

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:2530  
ANSWERED ON:14.12.2015  
TAPI Pipeline  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) the details of Turkmenistan-Afghanistan-Pakistan-India (TAPI) transnational gas pipeline projects including length of the gas pipeline, estimated cost, country-wise along with quantum of natural gas to be supplied to India through the pipeline and status of price negotiations with participating countries;
- (b) whether it is a fact that fall in gas prices has led to the TAPI pipeline becoming un-economic and if so the details thereof;
- (c) the steps taken / being taken to ensure energy and oil security for India over the long run;
- (d) whether the Government has signed an agreement in Turkmenistan with 3 other countries to jointly own TAPI pipeline;
- (e) if so, the details thereof along with cost of the project and share of India in the said pipeline; and
- (f) the efforts made by the Government to speed up these pipeline projects in a time-bound manner?

**Answer**

MINISTER OF STATE(INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a): The 1814 km Turkmenistan – Afghanistan – Pakistan – India (TAPI) Pipeline project for Natural Gas supply from the Galkynysh fields in Turkmenistan will carry 90 MMSCMD of natural gas, of which India and Pakistan will receive 38 MMSCMD each (likely to rise to 44.25 MMSCMD). Afghanistan has indicated that it will be taking volumes of the tune of 1.5 – 4 MMSCMD. The landfall point of the pipeline in India will be at Fazilka (Punjab).

Gas source

Galkynysh (formerly Osman – Yolotan), Turkmenistan

Originating point

South Yolotan – Osman in Turkmenistan

Total Pipeline Length

Within Turkmenistan

Within Afghanistan

Within Pakistan

1814 km

214 km

773 km

827 km

The Pipeline will end in India at Fazilka (Punjab).

Volumes for Export

Afghanistan

India

Pakistan

90 MMSCMD

1.5 – 4 MMSCMD

38 MMSCMD (Likely to increase to 43-44.25 MMSCMD)

38 MMSCMD (Likely to increase to 43-44.25 MMSCMD)

Estimated Project Cost

(As per Penspen report)

USD 15 billion\* approx. (with Capex as USD 8.73 billion) for the Afghan – Pak section (~ 1600 km)

\* During review by the four parties in September 2015, the Capex was revised to USD 4.78 billion. However, the updated Penspen Report with revised cost estimate is yet to be received. The final Capex and the total project cost will become known only after completion of Front End Engineering Design (FEED) to be undertaken as part of the pre-Final Investment Decision (FID) studies

Two Government level agreements, namely, Gas Pipeline Framework Agreement (GPFA) and Inter-Governmental Agreement (IGA) have been signed among the four member countries in December 2010. Bilateral Gas Sales & Purchase Agreement (GSPA) has been signed among the 3 Buyers (GAIL (India) Limited – India, ISGS Pvt. Ltd. – Pakistan, Afghan Gas Enterprise – Afghanistan) and the Seller (State Concern 'Turkmengas'). Further, an Operations Agreement detailing metering, allocation and nomination aspects has been signed among the four TAPI entities (3 Buyers and the Seller) in July 2014. The Transit Fee payable to the transiting countries has been broadly agreed.

The Shareholders Agreement (SHA) of TPCL has been initialed during the 30th Technical Working Group(TWG) and 23rd Steering Committee(SC) meetings held from 23rd to 25th October, 2015. During the SC meeting, the shareholding percentages in the TPCL have also been finalized, as per which the Consortium Leader Group (CLG), led by Turkmengas shall be taking 85% equity, GAIL – 5%, ISGS (Pakistan) – 5%, Afghan Gas Enterprise (AGE) – 5%.

(b) TAPI will provide an alternative supply source of gas with dependable reserves leading to enhanced energy security. It will further diversify the fuel basket to the benefit of Indian economy.

(c) Asian Development Bank, the Transaction Advisor for the Project has got a report on Security Risk Assessment And Security Plan

prepared by the security consultant – M/s. Pacific Strategies & Assessments, Inc. (PSA). PSA has inter-alia recommended the following:

i) Establishment of an Inter – Government Joint Security Task force (JSTF) to serve as the nucleus of the security program. The JSTF should be authorized by each of Afghanistan and Pakistan at the highest level with clear cut roles and responsibilities.

(ii) Establishment of a team that enables operational continuity and is capable of rapid repair of critical facilities and equipments.

(d) and (e): Details are given at (a) above

(f) The 23rd Steering Committee Meeting of TAPI was held at Ashgabat on 24.10.2015. At the SC meeting, all four countries reiterated their commitments to expedite the TAPI Pipeline Project.

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