy partnership. Consequently, overall, Turkey's engagement with the BSEC has provided the country with important economic, political, and energy-related benefits.

On the other hand, Ankara also contributes to works of the BSEC through actively participating in and hosting events of the organization, supporting it financially and hosting its headquarter. Turkey also shares its best practices in the field of energy with member states.

Energy-related issues constitute one of the priorities of Ankara in its relationship with the BSEC, while other issues such as trade, transport, political and economic cooperation remain as Turkey's preferences in its ties with this organization. However, the BSEC does not have substantial effectiveness in the field of energy, thus its overall influence on the Turkish energy sector has stayed quite modest.

### **Recommendations**

In spite of its restrictions and shortcomings, the BSEC has so far stayed as the most inclusive scheme of cooperation having been designed in the region.<sup>61</sup> In order to augment the efficacy of the BSEC, the organization needs to establish a stronger sense of common goal among its members, to make member

## **Only if the BSEC is not hindered by procedural debates and administers the principles of good governance in its internal operation, can it be a reliable actor in fostering prosperity and stability in the region**

and this makes it difficult to implement projects and achieve the goals of the organization. Thus, a new delegation of powers in the statutory bodies of the BSEC is necessary because the BSEC has set off to become more project-oriented.<sup>63</sup> Furthermore, effective and reliable decision making will strengthen the organization to enhance collaboration in concrete areas, where its action is still anaemic. Additionally, only if the BSEC is not hindered by procedural debates and administers the principles of good governance in its internal operation, can it be a reliable actor in fostering prosperity and stability in the region.<sup>64</sup> Moreover, it is significant to consider seriously the substantial increase of the BSEC operational budget in a multi-annual perspective on the basis of proportional contributions and to actively look for other sources of financing, including public-private partnerships.<sup>65</sup>

The BSEC can and has to be a means for increasing collaboration in the field of energy. Energy-rich countries, member states, main industrial economies, and multinational firms will need to combine their forces for the realization of energy projects in the framework of the BSEC. This will be a key, important investment towards lasting security and stability in the region.<sup>66</sup> The organization also has to focus the undertakings of the related ministerial meetings and working groups on those energy projects or area of common interest which can best profit from a trans-national, regional attitude and can result in considerable consequences within a rational time frame in terms of economic rationality, cost-effectiveness, and accordance with accepted environmental standards.<sup>67</sup>

The more the BSEC becomes an effective and powerful organization, the more Turkey can benefit from and support the organization. A more efficient BSEC can provide considerable and meaningful contribution not only to Turkey but also to the whole region and international community. Such a BSEC could boost stability, peace, and economic development in the region and enable the realization of concrete beneficial projects in all areas including energy. Of course, this would be helpful and significant for Turkey in general and for its energy sector in particular. ■

countries consider that they have an interest in the organization. To succeed in establishing a unity of goals among member states, the BSEC has to concentrate its work on those fields where it has comparative advantages and where multilateral collaboration can provide added value.<sup>62</sup> Besides, as stated above, the decision making process of the organization has been problematic

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