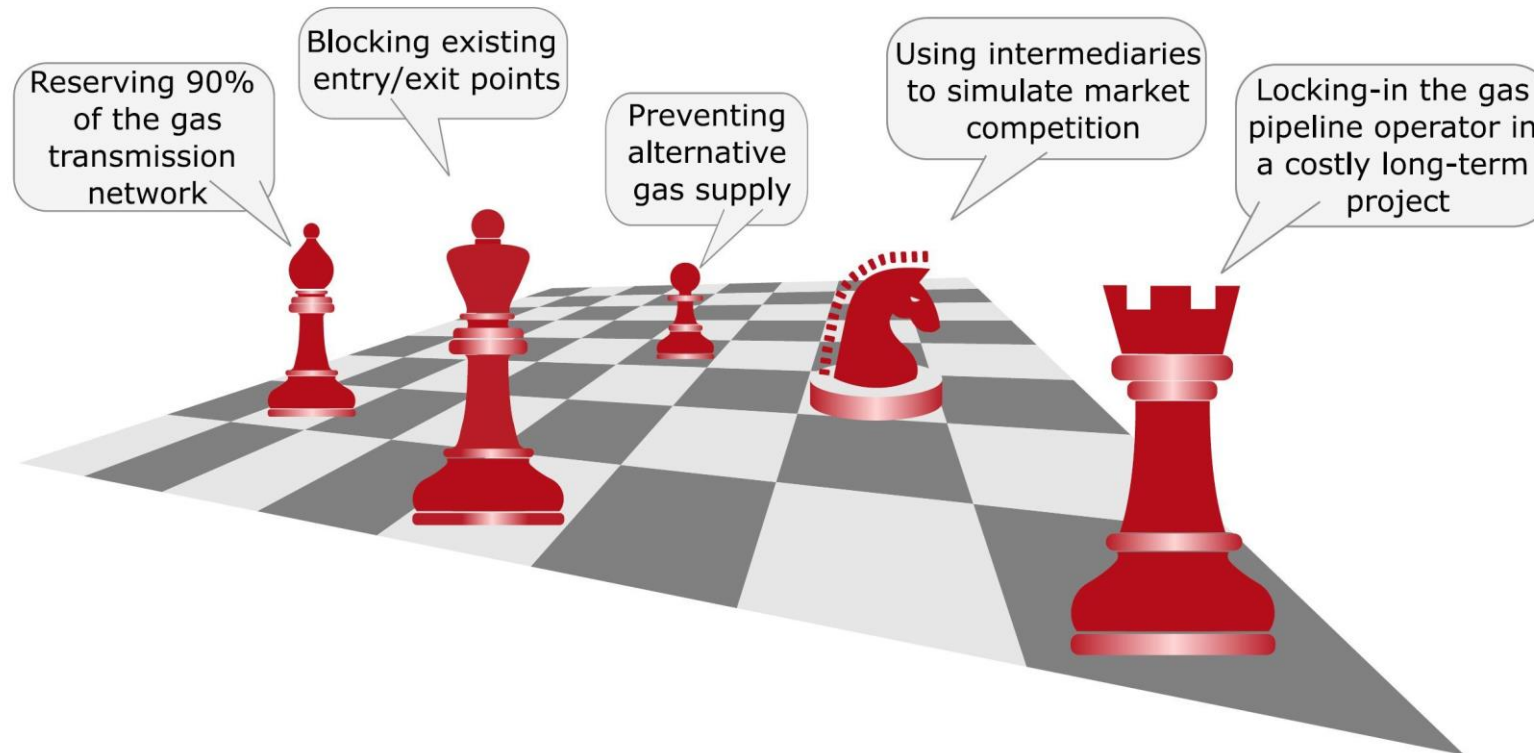


State Capture Redux: TurkStream and the Russian Economic Influence in Southeast Europe

