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## Energy diplomacy in South Asia: Beyond the security paradigm in accessing the TAPI pipeline project<sup>★</sup>



Mirza Sadaqat Huda<sup>a,\*</sup>, Saleem H. Ali<sup>b</sup>

- <sup>a</sup> Centre for Social Responsibility in Mining, Sustainable Minerals Institute, University of Queensland, Brisbane, QLD 4072, Australia
- <sup>b</sup> University of Delaware, Newark, DE 19716, USA

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#### ABSTRACT

On the 13th of December 2015, the leaders of Turkmenistan, Afghanistan, Pakistan and India officially inaugurated the TAPI pipeline, which is set to be the largest cross-country energy infrastructure project undertaken in South Asia with an expected completion date of 2019. The limited literature on TAPI has almost exclusively focused on security impediments to the pipeline from the perspective of the member countries of the project. This paper argues that the solution to these impediments is greatly constrained by a reductionist rather than a multistakeholder approach. Using a broader understanding of the concept of energy diplomacy, this paper argues that energy infrastructure such as the TAPI can be used to encourage interdependency by expanding the number of stakeholders beyond the member countries of the project. While including the interests of external countries and institutions may build consensus on political issues, identifying ways by which the interests of communities can be addressed may reduce the explicit emphasis on the physical security of the pipeline by including human security concerns within the project's blueprint. The cumulative impact of such an approach may create a shift in the perception of energy projects from the purview of security, to one of inclusive cooperation.

#### 1. Introduction

Energy infrastructure has been a recurring source of international tension in contemporary global politics, with particular focus in South Asia being on riparian conflicts over hydropower and competing nuclear energy ambitions of India and Pakistan. In this context, energy infrastructure, such as oil and gas pipelines, have been neglected or dismissed quite literally as "pipe dreams" [1]. However, recent developments in South Asian energy cooperation appear to be gaining traction, meriting a closer analysis of how such projects can help to move the spectre of technical cooperation to higher politics of international diplomacy.

On the 13th of December 2015, the leaders of Turkmenistan, Afghanistan, Pakistan and India officially inaugurated the 1600 km TAPI pipeline, which is set to be the largest cross-country energy infrastructure project undertaken in South Asia with an expected completion date of 2019. The TAPI pipeline has a capacity of 90 million standard cubic metres a day and will transfer gas from Turkmenistan's

Galkynysh Gas Field to South Asia at an estimated cost of up to \$10 billion. Once completed, the pipeline is expected to export up to 33 billion cubic meters of natural gas a year from Turkmenistan to Afghanistan, Pakistan and India over 3 decades [2,3]. The importance of this project to energy security, as well as its potential as a confidence-building mechanism between Afghanistan and Pakistan and India and Pakistan as well as the plethora of complex impediments to its realisation accentuates the need for policy-relevant academic studies.

Academic literature that focuses exclusively on the TAPI is rare, and most existing studies undertake holistic analyses of energy issues in South Asia. The overt emphasis of existing literature has been on the security threats to the TAPI from terrorist and insurgent groups and geopolitical conflicts [4–6]. Within these studies, the four member countries of the TAPI and their respective national interests have been the primary units of analysis. A significant research gap exists in accessing the interests of a wider group of stakeholders, such as external powers, regional countries and local communities that will be affected by the project. By only considering the security perceptions of countries

E-mail addresses: m.huda@uq.edu.au (M.S. Huda), saleem@udel.edu (S.H. Ali).

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<sup>\*</sup> Corresponding author.

involved in the pipeline, contemporary literature on the TAPI has perpetuated the orthodox, defence-centric perception of energy by failing to incorporate the interests of regional and extra-regional actors; and has undermined the importance of addressing the human security concerns of communities that are located along the pipeline's proposed route. Viewing energy from a defence and security perspective, rather than from that of cooperation is not limited to the TAPI but is arguably one of the biggest constraints to regional energy projects in South Asia [7]. Primary data collected via interviews with policymakers in India, Bangladesh, Pakistan and Nepal has suggested that the securitisation of energy discourse is one of the primary challenges to the realisation of the TAPI pipeline.

This paper argues that de-securitizing the TAPI project would require an appreciation of a larger group of stakeholders beyond the four member countries of the project. An understanding of the interests of regional countries and external powers can create an appreciation of convergences of interests in securing the pipeline and provide an understanding of how policy interventions can be undertaken to encourage inclusive cooperation. On the other hand, identifying ways by which the interests of community-level stakeholders can be addressed via socio-economic programs can reduce explicit emphasis on the physical security of the pipeline by including human security concerns within the project's blueprint. The cumulative impact of accessing the interests of this wider group of stakeholders may change the focus of the discourse on TAPI from defence and security to that of inclusive cooperation.

