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The Militarization of Energy: A Sustainable Challenge for the EU?

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INTRODUCTION: MILITARIZATION OF ENERGY

At the dawn of the 21st Century, energy security has rapidly reemerged as a major concern for industrialized countries' governments and citizens. After almost twenty years of stable energy prices and limited markets' volatility, the last decade has been characterized by specific political events (i.e. the recurring energy disputes between Russia and Ukraine or the war between Russia and Georgia) and long-term economic tendencies (i.e. the rise of global consumption dragged by China's and India's economic growth or the OPEC's decreasing spare capacity) which underscored increasing concerns about energy security.

Due to the strategic value of energy availability in ensuring nations' political stability, economic growth, social well-being and military security, feelings of vulnerability increasingly permeate security concepts and academic debates over energy security, fuelling a hard-power approach.¹ The militarization of energy, the recourse to military capabilities to accede, control and manage energy resources, both in upstream and downstream activities, therefore seems to be one of the most alarming prospects facing international systems today.²

Such an approach is not completely new, as the United States has shown with its long-standing experience in using military force to secure continued access to overseas energy supplies, in particular in the Persian Gulf³, nowadays other global actors intend to follow the path tread by Washington.⁴ China, Russia and even NATO have started elaborating specific strategies and developing capabilities in order to guarantee the security of energy flows through military means.

In the same period the European Union (EU), aware of the growing relevance of energy management, has started coping with the matter by attempting to establish a coherent energy agenda and policy. In 2007, though thwarted by the persistent national interests of Members States, Brussels set up its first energy strategic document, which was mainly aimed at dealing with economic, commercial and technical aspects related to energy.⁵ In 2008, however, and especially as a result of the attritions in the energy relationship

¹ Michael Klare, *Resource Wars: The New Landscape of Global Conflict*, Henry Holt and Company, 2001.

² Daniel Moran and James A. Russell, *The Militarization of Energy Security*, Strategic Insights, Vol. VII, Issue 1, 2008.

³ The US-Saudi Arabia agreement (1945), the Iranian coup and the Shah's restoration to power (1953) and the war against Iraq (1991) can be all seen as proves of the US hard-security commitments in the region.

⁴ Daniel Yergin, *The Prize: The Epic Quest for Oil, Money & Power*, Free Press, 2008.

⁵ European Commission, *An Energy Policy for Europe*, 2007.

with Russia, the EU included energy security among its *Global Challenges and Key Threats* in the Report on the Implementation of the European Security Strategy “*Providing Security in a Changing World*”.⁶ Without prefiguring any direct military implication, the document provided for the first time the energy issue with a strong security connotation, and paved the way for a debate over the recourse to Common Security and Defence Policy's (CSDP) tools to ensure the “correct” functioning of energy activities.

This paper examines the current energy challenges *vis-à-vis* the EU, paying attention not only to largely debated politico-strategic aspects,⁷ but also to economic, commercial and technical conditions which characterize the management of energy resources within the EU.⁸ The paper discusses which role the EU may play in enhancing Member States' energy security. First, evaluating whether the recourse to military means can provide an added value in answering the EU's mid and long-term energy challenges. Second, assessing the EU's effective capacity to establish and sustain common CSDP schemes to perform such a role. Finally the paper identifies which non-military practices the EU could alternatively develop in order to manage energy resources and enhance security.

⁶ European Union, *European Security Strategy – Providing Security in a Changing World*, 2003.

⁷ Michael T. Klare, *The New Geopolitics of Energy*, *The Nation*, 2008.

⁸ Noel, Pierre, *Challenging the Myths of Energy Security*, *Financial Times*, 11 January 2008.

THE EU DEPENDENCE ON FOREIGN OIL AND GAS RESOURCES

Europe is one of the most vulnerable regions in the World in terms of dependence on foreign energy supplies. In 2009 European countries consumed 14.1 million barrels per day (mbd) of oil, and 460 billion cubic meters (Bcm) of natural gas: most of them imported from external suppliers.⁹

The only relevant oil producer in the EU is the UK, and in 2009 imports from non-EU countries amounted to 11.4 mbd, representing roughly 80.5% of the total consumption. Historically, Russia is the main foreign oil supplier (28.8% of the total in 2009), followed by Norway (14.8%), Libya (9.3%), Kazakhstan (6%), Saudi Arabia (5.4%), Nigeria (4.5%), Iran (4.1%), Azerbaijan (3.8%) and Iraq (3.6%). A plethora of other minor suppliers integrated the total imports.¹⁰

