

NOT ENOUGH OR TOO MUCH? CITIZEN REDRESS FROM
MULTINATIONAL ENERGY PROJECTS IN TURKEY: THE CASE
STUDY OF THE BAKU-TBILISI-CEYHAN PIPELINE PROJECT

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ABSTRACT

The “Baku-Tbilisi-Ceyhan Main Export Pipeline Project” (“the BTC Project”) received considerable level of attention from the international community not only for its economic prospects for the Caspian region but also for its potential adverse impacts on local communities and the environment. Based on the controversy regarding the sustainability of this Project, this thesis aims to explore the effectiveness of the citizen redress mechanisms that will apply to the BTC Project, within the next 40 to 60 years of the pipeline operation. In order to project possible corporate reaction to future environmental and community harm, the study examines the corporate behavior unfolded throughout the redress process already occurred at the construction phase of the BTC Project. Thus, this thesis portrays the dual redress mechanism applied to remediate citizen grievances derived from social and environmental impacts of the Project construction. Analyzing the dual redress mechanisms, the study explains why the redress process, which is rooted in international standards differs from those of the domestic mechanisms. It also determines various impacts of the simultaneous application of the dual redress mechanisms that have been overlooked in earlier studies. The methodological approach used for this research consisted of interviews with various stakeholders of the BTC Project, including focus groups from project-affected communities, corporate and government officials as well as NGO representatives involved in the redress process. In contrast to severe international criticism, this Thesis argues that a significant degree of effectiveness has been attained throughout the implementation of the BTC redress mechanisms that can be indicative for future redress. Moreover, the Thesis discusses various impacts of these mechanisms on the Turkish social and legal environment that should be taken into consideration in future multinational investment projects. Based on the research findings, the Thesis also claims that the extra-legal incentives are much more effective than the *ad hoc* liability regimes that may hold the multinational partner liable for third-party harms. Finally, it concludes that future multinational investment projects should take important lessons from the BTC redress practice by taking into account not only the promising levels of success with respect to community redress and development, but also the unintended consequences of the dissonant legal frameworks in one jurisdiction observed throughout their implementation process.