



## **India-Turkmenistan Relations: Energizing South Asia-Central Asia Connectivity**

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Continuing India's drive to increase engagement with nearby Central Asia following the significant visit by Prime Minister Narendra Modi in July 2015, Vice President of India Hamid Ansari paid another high-profile visit to Turkmenistan in December 2015 for participating in the 'ground breaking' ceremony of the much awaited regional energy integration project, Turkmenistan-Afghanistan-Pakistan-India (TAPI) natural gas pipeline. He was accompanied by Petroleum and Natural Gas Minister of India, Dharmendra Pradhan.

India's 'Connect Central Asia' policy 2012 envisages deeper mutual relations with the region and energy linkage is an important component of the policy. India considers TAPI pipeline a 'key pillar' in its economic relations with Turkmenistan. Participating in the ceremony joined by President of Turkmenistan Gurbanguly Berdimuhamedov, Afghanistan President Ashraf Ghani and Pakistan Prime Minister Nawaz Sharif, Vice President Hamid Ansari said that TAPI marks 'the first step' towards achieving the vision of 'an economically integrated region stretching from the Bay of Bengal to the Caspian Sea.' The pipeline is expected to be operational from December 2019.

The successful implementation of TAPI project will not only benefit the source country, but will also ensure affordable energy to the other three participating countries, besides economically integrating South Asia and Central Asia. Afghanistan will also earn transit fees and certain amount of gas and can start the process of industrialization along the gas pipeline route, generating employment for the country's youth. The demand for energy in India and Pakistan is estimated to increase and TAPI can become an important source to maintain the growth momentum. The pipeline is backed by the World Bank and considered a win-win project for all stakeholders.

Turkmenistan's relatively better average annual growth in recent years; the country's urge to diversify buyers of its gas – currently China alone accounts for more than 50 per cent of its total gas export; reduced purchase of its gas by Russia and the necessity to explore new, attractive and feasible markets, feeling confident with over 50 years' experience in gas production and sales; impending probability of the availability of Iranian gas following the nuclear deal; increasing energy demands in South Asia, especially in India and Pakistan, are some of the important factors making the TAPI more likely now. It may be noted that Turkmenistan has the fourth largest natural gas reserves in the world.

The TAPI pipeline binds the source country and the destination country in a common, but promising and flourishing destiny of the two regions. India and Turkmenistan have a long historical and cultural relationship, spanning through the Indus Valley civilization period and the Silk Route trade days. During the medieval period, many scholars and Sufi saints from the region visited India. Bairam Khan was a Turkmen and he was King Akbar's mentor. Shah Turkman Bayabani is a famous Sufi saint from Turkmenistan, who lived in India during the 13th century and promoted brotherhood and Sufi ideas among the common people. The famous Turkman Gate in Delhi built in the 17th century is dedicated to him. India recognized Turkmenistan in December 1991, following the country's independence and supported the policy of permanent neutrality adopted by the country later.

As per the Constitution of the country, Turkmenistan is a democratic and secular state. The country's status of 'Permanent Neutrality' has been approved by a UN General

Assembly Resolution of 12 December 1995. India was a co-sponsor of the Resolution. On successful completion of two decades of this 'cornerstone' policy, Turkmenistan organized an International Neutrality Conference in Ashgabat on December 12, 2015. Drawing the 'remarkable similarities' between Non-Aligned Movement (NAM) and the idea of neutrality, Vice President Hamid Ansari, addressing the Conference, said that the fundamental objectives of the two are 'preservation of world peace and security.'

Though India and Turkmenistan enjoy cordial bilateral political relationship, and Ashgabat supports India's permanent position in the U.N. Security Council, India-Turkmenistan relations are yet to translate into deeper economic engagement. Turkmenistan is a US\$ 40 billion plus economy, but the bilateral trade with India is below its potential. The trade has grown by double digits in percentage terms in recent years; however, it was only US\$ 105 million in 2014-15. Currently, the trade balance is in India's favour, but it may change once TAPI becomes operational and India starts making the purchase of natural gas. India can increase its economic presence in Turkmenistan, particularly in the ICT sector. This would help maintain the future balance of trade.

Turkmenistan is a neighbour of Afghanistan and is concerned about continued insurgency and security situation in the country, especially following the recent resurgence of the Taleban. The country is trying to stabilize Afghanistan by integrating the Afghan economy with the economies of South Asia and Central Asia. Turkmenistan plays an important role in the economic life of Afghanistan. It provides electricity to the war-torn neighbour at preferential rate. Turkmenistan, Afghanistan and Tajikistan are also laying down a railway line Turkmenistan-Afghanistan-Tajikistan (TAT) to connect South Asia and Central Asia. The TAT railway, expected to be operational by 2018, will create regional and inter-regional corridors connecting landlocked countries to international waters.

India is also making investments in Afghanistan and assisting the country in its efforts to bring stability and economic development. The lack of direct access through land to Afghanistan from India has been hampering closer economic engagement not only with Afghanistan, but also with Central Asia. However, with the recent inauguration of Turkmenistan-Kazakhstan-Iran railway line and Indian investments in Chabahar port in

Iran, the connectivity issues have been addressed to an extent. India has also shown interest in joining the Ashgabat agreement, which connects the countries of Central Asia (Turkmenistan, Uzbekistan and Kazakhstan) to West Asia (Iran, Oman and Qatar) and to the Indian Ocean. To further increase the connectivity with the region, Turkmenistan is exploring the possibility to join the International North South Transport Corridor (INSTC). Turkmenistan is uniquely placed in the region linking Central Asian countries to South Asia through Afghanistan and to West Asia through Iran.

Pursuing their mutual objectives of economic growth and stable neighbourhood, India and Turkmenistan, by deepening their partnership and understanding, can help bring stability in Afghanistan and emerge as two nodes connecting the peoples and businesses of Central Asia and South Asia to bridge the divide created by colonial-era policies. Year 2016 marks a quarter century of India's reconnection with the independent region of Central Asia and India-Turkmenistan partnership can become the bedrock to build strong, vibrant, interdependent and connected India-Central Asia relationship.

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*The Views expressed are that of the Researcher and not of the Council.*