As far as natural gas is concerned, the European reliance on external sources is slightly less marked, as the Netherlands and UK largely contribute to reach an EU internal production of 171.2 Bcm. In 2008 imports amounted to 63% of the total consumption, with Russia indisputably the main foreign gas supplier providing around 40% of EU's total imports. Norway (28%), Algeria (17%) and Nigeria (5%) complete the list of major suppliers.¹¹

Future forecasts are even more evident: by 2030 the EU is expected to import 70% of its energy consumption. Overall external dependency is expected to reach 90% in the case of the oil, and 80% in the case of gas. Moreover, while the oil sources will remain partly diversified, in 2030 over 60% of EU gas imports are expected to come from Russia.¹²

⁹ BP, *Statistical Review of World Energy*, 2010.

¹⁰ European Commission – Directorate General for Energy, *Registration of Crude Oil Imports and Deliveries in the European Union*, 2010.

¹¹ European Commission – Directorate General for Energy, *Europe's Energy Position – Market and Supply*, 2010.

¹² European Commission, *An Energy Policy for Europe*, 2007.

SECURITY OF SUPPLIES

Does the manifest dependence from oil and gas imports represent a real threat for the EU security of supply? *Per se*, no, at least not due to political causes. In fact, the European security of supply, defined as the availability of affordable, reliable, diverse and ample supply of oil and gas (and their equivalents) at relatively stable and reasonable prices in the short, medium and long term, as well as the availability of an adequate infrastructure to deliver these supplies to the market¹³, does not seem to be vitally endangered by political and strategic dynamics.

The supply of European supplies is currently based on market rules. Particularly in the case of oil, where the market is global, quantities and prices are governed by World demand and supply mechanisms rather than by any national posture. Acting as a cartel, OPEC is of course able to influence oil quantities available on the global market and to maintain prices basically stable. However, the presence of other producers able to supply the market permits the EU demand to be satisfied.¹⁴

Moreover, despite producing-countries, and OPEC in particular, are commonly considered an oil monolith, national interests, political rivalries and economic objectives shape their behaviours on oil markets. During its history OPEC experienced several internal clashes over production quotas: its members often broke with the internal discipline in the attempt to export higher quantities of oil to the global and increase oil revenues.¹⁵

A deeper analysis of oil producing-countries' features shows that the recurrent emphasis on the industrialized countries' dependence on oil imports is often accompanied by a general underestimation of the remarkable producers' reliance on their oil exports. Indeed, oil trade represent around 80% of the OPEC members' total exports.¹⁶ This figure clearly demonstrates how energy represents a key strategic asset also for exporters' countries: a significant contraction of the global demand, as well as a major disruption of

¹³ Jan H. Kalicki and David L. Goldwyn (Eds.), *Energy & Security: Towards a New Foreign Policy Strategy*, Woodrow Wilson Center Press, 2005.

¹⁴ For instance, in 2009 supplies from OPEC countries accounted for 32% of the total European imports, while three out of the EU's four major oil suppliers were not OPEC members (namely Russia, Norway and Kazakhstan), and provided almost 40% of the EU's total imports.

¹⁵ Nowadays, for example, Iraq's posture and the increasing competition with Iran to become the second oil producer within the cartel, poses a significant threat to the OPEC's ability to limit world oil supply and to keep prices relatively high and stable.

¹⁶ In Saudi Arabia and Iran, for instance, oil and gas revenues account respectively for 90% and 80% of the total exports. Also in Russia, the major non-OPEC supplier, the energy sector accounts for 65% of total export revenues.

energy flows to the markets, would highly undermine the economic and socio-political stability of these countries.

Therefore, due to such high degrees of energy interdependence, stable prices and secure markets conditions emerge as the main objectives of both consumers and producers. Under these circumstances, any individual attempt to make an exaggerated political use of oil by halting or reducing supplies to the market, would probably affect its promoter as well as the importing countries.

