**Regional: TAPI Gas Pipeline Project (Phase 1)**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>TAPI Gas Pipeline Project (Phase 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Number</td>
<td>52167-001</td>
</tr>
<tr>
<td>Country / Economy</td>
<td>Regional Afghanistan, India, Pakistan, Turkmenistan</td>
</tr>
<tr>
<td>Project Status</td>
<td>Proposed</td>
</tr>
<tr>
<td>Project Type / Modality of Assistance</td>
<td>Grant, Loan, Private Sector Loan</td>
</tr>
<tr>
<td>Source of Funding / Amount</td>
<td>GU: Turkmenistan-Afghanistan-Pakistan-India (TAPI) Natural Gas Pipeline Project</td>
</tr>
<tr>
<td></td>
<td>Ordinary capital resources $500.00 million</td>
</tr>
<tr>
<td></td>
<td>Grant: Turkmenistan-Afghanistan-Pakistan-India (TAPI) Natural Gas Pipeline Project</td>
</tr>
<tr>
<td></td>
<td>Asian Development Fund $116.00 million</td>
</tr>
<tr>
<td></td>
<td>Loan: Turkmenistan-Afghanistan-Pakistan-India (TAPI) Natural Gas Pipeline Project</td>
</tr>
<tr>
<td></td>
<td>Ordinary capital resources $300.00 million</td>
</tr>
<tr>
<td></td>
<td>Ordinary capital resources $116.00 million</td>
</tr>
</tbody>
</table>

**Strategic Agendas**
- Inclusive economic growth
- Regional integration

**Drivers of Change**
- Gender Equity and Mainstreaming
- Governance and capacity development
- Partnerships
- Private sector development

**Sector / Subsector**
- Energy
- Gender
- Some gender elements

**Description**
The TAPI Pipeline extends for approx. 1,600 kilometers (km), from the Turkmenistan (TKM)-Afghanistan (AFG) border to the Pakistan (PAK)-India (IND) border. At full capacity, the pipeline will transport 33 billion cubic meters (bcm) of natural gas annually from TKM to respective buyers in AFG (5%), PAK (47.5%) and IND (47.5%) during the 30-year commercial operations period. The Project comprises the procurement, installation and operation of the pipeline and related facilities within AFG and PAK. The project implementation is split into two phases: (i) Phase 1: AFG and PAK sections of the pipeline based on a free-flow transmission capacity of 11 bcm /annum; and (ii) Phase 2: six compressor stations along the AFG and PAK sections to ramp up to the full gas transmission capacity of 33 bcm /annum.

The TAPI Project Scope relates to Phase 1 only, and the proceeds of ADB financing under consideration will be solely applied to AFG EPC contract. Ahead of the implementation of the Project, State Concern <> (Turkmengaz) has nearly completed the 214 km upstream pipeline in TKM with its own resources (including financing from the Islamic Development Bank) and the development of a dedicated portion of the Galkynysh gas field. In addition, Turkmengaz has initiated the procurement of two compressor stations approx. 30 km south of Mary and at the TKM side of the TKM-AGP border. GAIL (India) Limited will implement with its own resources the installation of approximately 10 km of pipeline from the PAK-IND border to its gas network terminus at Fazilka in IND.

**Project Rationale and Linkage to Country/Regional Strategy**
Once operational, the TAPI Pipeline will allow TKM to diversify and expand its gas export markets to the southeast, into AFG, PAK, and IND. The Central Asia Regional Economic Cooperation (CAREC) Programs 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 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 TKM, AFG, PAK and IND, as reflected in their respective Country Partnership Strategies, and is also consistent with the objectives of ADBs Strategy 2030. The ADB financing instruments under consideration are included in the respective 2021-2023 Country Operations Business Plans for TKM and AFG, as well as for PAK (standby).

