



Regional: Preparing the TAPI Gas Pipeline Project (Phase 1)

Project Name	Preparing the TAPI Gas Pipeline Project (Phase 1)	
Project Number	52167-002	
Country	RegionalAfghanistanPakistanTurkmenistan	
Project Status	Proposed	
Project Type / Modality of Assistance	Technical Assistance	
Source of Funding / Amount	TA: TAPI Gas Pipeline Project (Phase 1)	
	Technical Assistance Special Fund	US\$ 2.15 million
Strategic Agendas	Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development Partnerships Private sector development	
Sector / Subsector	Energy - Oil and gas transmission and distribution	
Gender Equity and Mainstreaming	Some gender elements	
Description	<p>The TAPI pipeline has been under discussion for more than 20 years. In 2013, the governments of Afghanistan, India, Pakistan and Turkmenistan directed their respective state gas entities (hereinafter collectively referred to as the TAPI Sponsors) to develop, and invest in, the TAPI pipeline. The TAPI Sponsors became the founding shareholders of the TAPI Pipeline Company Limited (TPCL) incorporated in the Isle of Man (United Kingdom) in 2014 and holding its main office in Dubai (United Arab Emirates) since 2016. TPCL mandate is to develop, own, and operate the TAPI pipeline.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>The governments of Afghanistan, Pakistan and Turkmenistan have each requested the Asian Development Bank (ADB) financing support for phase 1 of the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline (the project) . In addition, the Government of Turkmenistan has requested ADB to provide a partial credit guarantee (PCG) in support to the project. The pipeline will extend approximately 1,600 kilometers (km), from the Turkmenistan-Afghanistan border to the Pakistan-India border. At full design capacity, the 56-inch TAPI pipeline can transport up to 33 billion cubic meters (bcm) of natural gas per year from Turkmenistan to Afghanistan, Pakistan, and India over a commercial operations period of 30 years.</p> <p>Suboptimal regional gas and energy trade markets contribute to limited economic growth, increased poverty (possibly leading to social unrest) and exacerbated greenhouse gas emissions in the TAPI region. The project will considerably help improve regional energy trade, as it will build and support requisite natural gas supply and transportation capacity across the TAPI countries. Its realization will additionally help address several issues causing the suboptimal regional gas market by improving cross-border cooperation among multiple stakeholders, resolving some of the security issues in Afghanistan and Pakistan, as well as improving institutional capacity to implement complex projects. It will also attract and catalyze investments and financing that would otherwise be unavailable and, ultimately, help boost regional economic growth. The project comprises the design, procurement, installation and operation of the pipeline and related facilities (without compressor stations in phase 1) within Afghanistan and Pakistan. Concurrently, State Concern <> (Turkmengaz) makes use of its own resources (including financing secured from the Islamic Development Bank) to implement within Turkmenistan: (i) the appropriation of a dedicated portion of the Galkynysh gas field; (ii) the installation of approximately 200 km of upstream pipeline connecting the Galkynysh gas field with the project at the Turkmenistan-Afghanistan border; and (iii) the construction of one or more compressor stations. Similarly, GAIL (India) Limited (GAIL) will use its resources to implement within India the installation of approximately 10 km of downstream pipeline connecting the project at the Pakistan-India border with the existing GAIL gas network terminus in Fazilka. Once phase 1 is completed, the project is expected to transmit annually about one third (i.e. 11 bcm of gas) of the TAPI pipeline design capacity (paragraph 9).</p> <p>Once operational, the TAPI pipeline will allow Turkmenistan to diversify and expand its gas export markets to the southeast, into Afghanistan, Pakistan, and India. The Central Asia Regional Economic Cooperation (CAREC) Program Strategy for Regional Cooperation in the Energy Sector has identified the TAPI Pipeline as one of the main links in the inter-energy relationship among CAREC countries. Overall, the TAPI pipeline will have a transformational impact on regional cooperation and will also support other initiatives aimed at increasing growth and economic stability in the region. The project is aligned with the development strategies of Turkmenistan, Afghanistan, Pakistan and India (TAPI), as reflected in their respective country partnership strategies, and is also consistent with the objectives of ADB Strategy 2030. The project is included in the 2020-2022 country operations business plans (COBPs) for Turkmenistan, Afghanistan and Pakistan.</p>	
Impact		
Outcome		
Outputs		
Geographical Location	Afghanistan - Nation-wide; Pakistan - Nation-wide; Turkmenistan - Nation-wide	
Summary of Environmental and Social Aspects		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		
Stakeholder Communication, Participation, and Consultation		
During Project Design		
During Project Implementation		

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Timetable	
Concept Clearance	-
Fact Finding	-
MRM	-
Approval	-
Last Review Mission	-
Last PDS Update	26 May 2020

Project Page	https://www.adb.org/projects/52167-002/main
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