Role of Afghanistan in Connecting Central and South Asia Through Energy

«Afghanistan is looking forward eagerly to connect both Central and South Asia through energy. It will get benefited from its geostrategic location by reviving the ancient Silk Road in the form of energy», – independent researcher Mohammad Idrees notes in his article written for the analytical platform cabar.asia.

Central Asia is one of the wealthiest regions having abundant natural resources like coal, oil, gas and minerals. This is the reason that this region is attracting both regional and global attention as the demand for these resources is growing rapidly worldwide. On the other hand, the neighboring South Asian countries are facing severe energy deficit and they are looking for feasible options to meet their growing energy demand.

At this energy demand and supply relationship between both parts of Asia, Afghanistan provides a platform to function as a bridge connecting Central Asia with South Asia through energy. This article discusses the mega energy projects – TAPI and CASA-1000 – connecting Central Asia with South Asia, the role of Afghanistan, and potential obstacles. In the end, it provides recommendations to be considered for the better implementation of the above mentioned projects leading to better results.

Afghanistan is occupying an important geostrategic position between Central Asia and South Asia. It shares its border with three of the Central Asian countries including Turkmenistan, Uzbekistan and Tajikistan which are further connected with Kyrgyzstan and Kazakhstan. Afghanistan and Central Asian countries share racial, linguistic, cultural and religious relationships.

Since the establishment of the democratic government in Afghanistan in 2001; social, economic, and cultural contacts, student exchange programs between Afghanistan and central Asia, and Afghanistan’s participation in regional forums brought them closer. Lately, Afghanistan has started developing further its relationships with the Central Asian countries. In December 2017, Afghanistan signed 20 bilateral agreements with Uzbekistan in different sectors, while Kazakhstan had already been active assisting Afghanistan in developmental projects.[1]
Besides other regional and global forums, Afghanistan-centered, The Heart of Asia – Istanbul Process and Regional Economic Cooperation Conference on Afghanistan (RECCA) are working to identify the common regional issues and enhance regional cooperation through better economic and political relations. In the last couple of years, TAPI and CASA-1000 also gained momentum, and the governments of involved countries are trying to give them a practical shape.

TAPI and CASA-1000 are the two mega projects which can function as game changers not only for Afghanistan but for the entire region. The abbreviation TAPI has been taken from the first letters of four involved countries namely Turkmenistan, Afghanistan, Pakistan and India. According to the Asian Development Bank’s (ADB) technical assistant report, TAPI gas pipeline is projected having the capacity to export 33 billion cubic meters of natural gas through an 1800 km long pipeline from Turkmenistan to Afghanistan, Pakistan and India. The estimated project costs were $7.6 billion in 2008 which have been increased lately. TAPI will be operated by a special purpose consortium company (SPCC) and will be led by a commercial entity (Consortium Lead).

Strategically TAPI is a very important project which will enhance the inter-energy
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relationship among the Central Asia Regional Economic Cooperation (CAREC) countries. TAPI fulfills the CAREC’s objectives which include energy security through developed infrastructure and institutions, integrated markets, and economic growth through energy trade, and therefore is an important project under CAREC 2020 in the energy sector. Similarly, CASA-1000 is the electricity transmission project from Tajikistan and Kyrgyzstan to Afghanistan and Pakistan during summer. According to this project, Afghanistan and Pakistan will receive 300 MW and 1000 MW respectively. The estimated costs of the project are $1.2 billion. For Afghanistan, it aims to generate about $175 million public revenue annually along with 100,000 employment opportunities for Afghan people. According to the World Bank, the construction of physical infrastructure is supposed to begin in early 2019.

The successful implementation of these two projects will provide a feasible and nearer market to Central Asian energy fulfilling the needs of South Asian energy; thus strengthening the atmosphere of regional cooperation, mutual understanding and economic prosperity. Besides, TAP-500 (supposed to transfer 3500 MW of electricity to Afghanistan and Pakistan from Turkmenistan in 2020), Belt and Road Initiative (BRI) and Lapis-Lazuli Corridor are the other important regional projects enhancing regional cooperation.

The implementation of these projects means ensuring peace and economic prosperity in the region, but the deteriorating security situation in Afghanistan has raised concerns among the Central Asian nations. Because of the latest wave of insecurity, Central Asia fears that this layer could affect their countries too. Similarly, trafficking in drugs and humans has also been a major headache for these countries. The flow of narcotics to Central Asian states, Russia and Western Europe is channeled by Afghanistan.

Afghanistan needs to eliminate drugs production but above all prevailing peace in Afghanistan is the most crucial one. The regional countries along with the international community should strive to bring peace and stability in the country whilst the main responsibility lies upon the Afghans to reach conclusively to end the ongoing conflict. Moreover, the region should specifically focus on strengthening their institutions, eradicating corruption, stabilizing democracy, encouraging foreign investment, design and implement proper border and customs policies. The Central Asian countries should enhance their mutual relations by developing trust and resolving their water and border disputes.

CASA-1000 and TAPI are the important regional projects which can lead to open doors to new vistas of economic opportunities leading to the prosperity of the region. The atmosphere of economic cooperation and development, regional trade, mutual understanding, cultural relationship should be strengthened. The concerns or threats that
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exist in connection to these two mega projects (TAPI and CASA-1000) can be overcome through intelligence sharing, mutual cooperation, communication and coordination.

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