At present, major energy security concerns result from the increasing competition of new energy-hungry countries. In a situation of presumed energy scarcity¹⁷, China and India's growing appetites for oil and gas clearly represents a challenge for the security of EU supplies. However, such potential confrontation has a relevant economic and technological nature. In fact, in a potential situation of scarcity, the allocation of energy resources will be also determined by each country's economic capacity to sustain rising prices or to adapt, developing new energy sources and introducing technological measures aimed at reducing their economies' energy-intensity. China's mercantilist approach to energy, implemented through ambitious bilateral initiatives in oil-rich countries, suggested that Beijing was not minded to play by the global market rules. However, Chinese energy firms' participation in international oil tenders, as well as the rising collaboration with independent international companies such as BP and Royal Dutch Shell, can be considered a signal of a shift toward a market-based *modus operandi*.¹⁸

Unlike oil, natural gas is not yet a global commodity. Most of the gas trade is still tied to fixed infrastructures, which require onerous and long-term investments. Because of a lack of adequate transportation, gas remains a regional commodity, preventing the establishment of a structured global spot market. In theory, the absence of such a market could undermine consumers' security in front of suppliers' political use of energy resources. This is, for instance, the mainstream perception of European policy makers and public opinion towards the long-running dispute over gas pricing and a transit tariff between Russia and Ukraine. Moscow, in fact, is often blamed for using gas leverage to divide the EU and increase its political power over the continent.¹⁹ Indeed, due to the gas market rigidity, should Russia block its deliveries to the EU, most of the Member States would not be able to replace them through

¹⁷ Although extremely interesting, the debate on energy resources, peak production and future scarcity, is not discussed in this paper.

¹⁸ Stephen Galan, *China's New Free-Market Energy Policies*, Foreign Policy, February 2010.

other spot supply. However, transports rigidity applies also to exporters: an interruption of its European supplies would mean for Russia the suspension of the large majority of its export and of a drastic reduction of its revenues. Interdependence, once again, seems the *leit motiv* which mostly marks international energy relation.

Such rigidity has also another effect: as transport infrastructure requires huge long-term investments, international supplies are regulated by multi-year contracts which have the effect of keeping prices and market stable.²⁰ However, improvements in liquefied natural gas (LNG) technologies are leading to a fast-paced growth in LNG global production and trade, and might radically modify such a situation.²¹ LNG diffusion might indeed create a global spot market, very similar to that of oil, allowing gas to be traded and economically transported across the world's oceans in large ships. This would have the effect of reducing the risks tied to disruptions or cut of supplies but, as well, it would make prices and markets volatile and increasingly subject to demand-supply dynamics and to investor speculations. As the overdependence on Russian gas imports is perceived as one of the key threats to Europe's security of supply, LNG market expansion would allow the EU's Member State to diversify their imports, acceding to huge Qatar, Trinidad & Tobago, Australia, Indonesia and Malaysia's resources which are today barely available in the European market.²²

¹⁹ Zeyno Baran, [EU Energy Security: Time to End Russian Leverage](#), *The Washington Quarterly*, Autumn 2007.

²⁰ For instance, the vast majority of Russian natural gas is sold in the EU on long-term 20/25 year contracts.

²¹ In addition to this, the emergence of shale gas could dramatically augment natural gas resources available on the markets, acting as an effective game changer for future international energy relations.

EMERGING “HARD-SECURITY” THREATS

Despite the well-established market mechanisms which currently assure the EU reliable energy supplies, the growing strategic relevance of energy is fuelling a series of “hard-security” concerns. The shift towards “hard-security” practices might significantly alter the global market's dynamics, affecting (negatively) the European capacity of getting needed energy supplies from the free-market.

The EU and its Member States are not necessarily the direct target of these threats, which can also emerge from rifts and rivalries between suppliers, from internal instability in exporting countries, and from international activities of non-State actors.

Access to disputed resources

As it is clear that oil and natural gas are finite commodities, and peak oil theories are making their way in announcing early energy shortcomings, resource scarcity is perceived as an issue of utmost importance in the public energy debate. To cope with this scarcity, direct access to new, unexploited oil and gas reserves becomes crucial.

In the last decades we have seldom witnessed the use of military power to (try to) acquire contested resources. This is, for instance, the case of the Iraq Iran War which, according to some, was initiated by Saddam Hussein with the intent of gaining control over Iran's oil-rich border province of Khuzistan.²³ As well, Iraq's invasion of Kuwait in 1990 is generally explained as a move by the Hussein regime to control the huge oil resources of the disputed Rumaila oilfield on the border between the two countries.

