

4-Nation Gas Pipeline Buoyed by Sales Agreement

By The Moscow Times

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Turkmen President Gurbanguly Berdymukhammedov, right, with President Dmitry Medvedev in Bishkek, Kyrgyzstan, in 2008. **Denis Grishkin**

ASHGABAT, Turkmenistan — Senior officials in Turkmenistan say the energy-rich Central Asian nation plans to sign a natural gas sales agreement with Afghanistan, Pakistan and India this month.

The deal would mark a decisive move toward construction of a pipeline crossing the four nations that backers hope will meet energy demands across the region.

Two high-ranking officials, who cannot be named as they are not authorized to speak with the media, said they expect the agreement to be signed at an energy conference in Turkmenistan late May.

Progress on the project has to date been delayed by disagreement among participant nations

on transit fees and the price for the gas.

It has been widely assumed that gas for the more than 1,600-kilometer pipeline will be sourced from the Dauletabad field in southern Turkmenistan.

An official from the state gas company said, however, that a portion of the fuel will eventually be drawn from the vast and yet-to-be developed South Yolotan field near the Afghan border.

Independent British auditor Gaffney, Cline & Associates estimates that South Yolotan may hold up to 21.2 trillion cubic meters of gas, potentially making it the second-largest reserve of gas in the world after the South Pars field, shared between Iran and Qatar.

Turkmen President Gurbanguly Berdymukhammedov has said Afghanistan could stand to earn more than \$1 billion annually in transit fees. Afghan leader Hamid Karzai predicts maintaining the pipeline could provide employment for 50,000 people in Afghanistan alone.

The gas pipeline across Afghanistan, projected to ship 33 billion cubic meters a year, has been actively backed by the United States. It would give Turkmenistan a further export route for its copious energy reserves and generate revenue for Afghanistan. It currently exports to Russia and Iran, and also harbors ambitions of selling directly to Europe.

But many observers remain concerned about the security risks of laying a pipeline across some of the most dangerous parts of Afghanistan and Pakistan's unruly tribal areas.

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