THE POSITION OF ENERGY SECURITY IN THE FOREIGN POLICY OF THE SLOVAK REPUBLIC³⁶⁰

Andrej Zrak³⁶¹

https://doi.org/10.31410/itema.2018.1072

Abstract: The paper deals with the position of energy security in the foreign policy of the Slovak Republic. Its aim is to analyze the extent to which the need to ensure energy security is influencing the foreign policy orientation of the country. Energy is a key factor that affects all sectors of the economy and is one of the cornerstones of the economy. Energy security is part of national security and is one of the instruments to ensure sovereignty, political independence and economic security. For a small country like Slovakia, it is strategically important for its foreign policy to lead to energy security. From the point of view of Slovakia, the most important energy commodity is natural gas, so the paper is mainly focused on the issue of its safe supplies. Slovak diplomacy must negotiate with many parties, such as Ukraine, Russia or the European Union, to ensure them. The paper therefore explores its actions towards these partners to ensure energy security. It also compares the coherence of Slovak energy security objectives with the objectives of the European Union. The issue of the reaction of Slovak diplomacy to projects threatening the security of gas supply, such as Nord Stream 2, has also been taken up. This work therefore offers a comprehensive overview and analysis of the steps taken in Slovakia's foreign policy in order to ensure energy security.

Keywords: *energy security, foreign policy, Slovakia, natural gas*

1. INTRODUCTION

E nergy is a key factor that affects all sectors of the economy and is one of the cornerstones of the economy. Energy security is part of national security and is one of the instruments to ensure sovereignty, political independence and economic security. For a small country like Slovakia, it is strategically important for its foreign policy to lead to energy security. The IEA defines energy security as "*the uninterrupted availability of energy sources at an affordable price*" [1]. Energy security has many dimensions: long-term energy security mainly deals with timely investments to supply energy in line with economic developments and sustainable environmental needs. Short-term energy security focuses on the ability of the energy system to react promptly to sudden changes within the supply-demand balance. Lack of energy security is thus linked to the negative economic and social impacts of either physical unavailability of energy, or prices that are not competitive or are overly volatile.

³⁶⁰ The paper was elaborated within the project I-18-104-00 of Internal Grant for Young Teachers, Scientists and PhD Students of University of Economics in Bratislave "Environmental Issues and Development in Transit Economies with High Intensity of Water Resources Use".

³⁶¹ Faculty of International Relations, University of Economics in Bratislava, Dolnozemská cesta 1/b, 852 35 Bratislava, Slovak Republic

2. THE EU ENERGY STRATEGY

The EU imports more than half of all the energy it consumes. Its import dependency is particularly high for crude oil (90%) and natural gas (69%). The total import bill is more than €1 billion per day.

Many countries are also heavily reliant on a single supplier, including some that rely entirely on Russia for their natural gas. This dependence leaves them vulnerable to supply disruptions, whether caused by political or commercial disputes, or infrastructure failure. For instance, a 2009 gas dispute between Russia and transit country Ukraine left many EU countries with severe shortages.

Short-term measures

As part of the Strategy, 38 European countries, including all EU countries, carried out energy security stress tests in 2014. They simulated two energy supply disruption scenarios for a period of one or six months:

- A complete halt of Russian gas imports to the EU
- A disruption of Russian gas imports through the Ukrainian transit route.

The tests showed that a prolonged supply disruption would have a substantial impact on the EU. Eastern EU countries and Energy Community countries would be particularly affected. The report also confirmed that if all countries cooperate with each other, consumers would remain supplied even in the event of a six month gas disruption.

Based on the analysis of the stress tests, a number of short-term measures were carried out in preparation for the winter of 2014-2015. Furthermore, the EU's Gas Coordination Group continues to monitor developments in the gas supply throughout the year. The Commission also asked EU and Energy Community countries to prepare regional energy security preparedness plans, which were reviewed and adopted in 2015.

Long-term measures

The Strategy also addresses long-term security of supply challenges. It proposes actions in five key areas:

- Increasing energy efficiency and reaching the proposed 2030 energy and climate goals. Priorities in this area should focus on buildings and industry, which use 40% and 25% of total energy respectively in the EU. It is also important to help consumers lower their energy consumption, for example with clear billing information and smart energy meters
- Increasing energy production in the EU and diversifying supplier countries and routes. This includes further deployment of renewables, sustainable production of fossil fuels, and safe nuclear energy where this option is chosen. It also entails negotiating effectively with current major energy partners such as Russia, Norway, and Saudi Arabia, as well as new partners like countries in the Caspian Basin region

- Completing the internal energy market and building missing infrastructure links to respond quickly to supply disruptions and redirect energy across the EU to where it is needed
- Speaking with one voice in external energy policy, including ensuring that EU countries inform the European Commission early on about planned agreements with non-EU countries that may affect the EU's security of supply
- Strengthening and protecting critical infrastructure. This includes more coordination between EU countries to use existing storage facilities, develop reverse flows, conduct risk assessments, and put in place security of supply plans at regional and EU level.