Because of the substantial agreement on the definition of the land border, these disputes are unlikely to represent a major source of conflict. However, as one quarter to one third of the World's oil and gas reserves are believed to lie offshore, and the definition of maritime boundaries results undoubtedly more complex and challenging, offshore oil and gas reserves are likely to become the real objective of future international competition. Naval skirmishes in disputed maritime areas are rapidly increasing, though none of them, up to now, have resulted in armed conflict. The South Chinese Sea, the East Chinese Sea and the Caspian Sea are the main hot spots, though competition is increasing in Latin America and the Gulf of Mexico's waters.

²³ Anthony H. Cordesman and Abraham R. Wagner, *The Lessons of Modern War – Vol. II: The Iran-Iraq War*, Westview Press, 1990.

The Arctic, due to its high resources potential and the presence of major military powers (i.e. the US, Canada, and Russia), might also represent an area of increasing instability.²⁴

At present the issue do not represent a direct threat to the security of European supplies, even though future disputes over the status of the Arctic might involve Denmark, a Member State of the EU. The real concern over these disputes is that they actually risk slowing down the exploration of contested areas and the development of new resources, contributing to the tightening of the global energy market.

Security of sea lanes

Nowadays, approximately two-thirds of the World's oil is traded by sea. The expected growth of LNG transfers will increase the amount of energy resources transported this way. Therefore, it is evident that the level of physical security of these transfers would largely affect the producers' capacity of supplying the markets. Different typologies of seaborne attacks can produce different effects on the EU's security of supply.

The most severe is probably a prolonged military blockade of key ports or transit straits (i.e. Bab el-Mandeb, Hormuz, Malacca). This kind of activity may drastically affect the correct functioning of the markets: for instance, the protracted interruption of the oil and gas cargoes' passage through a key spot such as the Strait of Hormuz would halt roughly 40% of the global oil trade. Despite its potentially alarming effects, nowadays a complex State-run military blockade still appear unlikely to be implemented and sustained.

On the contrary, non-state actors are increasingly active in the maritime scene. Pirates and international terrorists²⁵, today represent the most tangible threats to the World's oil and gas trade. However, despite the great emphasis posed on energy security risks related pirates' attacks to oil and gas cargoes, these activities actually represent more a challenge to the international security *tout court*, than a real threat to the security of global oil and gas supplies. In fact, even the most spectacular and well prepared pirate attack against energy shipments cannot effectively affect the amount of oil and gas globally traded. Today, a total of 4,000 oil tankers are estimated to sail in the World's seas, and it is highly unlikely that pirates may be able to assault and

²⁴ Donna J. Nincic, *Troubled Waters*, in Gal Luft and Anne Korin (Eds.), *Energy Security Challenges in the 21st Century*, ABC-CLIO, 2009.

²⁵ The international terrorist threat will be analysed separately, in a following part of the paragraph.

capture as enough of them to cause an energy shortage in the global market. Rather, pirates' incursions against cargoes may have devastating impacts on the maritime environment, or also indirect effects on the commodities prices, due to higher insurance costs over transports.

Rebels, insurgencies and regional conflicts

As the search for energy diversification is leading towards regions of higher political instability and greater vulnerability to conflict²⁶ (i.e. Nigeria, Sudan, Ethiopia, Angola and Indonesia), the oil and gas markets' functioning is increasingly affected by internal political dynamics which characterize volatile producing States and regions. In these countries, energy resources are generally used by ruling elites to maintain domestic power and to fight insurgents. The latter, either rebel groups, separatists movements, ethnic or religious minorities, increasingly target national oil and gas facilities and infrastructure in order to undermine the government's stability and its control over the country.

Therefore, among the various ominous outcomes domestic conflicts generally produce (victims, refugees, migration, famines, arms trade), there is also the risk that attacks on energy facilities may strongly affect producing-countries' capacity to deliver the expected amount of energy resources to the markets. Often, as the internal situation escalates, rebels start attacking assets and personnel of the international companies energy companies, blamed of supporting elites iniquitous policies through their new imperialist schemes. This situation thus forces foreign companies to carefully consider the possibility of investing in these countries, slowing down the development of new resources and undermining the consolidation of a fully diversified market.

In particular, failed States represent a huge challenge to the stability of the oil and gas markets. Political power vacuums, anarchy and uncontrolled violence may lead to the overall suspension of exploration, extraction and production activities. In the case of key energy suppliers, this situation may determine a significant reduction of the global output and a prolonged resource scarcity in the markets, producing subsequent effects on the European capacity of leveraging resources necessary to meet energy demand.