By evaluating the cooperative potential of the TAPI pipeline, this paper develops the concept of "energy diplomacy" – suggesting that there is potential for elevating energy issues as an instrumental mechanism for peace-building. The study also aims to give a stronger empirical basis to realizing the diplomatic context of energy infrastructure projects and for more tangibly realizing what Khanna [8] has popularly called "connectography." We also evaluate key socio-economic issues associated with the development of pipeline infrastructure, thereby linking neglected micro-conflicts to broader discourse on energy trade and human rights. The paper utilises two broad types of data analysis:

Using primary data collected through interviews with policymakers and energy experts in South Asia, the paper argues that security perceptions regarding the TAPI pipeline need to be broadened to include not only the four member countries but also external stakeholders such as the U.S., China and Russia, the regional countries of Bangladesh and Nepal and multilateral institutions such as the South Asian Association for Regional Cooperation (SAARC). The hypothesis here is whether creating links between the interests of a broader group of stakeholders will assist in overcoming the obduracy of the security impediments to the TAPI.

The paper also utilizes interviews with former members of BP with experience in planning the socio-economic programs of the Baku-Tbilisi-Ceyhan (BTC) Pipeline in West Asia to draw best lessons on addressing resettlement, environmental protection and local employment issues that are of concern to community-level stakeholders of the TAPI. This comparison provides an opportunity to consider future security threats to the project itself from disgruntled stakeholders along its route.

While the pipeline explored in this paper bears importance to energy issues in South Asia, the study also connects to key debates on global energy studies by contributing to the small but increasingly relevant field of energy geopolitics. In an extensive overview of existing literature on energy studies, Sovacool [9] has established that only 2.7% of published articles have addressed political, geopolitical, political economy and international relations issues. Within these broad fields, the author has highlighted particular areas of research that require urgent attention by scholars of energy studies. This paper broadly contributes to two of the identified research fields, namely "socio-political economy of energy systems" and "energy conflict and human

rights".

Beyond academic value, this study on the TAPI pipeline has contemporary policy relevance, given the current geopolitical competition between the United States (U.S.) and China to spearhead regional integration in Central Asia. The TAPI is an element of Washington's vision of the New Silk Road, which along with the overlapping objectives of Beijing's One Belt One Road initiative can fundamentally alter the political geography of the region [10,11]. The policy recommendations in this paper are not exclusive to the TAPI pipeline but have wide applicability to proposed transnational energy projects in conflict zones.

The paper first provides a brief summary of the TAPI project, followed by an overview of the methodology and conceptual framework. An analysis of stakeholders is then undertaken, with an emphasis on the convergence of their interests in regards to the TAPI. The concluding section outlines policy recommendations that can enhance the prospects of a multi-stakeholder approach to the pipeline.

#### 2. The TAPI project: an overview

The TAPI pipeline was first proposed in the 1990s when the then-Taliban regime in Afghanistan started negotiating with U.S. firm Unocal as well as Argentinian company Bridas regarding transit rights. The human rights abuses perpetrated by the Taliban regime and the 1998 bombing of the U.S. embassies in Kenya and Tanzania by Al-Qaeda resulted in the shelving of the pipeline project. After the overthrow of the Taliban regime, the project was revived and initial agreements were signed by all four countries between 2002 and 2008 [12]. As can be seen in Fig. 1, the TAPI pipeline is planned to extend from the Galkynysh gas fields in Turkmenistan and traverse Herat, Nimruz and Kandahar in Afghanistan, Quetta, Dera Ghazi Khan and Multan in Pakistan and culminate at the Indian border town of Fazilka. Allotted gas volume per year is 5 billion cubic metres for Afghanistan and 14 billion cubic metres each for India and Pakistan. The TAPI is expected to generate \$200-\$250 million in transit fees for Pakistan and Afghanistan and create long term energy security for over 1.5 billion people in the region [2,3].

Despite several setbacks, the TAPI project has shown signs of progress in recent times. The Asian Development Bank (ADB) has been TAPI's secretariat since 2002 and had spearheaded the legal, institutional and technical aspects of the project. In 2012, GAIL (India) Ltd. and Pakistan's Inter State Gas Systems (Private) Ltd. signed Gas Sales and Purchase Agreements with Turkmenistan which was followed by agreements between Afghanistan and Turkmengas. In 2014, the state gas companies of the four countries created the TAPI Pipeline Company, which aims to build, finance, own and operate the pipeline. In August 2015 the Steering Committee of the pipeline endorsed the state-owned Turkmengas as the consortium leader of the TAPI Pipeline Company, which was followed by the signing of the Shareholders Agreement in December that marked the official inauguration of the project [2,3]. The construction of the Turkmen section of the TAPI started in December 2015. An inaugural ceremony in 2017 marked the commencement of work on the project in Pakistan and Afghanistan [13].

#### 3. Methodology

Due to the paucity of literature on TAPI, the methodological approach relied heavily on primary data collected via in-depth interviews with policymakers in South Asia and beyond the region. While interviews as a tool of data collection has advantages as well as disadvantages, the topic of this paper makes interviews a more suitable method than other approaches such as perception surveys and participant observations. Energy cooperation in South Asia is a subject on which the general populations of the region have very little specialist knowledge due to the absence of any multilateral energy project to date. In-depth knowledge on multilateral energy projects in South Asia

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