

## Global Hot Topics

## Syria: Pipeline wars

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Proxy warring parties in Syria do not only divided into pro-Assad and anti-Assad camps. They are also the advocates of separate pipeline projects. Two different pipeline routes might dictate different geopolitical stances in Syria. The advocates of Qatar-Turkey pipeline also fell into anti-Assad camp that supports the rebels fighting against the Syrian regime. The advocates of Iran-Iraq-Syria pipeline (also known as Islamic pipeline), however, are the ones that are fighting in the name of Assad regime, except Iraqi government. Nonetheless, Iraq is discussing to accept Russian military support in its fight against ISIS. More Russian involvement in the country should be expected. All in all, the major power involvement in Syria has also a political economy dimension and we will try to shed light on it.

## Approximate Routes of Pipelines

Source: BP, Gazprom and BBVA Research



## To have a pipeline, or not, that is the question

In 1989, Qatar and Iran began to develop the world's largest natural gas field: South Pars/North Dome field. Approximately one third of its reserves lie in Iranian part of the Persian Gulf and two-thirds in Qatari side. **Two different projects linked to South Pars/North Dome with competing geopolitical aspirations emerged before the Syrian Civil War:**

- **Qatar – Turkey Pipeline:** In 2009, Qatar offered a pipeline to sell gas to Europe via Saudi Arabia – Jordan – Syria and Turkey. The pipeline could feed Turkish market as well. There is an alternative route which includes S. Arabia, Kuwait, Iraq and Turkey. However, tough geography of Iraq and Turkey on the way and Turkey's ongoing fight against PKK in Iraqi border make this second alternative unfeasible. **The pipeline is still imperative for Turkey and Europe in reducing their dependence on Russia.**

However, it was said that Assad opposed the project due to Russia's concerns.

- **Iran – Iraq – Syria Pipeline:** Iran proposed a pipeline project in 2011 as a substitute to Qatar-Turkey pipeline. **Iran-Iraq-Syria pipeline would pump the natural gas out from South Pars/North Dome field via Iraq, Syria and Lebanon.** However, due to the Civil War in Syria the project had to be cancelled. The new paradigm in Syria could resurface the project in favor of Russian dominance in the world natural gas market and it could compete with the Southern Corridor (TANAP+TAP) whose works are more advanced.

## Russia fights in Syria also for its dominance in energy market

Russian involvement in the Civil War turned the tide against the anti-Assad camp not only in geopolitical terms but also in terms of energy projects. **It is now almost impossible to run a Qatari pipeline from Syria. There are two options for Russia who has an upper hand in Syria's pipeline wars. The latter is the most likely one:**

- **First, Russia could kill both pipeline projects at the same time with its military presence in Syrian territory and its patronage over Assad. On the one hand, Kremlin would consider Qatar-Turkey pipeline as a threat to Gazprom's market share.** Furthermore, the pipeline could drive more Gulf influence over Syrian politics that pro-Assad camp try to avoid so far. **On the other hand, Kremlin could perceive Iran-Iraq-Syria pipeline as another competing project to contain its market share, as well.**

- **Second, Russia could sponsor Iran-Iraq-Syria pipeline.** The Iranian gas would be exported to the rest of the world in one way or another. Therefore, as we have warned in our previous report ([Iraq: flirting with Russia?](#)) exporting it from Latakia or Tartus, where Russia has dense military deployments, would be welcomed by Moscow. By sponsoring the project that would benefit Syrian economy, **Russia could preserve its patronage in the state-building period, as well. Moreover, Russia could increase its influence over the Middle East via pipeline politics.**

- **Turkish Stream:** Kremlin's full support to Assad regime could also last in the aftermath of war and this would continue to create tension between Turkey and Russia. **Therefore, Turkey might choose to lean on alternative energy projects and Turkish Stream could be out of the agenda.**

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