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Hertie School of Governance, Masters of Public Policy Program

Spring 2019 | Course: GRAD-P1042: Problems of European Energy: Technology, Markets & Policy;

Instructor: Dr. Thomas W. O'Donnell, twod@umich.edu

Client's Assignment to Student Research/Consulting Group

Proposed Turkmen-Afghanistan-Pakistan-India Gas Pipeline: TAPI

I. Client Partner:

The [German Federal Foreign Office](#) [Auswärtiges Amt DE], [Department 410](#)

a. Client Representative:

Dr. Holgar Kolley, Deputy Head of Division on External Energy and Resources Policy, Energy Security

II. Client's Abstract of Project

a. Topic's Significance

The proposed Turkmenistan-Afghanistan-Pakistan-India Pipeline project (TAPI) is of special significance both as a large-scale energy infrastructure project large project proposed by two developing countries, and the exciting collection of countries involved. etc. Not only would it involve transit of Afghanistan, presently torn by war, but the required joint participation by Pakistan and India is quite something.

The project initiative has not originated from the west the initiative, or from China. Turkmenistan had long been dependent on Russia before the fall of the USSR, and has now become deeply dependent on China, which is the only customer now possible for its natural gas, based on existing pipeline which all connect to China. The TAPI pipeline would provide much-sought diversification of this customer base.

Overcoming major security problems involved in building such a project across presently warring Afghanistan would require collaboration of different levels of its government, both local and regional, of non-government entities including the Taliban, as well as require inter-ethnic and -tribal collaboration. There has been some declarations by the Taliban that they do not intend to infringe on infrastructure projects useful for welfare of the Afghani population. However, the reliability of these has to be assessed. This collaboration would also be necessary for distribution of any national income from the project.

While Afghanistan would be only a transit country for TAPI, and at present it has no significant gas usage, the presence of such a pipeline crossing its territory would create the possibility for the country to find domestic uses at a later time.

For Pakistan, there is a tradition of using gas, introduced in colonial times, so adoption of gas use could go well, providing a first market for Turkman gas.

India is the second market, where gas would offer a transition of an economy largely dependent on coal and address pollution, environmental and climate concerns. India has been seen as the fastest growing market for nat. gas in next decade.

If the TAPI project can succeed in traversing Afghanistan, then relatively, the rest of the project is a “no brainer.” The security related questions for Afghan transit are key, and key to all of this is to determine who would be willing to finance such a project. A concept is needed for transiting Afghanistan, then for the rest. Who would take responsibility for this/financing via Afghanistan? It is apparent the TAPI project would need backing by international institutions and sources of investment. Here the Chinese, now the sole off-takers of gas from landlocked Turkmenistan, might not be onboard.

b. Particular Questions &/or Goals

Ideas on security concept within Afghanistan and suggestion for financing

Possible competition for the Pakistani and Indian markets, for example from Iran, which might oppose the project.

How the west should deal with the matter of TAPI, including the attitudes of US, Russia, EU, and etc. From the German point of view, how should we position ourselves towards this proposed project, and towards the various external actors: China, Russia, US, EU, etc.

III. Client's vision of interaction, advice & supervision

Material will be posted weekly by students at online research notebook by the student team

a. Anticipated oversight/viewing of “Project Research Notebook”; frequency & forms of other interactions?

See Syllabus; further T.B.D.

b. Contact protocols, methods, frequency, etc.

T.B.D.

IV. Deliverables & Deadlines

b. Written Report

See Syllabus; further details T.B.D.

iii. Presentation &/or Executive Consultation

See Syllabus; further details T.B.D.

V. Background Materials &/or References from Client

T.B.D.