

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2924

ANSWERED ON:11.08.2010

IPI GAS PIPELINE

Kumar Shri Kaushalendra;Ramkishun Shri

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) the present status of India-Pakistan-Iran Gas Pipeline Project;
- (b) whether India has expressed its concerns over the cost and security of the Project;
- (c) if so, the details thereof and the reactions of the other stakeholders thereto;
- (d) whether Iran and Pakistan have signed the contract on the said gas pipeline;
- (e) if so, the details thereof;
- (f) whether any fresh initiatives have been taken either by Iran or India to hold technical talks in this regard; and
- (g) if so, the details thereof including India's reservations in this regard?

Answer

THE MINISTER OF EXTERNAL AFFAIRS (SHRI S.M. KRISHNA)

(a) to (c): India has been involved in discussions on the IPI pipeline project. Among the issues that have been focussed upon relating to the pipeline project are those relating to pricing, transit fee and transportation tariff, point of delivery, project structure and security of the pipeline. Such multilateral projects involve protracted discussions, as all the aspects have to be carefully examined and deliberated upon to the satisfaction of the participating countries to protect each country's interests and to avoid any problems in the future in the successful operation of the Project.

(d) & (e): We have seen media reports to the effect that Iran and Pakistan signed on 16-03-2010 in Istanbul, Turkey the Heads of Agreement (HOA) and Operational Agreement that would pave way for construction of a gas pipeline from Iran to Pakistan. Under the agreement, Iran is to supply 750 million cubic feet gas per day from its South Pars field to Pakistan for 25 years beginning 2015. Subsequently, officials of both countries signed the sovereign guarantee agreement on 28-05-2010 in Islamabad. Media reports further indicated that the Heads of Agreement contained provision for transporting Indian gas volume through the Pakistani territory if and when India decides to join the project. According to the reports, Pakistan will have the right to charge transit fee in return for safe transit of Indian gas volume.

(f) & (g): India and Iran have agreed for an early meeting of the India-Iran bilateral Joint Working Group on Oil And Gas, which discusses bilateral cooperation in the energy sector, including the IPI Gas pipeline project.