²⁶ Andrew Monaghan, *NATO and Energy Security after the Strasbourg – Kehl Meeting*, NATO Defense College, 2009.

The threat of international terrorism

The rise of international terrorism is considered one of the major threats to the security and stability of oil and gas supplies. The issue is treated separately from violent attacks to energy facilities which characterize internal insurgencies and regional conflicts, as international energy terrorism is believed to aim at hitting those economies highly dependent oil and gas, and not at fighting producing countries' regimes and political elites.

The 9/11 attacks against the US showed that the new terrorists have an increased capacity for striking vital targets in Western societies. Oil and gas facilities and infrastructure²⁷ represent potential targets for any terrorist group interested in undermining the energy security of industrialized countries. Of course, both the level of vulnerability and the effects on the security of supplies vary according to the target considered. Thousand-kilometres-long pipelines, for instance, are vulnerable to terrorist attacks, but, at the same time, are easy to be repaired. On the contrary, successful attacks to large oil terminals or processing centres, though extremely difficult to be carried out, would probably have dramatic effects over the stability of global oil supplies.²⁸

Up to now, international terrorist groups have not yet engineered any relevant attacks against energy facilities on Western countries' soil. Though each of the EU Member States houses important energy assets, oil and gas infrastructure located in volatile producing and transit regions remain terrorists' favourite targets. In several cases, however, internal rivalries and political interests seem to be at the basis of these violent activities more than any anti-Western goal. The current situation does not mean that European energy facilities do not represent potential targets to international terrorists, but it highlights that an attack in turmoil zones is likely to be more successful and cost-effective than one implemented in the EU.

International terrorism remains a key issue for EU energy security. However, the relevance of the menace is due more to the impact that terrorist attacks may have on the continuity of security of supplies towards the European markets, than to a real physical threat to Members States' assets.

²⁷ These may include oil and gas fields, wells, platforms, pipelines, pumping stations, refineries, terminal, depots and tankers.

²⁸ A successful attack to the Saudi Abqaiq oil-processing facility, the single largest and most heavily secured energy infrastructure on the planet, would knock 10 to 11% of the World oil production.

MILITARISING ENERGY?

In 1980, after the invasion of Afghanistan by the Soviet Union, the then US President Jimmy Carter announced in his State of the Union Address that:

“an attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force.”

Today, 30 years after the announcement of the Carter Doctrine, the use of military coercion by industrialized countries for obtaining access to energy resources seems still in vogue. American pundits such as Moran, Russell and Klare repeatedly underline the likely break up of large-scale resource wars.²⁹ These could be fought either by an oil-thirsty industrial country attacking a weak oil producing country to solve a looming problem of resource scarcity, or, between consuming countries concerned about access to oil and gas supplies and increasingly inclined to ensure safe access and direct control of overseas energy resources through military means.

Although the paper stresses that secure oil and gas supplies can still be assured through the mechanisms of the free market, and that the recourse to coercive actions to ensure access to energy resources represents a hyper-pessimist and unlikely scenario³⁰, the previous paragraph shows that:

- Key “hard-security” concerns may affect the global management of oil and gas resources;
- military measures may be mobilized to cope with some of the emerging energy security challenges.

As far as the *access to disputed resources* is concerned, military means are likely to be used by contending nations to assert their commitment in defending territorial interests. Because of the difficulties in defining maritime borders, potential naval skirmishes and bullish behaviours in energy-rich disputes zone may become more frequent. The Chinese Navy's rapid expansion is commonly seen as the main evidence of such increasing military competition.

However, the utility of seizing oil and gas resource using military force can be easily disputed, *since the cost involved in replacing the inevitable damage*

²⁹ Michael T. Klare, 2001; Daniel Moran and James A. Russell, 2008.

³⁰ David G. Victor, *What Resource Wars?*, *The National Interest*, November 2007.

[from any conflict,] *and protecting the seized territory outweighs the benefits that could be gained by conquest.*³¹ Even in a situation of enduring resource scarcity, relying on reserves obtained and maintained by military means would represent a suboptimal solution, and should encourage consumer countries to count on market mechanisms and more cooperative approaches.