In response to these concerns, the European Commission released its Energy Security Strategy in May 2014. The Strategy aims to ensure a stable and abundant supply of energy for European citizens and the economy.

The question of Europe's energy security has risen in importance in recent years, especially following the major disruption of gas supplies caused by the January 2009 Ukraine-Russia dispute, and even more so given the political and security tensions that followed Russia's annexation of Crimea. Indeed, Russia remains the EU's main supplier of oil, gas, coal and nuclear fuel – even if its energy sector has been affected by the EU-imposed sanctions regime. In this context, Gazprom's 'Nord Stream 2' pipeline project, aims to expand gas supplies from Russia to Germany, largely following the route of the Nord Stream 1 pipeline on the bed of the Baltic Sea, and bypassing transit countries, such as Poland, Slovakia and Ukraine [2].

3. ENERGY SECURITY OF SLOVAKIA

The issue of energy security is particularly important for the Slovak Republic due to its high dependence on the import of primary energy raw materials from third countries. The SR therefore supports the processes of diversification of resources and routes.

The Energy Security Strategy of the Slovak Republic with a view to 2030 has to ensure selfsufficiency in electricity production, optimal pricing policy, pro-export the capacity of the Slovak Republic and the strengthening of the position of the transit country in the electricity, gas and oil markets; reliable heat supply and other energy carriers.

Diversification of sources and transport routes for oil and natural gas should be encouraged, and to create the conditions for the construction of connecting lines with the systems of the neighboring states, to create the conditions for increased use of renewable energy sources in electricity generation and heat, as well as the use of biofuels in transport, and to promote efficient and rational use of domestic energy raw materials to reduce import dependency.

Reliable power supply can only be guaranteed by a sufficient number of diversified sources located on the territory of the Slovak Republic, diversified supplies of primary energy sources and building sufficient capacity for cross-border transmission networks [3].

4. ENERGY SECURITY IN FOREIGN POLICY OF SLOVAKIA

A very important contribution of the Slovak Republic to the regional stability and energy security of Ukraine was the operation of the Vojany-Uzhgorod gas pipeline, which allowed reverse supply of gas to Ukraine. This solution is optimal in terms of security of gas supply for the SR as well as for other EU CBCs and also in terms of technical, legal, time and full compatibility with the EU legislative framework. It is our strategic interest to maintain transport capacity through Slovakia. The signing of the Memorandum of Cooperation between the Slovak company Eustream, the Italian company SNAM and the Ukrainian companies UKRTRANSGAZ and NAFTOGAZ in April 2017 is an important step in the future possible cooperation in the operation and development of the Ukrainian gas network in order to preserve the gas transport through this route.

In 2018, concerning Nord Stream 2 project Slovakia will continue to demand compliance with the European acquits in line with the conclusions of the European Council of December 2015 and argue in favor of diversifying not only the routes but, above all, the supply of gas to Europe. In order to increase the security of gas and oil supplies, the Slovak Republic will continue to develop regional cooperation aimed at supporting infrastructure projects enabling the diversification of energy sources and routes. Priorities for the SR remain the completion of the North - South gas corridor through the interconnection of the Slovak and Polish gas pipeline systems and the implementation of the Eastring project, which aims to connect the European gas markets using existing infrastructure. The SR strongly supports the right of member states to national sovereignty in deciding on an optimal energy mix, including the use of nuclear energy as a carbon free resource [4].

5. CONCLUSION

Energy security is an important part of foreign policy. It influences the attitudes of the country to its partners, as well as the steps the country is taking towards other entities. The basis of energy security is to ensure uninterrupted energy supplies at reasonable prices. It is therefore important to build infrastructure and maintain stable prices. In order to achieve these goals, it is also important to diversify suppliers to prevent energy security being disturbed in several countries due to a conflict with one supplier. These are, in particular, the objectives of the European Union, but Slovakia agrees with them. However, there is no consensus on the Nord Stream 2 project, which is against the economic interests of Slovakia. However, Slovakia supports the implementation of other international projects such as the North - South gas corridor or the Eastring project. Energy security plays an important role in Slovakia's foreign policy and, given the current geopolitical situation, it is more than likely that its importance will continue to increase for Slovakia.

REFERNCES

- [1] IEA: Energy Security. Online: <<u>https://www.iea.org/topics/energysecurity/</u>>
- [2] European Commisson (2014) EU Energy Security Strategy. Online: <<u>https://ec.europa.eu/energy/sites/ener/files/publication/European_Energy_Security_Strategy_en.pdf</u>
- [3] *Stratégia energetickej bezpečnosti SR* (2013). Online: <https://www.siea.sk/materials/files/poradenstvo/legislativa/strategia_eb/seb.pdf>

[4] Správa o plnení úloh zahraničnej a európskej politiky SR v roku 2017 a jej zameranie na rok 2018 (2017). Online:
https://www.mzv.sk/documents/10182/2686701/2017+Spr%C3%A1va+o+plnen%C3%AD+%C3%BAloh+zahrani%C4%8Dnej+a+eur%C3%B3pskej+politiky+SR+v+roku+2017+a+jej+zameranie+na+rok+2018>