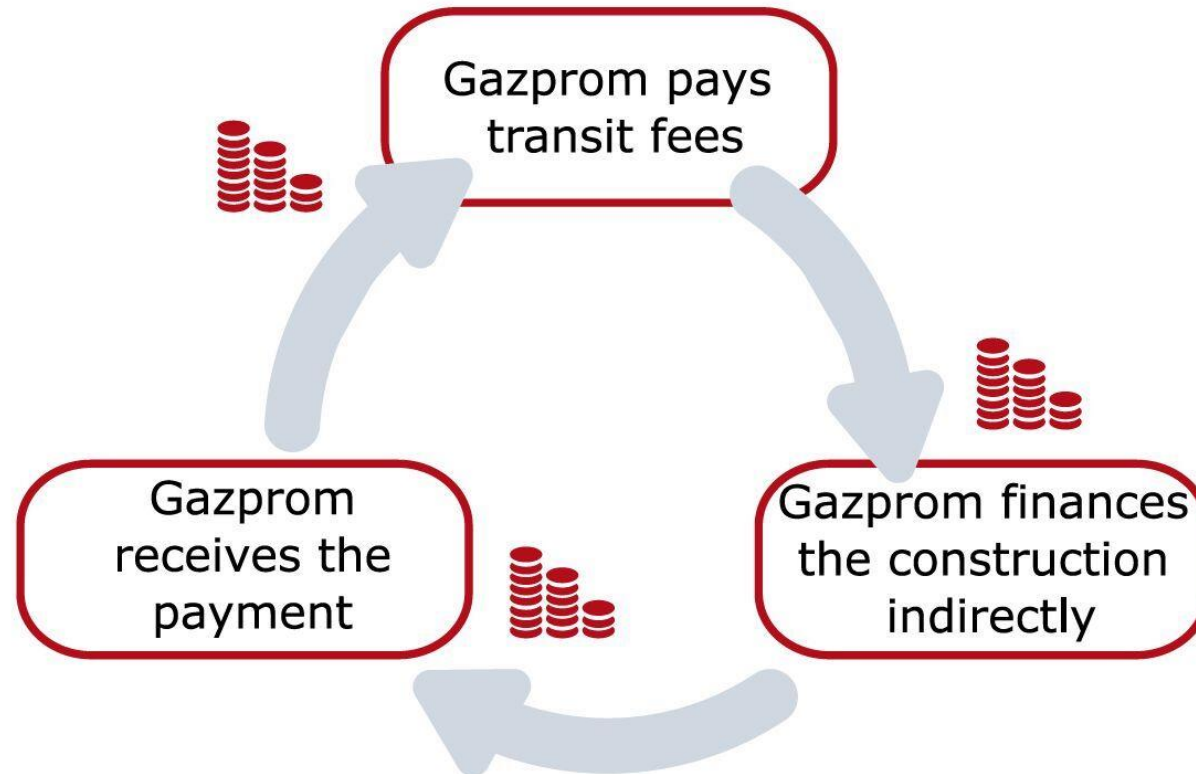
Martin Vladimirov
Senior Analyst
Economic Program
Sofia, 16 December, 2020 г.