Military intervention may also become a necessary tool to ensure the *security of energy trade through straits and sea lanes*. This is not a new task, and the increasing relevance of energy maritime transport may have the outcome of reinforcing military cooperation and joint international activities aimed at promoting the global fight against piracy. In these circumstances, energy security would not be considered a zero-sum struggle: shared interests among consuming and producing countries may provide common ground for increased military burden-sharing within the international community to ensure secure delivery of oil and gas resources around the globe. The situation of the Gulf of Aden is a case in point, as all the World's main powers (US, China, Russia, India and Japan, as well as NATO and the EU) are currently involved in ensuring the regular transit of commercial vessels against pirates' attacks.

As stressed above, piracy *per se* represents more a general threat to global security than a specific challenge to the stability of oil and gas supplies and markets: undeniably, mounting energy security concerns are favouring the establishment of a rapid and decided international military reaction.

Global powers may be tempted to use their military means to stabilize energy-rich countries and regions plagued by *internal conflict and political disorder*, either offering military assistance or providing protection with their own forces to tottering regimes. In the worst case scenario, they may be requested to undertake direct military activities aimed at overcoming threats to the regular flow of oil and natural gas.

The US is believed to have adopted such an approach first (during the Cold War) in the Middle East, and then in other regions such as the Caspian basin and West Africa. As well, China is developing military-ties in Africa and in Central Asia. However, both the American and Chinese activities abroad are almost exclusively based on government-to-government deliveries of arms and on military support services, such as education and training programs. Direct military involvement in the protection of producers' energy assets is

³¹ Christofer J. Fettweis, *No Blood for Oil: Why Resource Wars are Obsolete*, in Gal Luft and Anne Korin (Eds.), *Energy Security Challenges in the 21st Century*.

currently rare due to its high costs and its likely inefficiency, risking only to jeopardize already volatile situations.

The growing recourse to private force to secure energy facilities is another interesting aspect. Private Security Companies (PSCs) are increasingly involved in the protection of oil and gas infrastructure, in particular when these are owned or operated by foreign energy corporations. PSCs assure levels of competence and efficiency higher than the majority of host countries' security forces, and generally avoid risks related to the presence of foreign armies' boots on oil-producers' soil.

As previously noted, *international terrorism* threats to energy security are deeply connected with piracy and regional conflicts: the use of military force against international energy terrorists in producing and transit regions is therefore very similar to the two previous situations.

On the contrary, the terrorist threat towards industrial countries' energy assets deserves further investigation, as governments consider energy assets as a key part of the national critical infrastructure and are increasingly committed in ensuring adequate levels of protection. However, larger portions of energy installations are managed and controlled by civilian corporations and contractors: they rely upon the assistance of national police forces and private security personnel to secure the correct functioning of the energy infrastructure and its protection against terrorist or criminal threats. All this considered, the role of armed forces appears rather limited and complementary, focused in particular on the protection of those military strategic assets heritage of the Cold War security concerns (i.e. the NATO-operated Central European Pipeline System).

WHAT ROLE FOR THE EU?

According to the provisions of the Treaty of Lisbon, the European Common Security and Defence Policy (CSDP), the operational arm of the EU's Common Foreign and Security Policy (CFSP), shall:

*provide the Union with an operational capacity drawing on civilian and military assets. The Union may use them on missions outside the Union for peace-keeping, conflict prevention and strengthening international security in accordance with the principles of the United Nations Charter. [These missions] shall include joint disarmament operations, humanitarian and rescue tasks, military advice and assistance tasks, conflict prevention and peace-keeping tasks, tasks of combat forces in crisis management, including peace-making and post-conflict stabilisation. All these tasks may contribute to the fight against terrorism, including by supporting third countries in combating terrorism in their territories.*³²

From a legal point of view, therefore, the EU seems well equipped to tackle some of the energy “hard-security” threats identified above. The sustainability of any CSDP efforts, however, has to be evaluated:

- on the basis of the effectiveness of the EU military activity, both in terms of political will and capabilities, and
- taking into account potential coordination between national governments and other international organisations.

As far as the use of military means to secure *access to disputed resources* is concerned, we have clearly assessed that coercion will simply not be the answer to EU's mid and long-term energy security challenges, and the Treaty does not provide legal basis interventions in this sense. In any case, access to disputed resources does not represent a real priority for EU countries, as only one of them, Denmark, may be potentially involved in disputes over resources in the Arctic. These disputes might concern also the US, Canada and Norway, three NATO members, and Russia: for this reason, it seems that the transatlantic forum (alongside with bilateral talks) may provide effective solution to such concerns much more than the any EU-CDSP initiative.