**Impact**
- Improved fiscal position of TKM, AFG and PAK
- Jobs created in AFG and PAK

**Outputs**
- TAPI Pipeline in AFG and PAK (1,600 km) completed
- TAPI Pipeline commissioned and operating

**Geographical Location**
- Afghanistan - Nation-wide; India - Nation-wide; Pakistan - Nation-wide; Turkmenistan - Nation-wide

**Safeguard Categories**
- Environment A
- Involuntary Resettlement A
- Indigenous Peoples C

**Summary of Environmental and Social Aspects**
The project is classified as A' for environment due to significant land uptake, transboundary nature and crossing of key waterways and areas with high biodiversity value considered as critical habitat. Other impacts related with dust / air emissions, noise generation, occupational and community health and safety are also envisaged during project construction and operation phases.
Involuntary Resettlement

Based on information provided by TPCL and its consultants, the project is classified as category A for involuntary resettlement (IR) impacts (due to significant land take, and consequent probable impacts on livelihoods).

Indigenous Peoples

TKM is an ethnically homogeneous state with Turkmen comprising 85% of the population. The provinces in AFG where the pipeline crosses are mainly comprised of Pashtuns. Other major ethnic groups that include Tajik, Hazara, Uzbek and Baloch may also be present in the project area. The two provinces in PAK where the pipeline crosses are inhabited by Pashtuns and Baloch. None of these major groups and other ethnic groups along the corridor have been identified as indigenous peoples as defined by the Safeguard Policy Statement (SPS). At this stage, the project is classified as category C for impacts on indigenous peoples (IP).

Stakeholder Communication, Participation, and Consultation

During Project Design

The main stakeholders of the project would include local residents who will benefit from improved energy supply, central and local governments specifically in the energy sector in the 4 countries, civil society organizations, and the people to be affected by civil works, specifically in the communities surrounding the planned pipeline in AFG and PAK. The potential primary beneficiaries of the project are citizens who will benefit from improved and reliable energy access, as well as the people in TKM who will benefit from increased revenues from gas exports. The affected groups and individuals will be consulted through focus group discussions and consultation meetings during project design.

During Project Implementation

Business Opportunities

Consulting Services

TAPI Pipeline Company Limited (TPCL) will be the responsible Implementing Agency (IA) for all project implementation activities, including procurement and award and management of all supply, works, consulting services, and other contracts, as well as ensuring the safeguard requirements of the governments and financing agencies are complied with. A project agreement will be executed between ADB, TPCL and designated national IAs in TKM, AFG and PAK, under which all IAs will assume direct obligations to implement the project in compliance with ADB’s policy and other requirements. The financing agreements between ADB and TKM, AFG and PAK, respectively, will include provisions requiring that their respective state owned gas entities exercise their powers as (indirect) shareholders of TPCL, to ensure that TPCL: (i) implements the project in accordance with the project documentation (including financing agreements, project agreement, and safeguards documents); and (ii) undertakes any other actions required to facilitate project completion (including provision of approvals for project procurement and performing project oversight and monitoring).

Procurement

ADB will conduct due diligence on the procurement process, evaluation criteria, and the evaluations to ensure that procurement of the goods and services eligible for ADB financing has been undertaken in a manner consistent with ADB’s Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time), including ADB’s Core Procurement Principles.

Responsible ADB Officer

Pladet, Roland C.J.

Responsible ADB Department

Central and West Asia Department

Responsible ADB Division

Energy Division, CWRD

Executing Agencies

- Ministry of Economic Affairs, Economic Affairs Division
- Ministry of Finance
- Ministry of Finance and Economy of Turkmenistan

Timetable

Concept Clearance 18 May 2020
Fact Finding 01 Jun 2022 to 15 Jun 2022
MRM 16 Aug 2022
Approval -
Last Review Mission -
Last PDS Update 10 Mar 2021

Project Page

https://www.adb.org//projects/52167-001/main

Request for Information

http://www.adb.org/forms/request-information-form?subject=52167-001

Date Generated

14 August 2023

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided "as is" without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.