

**Panel:** Regionalism in Central Asia and the Politics of Energy (Lilac/Tulip)

**Date/Time:** April 26, 2012 / 8:45-10:00

**Organizing Institution:** Institute of World Economy and International Relations (IMEMO)

**Talking Points for:** Gennady Chufrin  
Institute of World Economy and International Relations (IMEMO)

The Central Asian region with its abundant energy resources has become in recent years a zone of very strong interests displayed by various countries, both regional and extra-regional. Although the Central Asian region is lagging behind the Middle East in the size of its hydrocarbon resources it may nevertheless play an important role in the world oil and gas production and trade in the 21<sup>st</sup> century. To what extent this potential may be realized will depend on the ability of regional countries to meet and resolve diverse political and economic challenges facing them.

**Firstly**, their political and economic security and stability remains threatened by forces of international terrorism, religious extremism and organized crime whose activities escalated in the region over the last two decades. Moreover the situation may get worse after the withdrawal of the International Security Assistance Force (ISAF) troops from the neighboring Afghanistan and radicals coming to power there as well as because of the deteriorating situation in and around their another neighbor - Iran.

**Secondly**, the exploration of Central Asian energy resources is closely linked to the problems of the legal regime of the Caspian Sea originally established by the 1921 and 1940 Soviet-Iranian Treaties. With five sovereign littoral states now instead of two the main legal issue between them is how to partition the sub-sea energy resources, i. e. oil and gas fields, and to avoid inter-state contradictions and tensions.

**Thirdly**, the Central Asian land-locked countries have to resolve the problem of transportation of their energy resources to the world market both by developing the already existing as well as by establishing new energy export routes. The Central Asian states continue to actively explore most attractive options on this issue with establishment of multi-directional energy routes being their clearly preferred objective.

\* The views expressed herein do not necessarily reflect the views of the Asan Institute for Policy Studies.

---