The *protection of sea lanes*, on the contrary, is already at the top of the EU's security agenda. In the context of the CSDP operation EUNAVFOR – Atalanta, the very first EU maritime operation, the Union contributes to

³² Consolidated Version of the Treaty on the European Union, Artt. 42 (1) and 43 (1).

international efforts to ensure the protection of vessels cruising off the Somali coast, preventing and repressing acts of piracy and armed robbery in the region. Although EUNAVFOR is not expressly aimed at defending EU's sea-based energy security interests³³, the operation shows the Union's increasing political interests in taking part to joint international anti-piracy efforts. At present, eight EU Member States (Italy, Netherlands, Germany, France, Spain, Belgium, Luxemburg and Greece) permanently operate in theatre, providing 12 ships and various patrol aircrafts.

Will these States be available to adopt a broader maritime security approach in the CSDP framework, extending their contribution to enhance security in other energy hot spots such as the Strait of Hormuz or the West African coast? Consistent defence budgets' cuts are likely to make further European military commitments quite improbable. In addition, the new NATO Strategic Concept is likely to commit the Alliance in ensuring stable maritime energy flows.³⁴ European members of both institutions, therefore, may find convenient avoiding useless duplications of efforts, and may opt to put in NATO's hands the military protection of energy sea-lanes.

Undertaking various CSDP missions and operations abroad, in the last decade the EU has effectively become an international security actor. The Balkans and the African continent are the main targets of the European efforts, but European security forces have been sent also in remote spots such as Afghanistan, Indonesia and Iraq. Although the large majority of these missions are civilian ones, in some cases (Bosnia-Herzegovina, FYROM, Chad, Congo, Somalia and Sudan) European troops have been deployed to carry out stabilization, monitoring, protection and training activities.

In this contest, the EU has gained relevant experience in dealing with regimes plagued by *internal conflict and political disorder*. Largely focused on post-conflict tasks³⁵, the EU conducts its military activities in a cooperative inter-institutional framework which generally include relevant international organizations (the United Nations (UN), NATO and the African Union (AU)). In these circumstances, is rather unlikely to imagine the EU troops deployed abroad acting as combat forces to defend third countries' energy assets and

³³ The initial goal of the operation, activated in support of a series of UN Security Council Resolutions, was the protection of vessels of the WFP (World Food Programme) delivering food aid to displaced persons in Somalia.

³⁴ "Any substantial or sudden interruption of supplies to an Ally would be of concern, especially if the interruption were caused by the sabotage of energy infrastructure or by unlawful interference with maritime commerce. Such an occurrence, if prolonged, could lead to consultations under Article 4 of the North Atlantic Treaty and to a determination by the Allies of an appropriate response". Group of Experts, NATO 2020: Assured Security; Dynamic Engagement, 2010.

infrastructure (i.e. EU forces protecting the Baku-Tbilisi-Ceyhan oil pipeline in Georgia, or looking after the Forcados oil terminal in the Niger Delta). Any effort to protect foreign critical energy infrastructure from insurgents or terrorists' attacks has therefore to be included in a wider CSDP framework aimed at providing political stability to volatile countries and regions.³⁶

As stressed above, military are marginally involved in the protection of homeland energy infrastructure from *terrorist attacks*, providing in general limited logistic and surveillance support to national police forces and private security actors. In any case, any substantial intervention of military forces in anti-terrorism operation is carried out in national frameworks rather than in a European one.

Going beyond these consolidate practices, the Lisbon Treaty introduces new provisions that may enhance the EU capacity of intervening with military means in case of terrorist attacks (even against energy assets) on the European continent. According to these provisions, included in the so called "Solidarity Clause"³⁷, the Union and its Member States shall *act jointly in a spirit of solidarity, [with all the instruments at its disposal, including the military resources, in order to] prevent the terrorist threat in the territory of the Member State [and] to assist a Member State in its territory, at the request of its political authorities, in the event of a terrorist attack.*

Despite the EU's normative effort, is unlikely that Member States, which consider the protection of citizens as a national responsibility, will easily allow foreign military personnel to be deployed onto their territory. This clear tension between solidarity and sovereignty, therefore, poses several doubts about the future application of the clause to protect energy assets.³⁸

³⁵ "Regional conflicts need political solutions but military assets and effective policing may be needed in the post conflict phase", in European Union, *A Secure Europe in Better World*, 2003.