Gazprom Strategy for Market Dominance in CEE



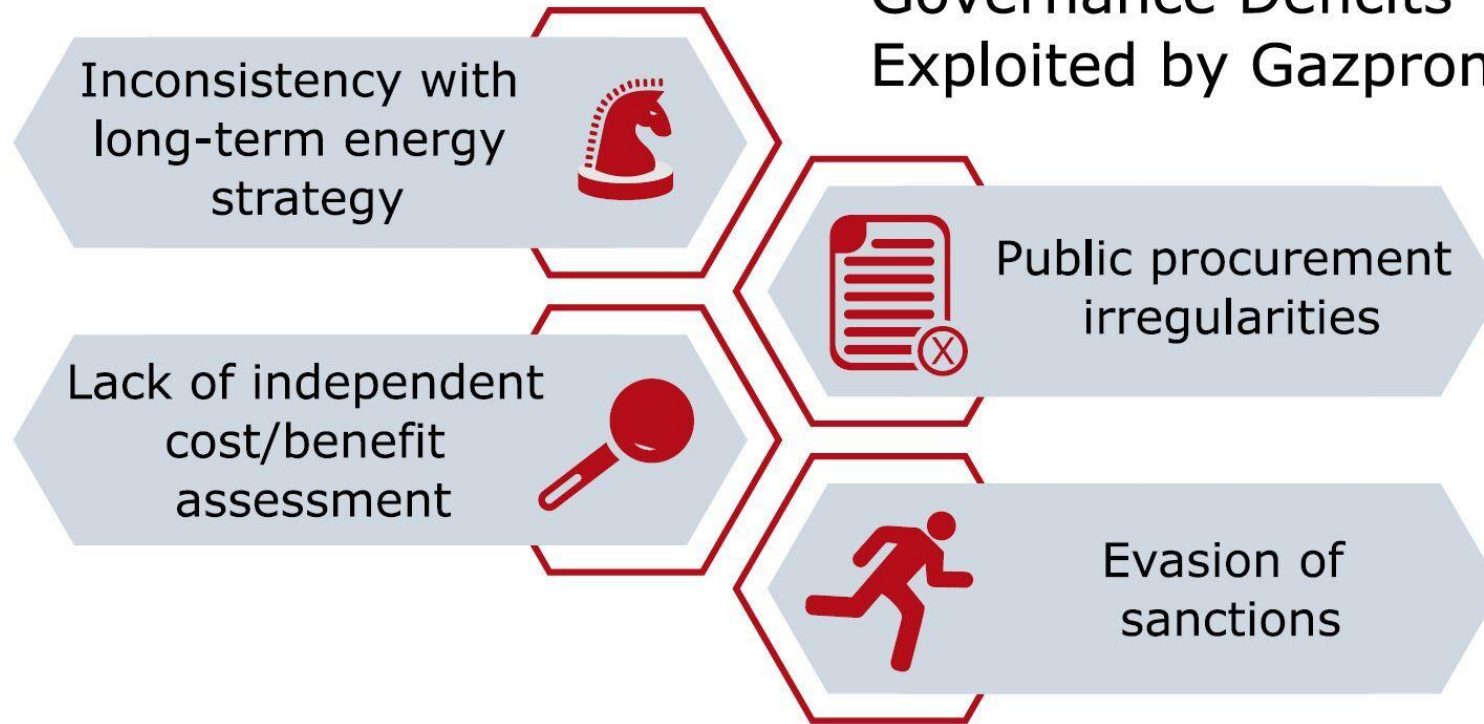
Source: CSD

Gazprom: full control of the pipeline



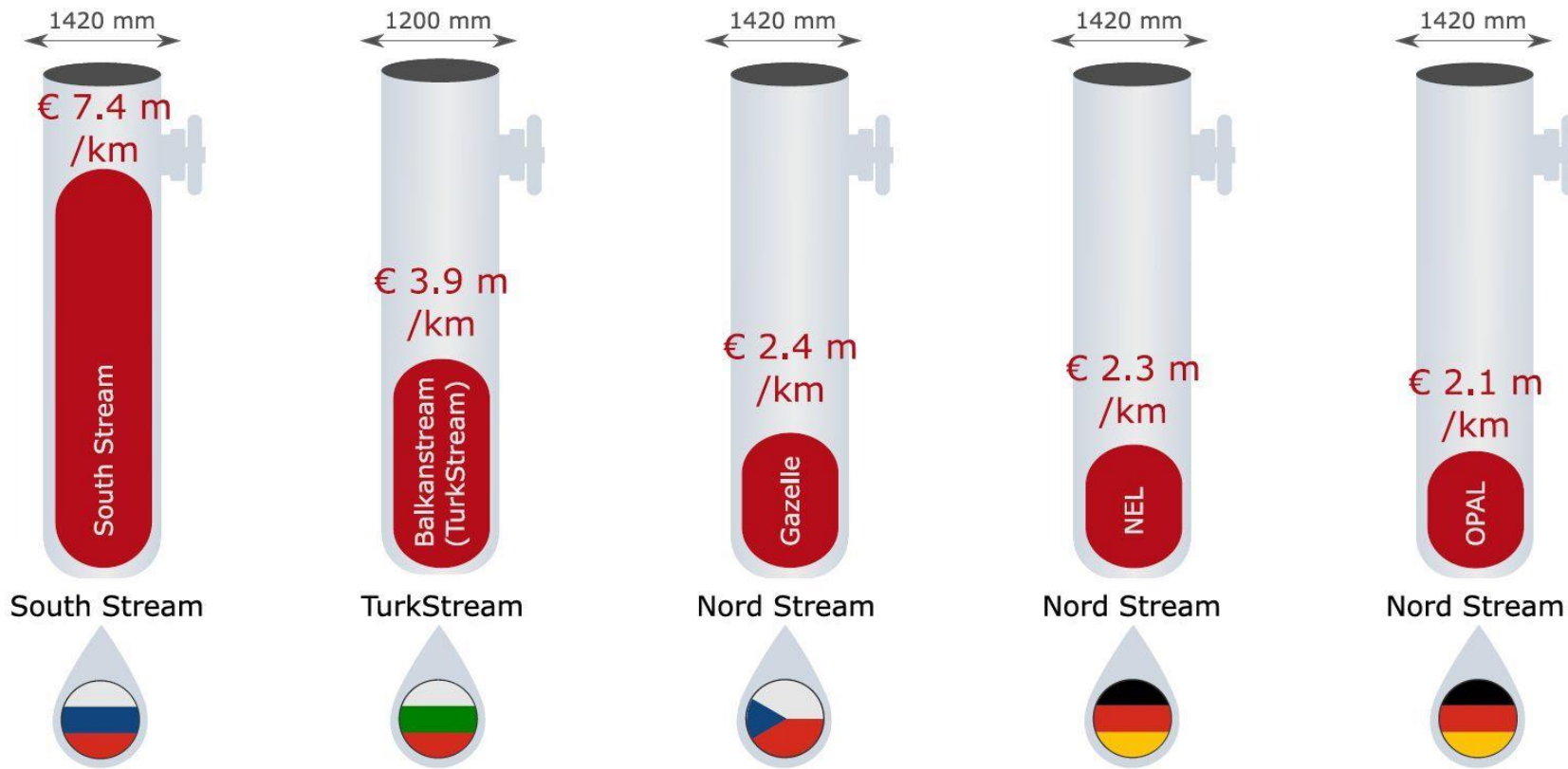
Source: CSD

Governance Deficits Exploited by Gazprom



Source: CSD

Comparative Pipeline Costs for Similar Projects



Source: CSD

What's Next?

- Benefits from the project accrue to the Russian side with all the risks remaining with countries in the region
- A need for a more coherent response to limit Kremlin's influence
- EU support for regional gas security projects
- U.S. support for more viable gas market alternatives
- The Three Seas Initiative - an effective mechanism to attract more LNG imports in Europe
- EU and U.S. should assist Gazprom long-term contract renegotiation

Thank you!
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