



Report

THE ROLE OF THE MIDDLE CORRIDOR IN EU'S ENERGY INDEPENDENCE

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On December 4th, Think Visegrad in Brussels organized an expert discussion on the Middle Corridor, officially known as **the Trans-Caspian International Transport Route (TITR)**. This pivotal dialogue addressed the Corridor's potential to enhance EU energy security amidst the geopolitical upheaval following the Russian full-scale invasion of Ukraine. With participation from EU institutions, think tanks, and state representatives, the session explored the multifaceted role of the Middle Corridor in trade diversification, energy security, and geopolitical realignment.

Following the start of the Russian full-scale invasion of Ukraine in 2022, the EU and its member states have managed to limit their reliance on Russian fossil fuels and diversify their imports. Yet, **ongoing conflicts across the Eurasian continent, including instability**

around the Suez Canal, still threaten to disrupt global trade channels, and the EU is exploring other possible areas to strengthen economic cooperation with their partners, also through its Global Gateway. This has increased interest in the Middle Corridor as a crucial strategy for diversifying commercial infrastructure and trade to improve the EU's energy resilience. At the same time, the Middle Corridor could also strengthen the EU's role in Central Asia and the Caucasus and limit the dependencies of these regions on Russia.

To kick off the debate, the speakers emphasized the Middle Corridor's importance as a key alternative to Russian energy dependency, noting that when Gazprom's natural gas contracts via Ukraine expire in 2025, the Middle Corridor could become instrumental in replacing Russian fossil fuels. However, this route comes with challenges, including ensuring it does not inadvertently serve as a **backdoor for Russian gas disguised through intermediaries, such as Azerbaijan and Turkey.** To prevent the Middle Corridor from becoming a means for Russian gas

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to enter the EU market, one of the speakers advocated for the introduction of dynamic taxation and labelling mechanisms to identify and tax Russian gas, equalizing its market price with alternatives and reducing Moscow's competitive advantage. The conversation highlighted that the **EU's effort to end its dependence on Russia should not result in another dependence on other external powers.**

The discussion then shifted towards Turkey's role in the Middle Corridor, highlighting its dual ambitions of becoming a regional energy hub while maintaining a foothold in its development. However, the EU has increasingly bypassed Turkey, citing rising authoritarianism and unpredictable policymaking. Another speaker echoed this view, adding that China also regards Turkey as a geopolitical "wild card". An additional reason for bypassing Turkey could also be its lack of commitment to the energy transition, in contradiction to other countries of the Middle Corridor. Nonetheless, Turkey's strategic location makes it indispensable but politically risky, particularly in the context of its complex relationships with both the EU and Central Asia.

The Middle Corridor's logistical and economic viability was a recurring focus of the discussion. The speakers addressed the Corridor's limitations in still developing infrastructure which impacts transporting specific resources, such as oil. Further downsides of the Middle Corridor include bottlenecks, the need for trans-shipments on the route, and higher costs. This was demonstrated in the example of moving goods from China to the EU through the Middle Corridor, which, last year, required approximately seven trans-shipments and 50-60 days of transit time, while the costs were 6 times higher compared to maritime routes. Despite these challenges, recent improvements have resulted in companies offering reduced transit times of 20–25 days, with China promising further investments which would result in deliveries of around 15 days.

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With regard to infrastructure in countries of the Middle Corridor, Kazakhstan was mentioned as a case study of regional commitment, noting its \$30 million investment over the past decades in railway and cargo infrastructure. Despite these efforts, infrastructural bottlenecks, such as border inefficiencies with China and Russia, continue to hinder progress. One expert explained that while some EU countries import crude oil from Kazakhstan, the Middle Corridor's

infrastructure does not currently support such transfers efficiently. The debate further highlighted Kazakhstan's growing significance as the EU's largest trading partner in Central Asia. Trade with the EU accounts for almost 28-29% of Kazakhstan's total trade. Notably, 90% of imports from Kazakhstan to the EU consist of mineral resources.

The debate also acknowledged Central Asia's growing role as both a logistical hub and a provider of critical raw materials, including cobalt and nickel. A speaker emphasized the Middle Corridor's role in the EU's raw material diplomacy, which seeks partnerships with resource-rich nations like Kazakhstan and Uzbekistan.

Another area of focus of the discussion was China's multifaceted role in the Middle Corridor, taking note of its dual position as both a top importer of natural gas and a leading exporter of renewable energy technologies to Europe and Central Asia. This creates opportunities but also risks for the EU, particularly as Europe attempts to reduce dependence on Chinese solar panels and wind turbines, which dominate global supply chains. Following up on the issue of Chinese influence, one expert described China's growing use of local development banks in Central Asia and Africa, which fund small-scale, targeted investments. **"We need to stop viewing China solely as an external power pursuing grand**

projects," one expert argued, emphasizing Beijing's turn toward investment in green technologies and regional partnerships.

As the discussion shifted towards China's influence, the role of the EU's Global Gateway Initiative was discussed as an alternative to China's Belt and Road Initiative. One speaker characterized the Global Gateway as an initiative at a crossroads, originally designed to promote sustainable development but now aligning more closely with EU competitiveness goals. They noted that this shift could inadvertently mirror some of the debt-dependency issues criticized in China's model. It was also stressed that **the Global Gateway must focus on mobilizing private sector resources and integrating infrastructure development** with local communities to ensure long-term benefits.

The panel's composition allowed for an exchange of viewpoints from several Central European countries on the role of the Middle Corridor. Despite Slovakia's efforts, it still relies on Russia for around two-thirds of its natural gas supplies and all its nuclear fuel due to infrastructural and cost barriers. The lack of alternative transfer routes and access to LNG hubs, as well as the fact that Slovakia is a land-locked country, were mentioned as factors contributing to Slovakia's energy dependency, an issue that may partly be mitigated through the Middle Corridor. Hungary finds itself in a similar situation, with heavy dependence on Russian resources. What sets the two countries apart is Hungary's progress in solar energy, with 18% of its electricity generated through solar infrastructure. However, one expert noted that **the generation of energy through renewable sources remains heavily dependent on Chinese-manufactured components.** In the case of both Hungary and Slovakia, the orientation of their governments towards Russia was mentioned as a non-negligible part of the issue. Another speaker outlined Poland's aggressive push to sever ties with Russian energy, even at the cost of higher carbon emissions. Despite Poland having access to the Baltic Sea, allowing LNG transfers, as well as representing an opportunity for renewable

energy, challenges in interconnectivity with neighbors like Slovakia and the Czech Republic remain a concern.

Overall, **the Middle Corridor represents a strategic opportunity for the EU to diversify its energy sources, strengthen trade links, and reduce geopolitical vulnerabilities.** However, its success depends on overcoming significant challenges, including infrastructure bottlenecks, political risks, and the need to prevent new dependencies. Several other aspects also need to be kept in mind while considering the relevance of the route, including environmental impacts, human rights violations, and associated costs.