

Pakistan To Push Forward On Gas Project With Iran

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ISLAMABAD (AP) — Pakistan will push forward with a controversial pipeline to import natural gas from neighboring Iran, Pakistan said Tuesday, a project opposed by the United States.

The pipeline will link Iran's gas fields with energy-starved Pakistan, but by going ahead with the project, Pakistan may incur U.S. and international sanctions imposed on Iran — or anyone doing business with Iran — over that country's nuclear program.

The U.S. has opposed the project and instead supported an alternative proposal to build a pipeline from the gas fields of Turkmenistan to Afghanistan, Pakistan and India.

Pakistan's Ministry of Foreign Affairs said in a statement Tuesday that petroleum ministers of the two countries met in Tehran on Monday to discuss the project, which has been beset by repeated delays.

The two countries decided to fast track the pipeline and formulate a road map to work out challenges, the ministry said. However, no details were given on how Pakistan plans to overcome the numerous problems associated with the project, such as funding and the risk of sanctions.

The ministry said experts from both sides would meet soon to accelerate work on the pipeline.

Pakistani officials in the Tehran meeting also reiterated their government's commitment to fulfill its contractual obligation to the pipeline and stressed that the project is of "immense importance" to meeting Pakistan's energy needs.

Islamabad hopes the pipeline will help alleviate the country's energy crisis, especially electricity shortages. Gas is used to fire many of the nation's power plants, but insufficient quantities mean rolling blackouts are common.

The agreement with Iran stipulates that Pakistan must construct its side of the pipeline by December 2014 but the project has met repeated delays. If Pakistan fails to meet this deadline, it will be liable to pay fines that could run into the millions of dollars per day.

Most of the Iranian side of the pipeline is believed to be completed but Pakistan has yet to build the roughly 780 kilometers (500 miles) of pipeline necessary to finish its side of the project. There are serious doubts about how Pakistan could come up with

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the at least \$1.5 billion needed to construct the pipeline.

An Islamabad-based advocacy group Sustainable Development Policy Institute in an October report termed the project a "death sentence" for Pakistan because it said the gas sold will likely be several times more expensive than the domestic gas currently used.

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