³⁶ According to the Lisbon Treaty's Art. 43, the CSDP efforts will be aimed at contributing "to the fight against terrorism, including by supporting third countries in combating terrorism in their territories".

³⁷ Art. 222, Treaty on the Functioning of the European Union.

³⁸ Nicolai von Ondarza and Roderick Parkes, *The EU in the Face of Disaster – Implementing the Lisbon Treaty Solidarity Clause*, German Institute for International and Security Affairs, 2010.

CONCLUSIONS

Despite the EU's energy security still largely depends on market mechanisms and commercial dynamics, a series of "hard-security" challenges are increasingly undermining the stability of European oil and gas supplies. Therefore, in certain, limited cases the recourse to military force may integrate traditional market-based mechanisms, strengthening the international capacity to tackle rising energy security threats.

Particularly after the introduction of the Lisbon Treaty, the EU has legal basis to activate military tools and capabilities to confront some of the identified challenges. However, its actual military role in enhancing security of supplies is likely to remain very limited, to be played in a broader political CFSP framework and in complementarity with other international organizations, NATO *in primis*.

The possibilities that EU may commit military resources to secure direct access to oil and gas supplies and to protect homeland critical energy infrastructure are, respectively, unreasonable and improbable. Rather, European military forces might be increasingly involved in maritime security operations to safeguard the transportation of energy resources and in stabilization missions in energy-producing countries plagued by political instability and internal conflicts.

In both cases any EU military intervention abroad is likely to be:

- part of broader political schemes, in which military interventions represent simply a small part of the EU effort;
- justified according to general security and stability goals rather than on punctual energy objectives.

However, the sustainability of any future European ambition will be conditioned by Member States' progressively shrinking defence budgets, forcing EU authorities and national governments to seek better coordination with NATO in order to avoid useless duplication of efforts and squandering of limited resources. The EU-NATO dialogue would have to establish which of the two organizations is effectively in better position to perform such tasks minimizing cost and maximizing possibilities of success.

In addition to the recourse to military means, the EU has at its disposal other relevant CFSP measures to strengthen its energy position and ensure stable

and reliable oil and gas supplies. Diplomatic dialogue and politico-economic cooperation with third countries has always been one of the cornerstones of the EU's foreign policy, and several of the key energy suppliers are already involved in regional or bilateral cooperation initiatives (i.e. Russia, Central Asia, Gulf countries, Africa). Building trust among energy partners is extremely important, but while the EU capacity of engaging them on general issues is rather successful, the lack of a strong European energy policy finally thwarts any attempt to deepen the dialogue on energy matters.

The absence of internal cohesion on energy issues should suggest the European decision-makers to focus their attention also on non-CSFP energy aspects.

The implementation of a common energy policy and the creation of a functioning internal energy market are clearly the first steps on which Brussels' activity should concentrate. A unique energy market, interconnecting national transmission systems among each other, in conjunction with the creation of EU's strategic oil and gas reserves, would reduce energy-related vulnerabilities for all 27 Member States.

Moreover, the EU may play a key role in the development of new energy technologies. As Research & Development (R&D) investments in the oil and gas sector are extremely low³⁹, the EU could increase its research efforts in a series of energy fields such as oil and gas extraction and production activities, improvement of LNG technologies, development of renewable and alternative energies and energy intensity reduction.

In conclusion, the EU has the possibility of committing itself in a series of initiatives aimed at strengthening the European position *vis-à-vis* energy security challenges. Thanks to its normative powers the EU should invest in creating an internal energy market, developing new technologies and promoting a culture of energy efficiency among European citizens and companies. Moreover, Brussels should exploit its soft-power capabilities to engage producing-countries in constructive but pragmatic dialogue and cooperation. Finally, the EU could commit itself in military operations abroad to ensure the security of supplies, but should do it in a broad political context aimed at enhancing regional stability and security, and always considering costs of involvement and potential overlapping with other (probably better equipped) international organizations and partners.

³⁹ Oil & gas companies invest annually 0.3% of their revenues in R&D, while pharmaceutical firms invest 15% and IT software developers 11%.