



## Highlights

The presentation on energy development dynamics made by BP's Vice-President and Chief Economist Christof Ruehl drew a widespread international response. Relying on the official data analysis, BP has confirmed the availability of giant gas reserves in Turkmenistan, making it the fourth biggest gas producer in the world and guaranteeing its capacity to supply gas via existing and future pipelines. In addition, BP's "World Energy Outlook 2030" emphasizes the increasing role played by Turkmenistan on the international energy market.

## Foreign and international policy

### *TAPI project*

Accelerating the implementation of the TAPI gas pipeline project is one of the main priorities of government power and fuel strategy. The regular meeting of the Technical Working Group of the TAPI gas pipeline project was held in Ashgabat and involved the Asian Development Bank and the representatives of four participating countries. The participants discussed business trips to Singapore, New York, and London to attract the world's leading oil and gas companies and financial institutions to the consortium. The consortium is to be responsible for the construction and future pipeline operation. In this regard, the participants considered a list of companies that are going to be invited to participate in meetings and presentations.

### *OSCE interactions*

Dunya Miyatovich, the OSCE representative in Europe on Freedom of the Media, arrived in Ashgabat to participate in the 14th media conference of Central Asian states organized

by the Ministry of Foreign Affairs and the OSCE. The forum was attended by international and regional experts and the representatives from Central Asia countries and the Caucasus.

The President of Turkmenistan received Ivo Petrov, the newly appointed head of OSCE Centre in Ashgabat, who assumed his duties. At the meeting, the sides exchanged views on the prospects for further partnership development between Turkmenistan and OSCE. Fuel-energy sector, socio-economic and environmental spheres as well as joint projects for supporting small and medium enterprises, the development of transport links, combating international terrorism and transnational crime, were hailed as relevant aspects of a partnership.

### *Cooperation with Europe*

The President met Hans Peter Haselsteiner, Director-General of Strabag SE, an Austrian company. During the meeting the parties discussed the prospect of establishing close cooperation. The construction of up-to-date international highways and upgrading tourist zones may well become an important area of mutual interest.

The State Service of Maritime and River Transport has studied the supply of Turkmen liquefied gas to Europe via the Romanian port of Constanta. It is planned that Turkmen liquefied gas in special containers shall be delivered to the port of Baku (Azerbaijan) by merchant marine vessels, and from the port of Baku it shall be delivered to the port of Batumi and Poti (Georgia) by railway. Containers from the ports of Georgia shall then be transported to Romania and other countries of the Black Sea region by sea.



## TURKMENISTAN

Bimonthly article

Prof. Maral Meredova\*

### *UN relations*

The UN Security Council held closed consultations on the work of the UN Regional Centre for Preventive Diplomacy for Central Asia. Miroslav Jenča, the head of the Centre and the Secretary-General's Special Representative, briefed the members of the Council.

Saber Azam, the regional UNHCR representative for Central Asia visited Ashgabat and attended a meeting at Turkmenistan's parliament at which he emphasized the commission's desire to continue a productive partnership with Turkmenistan.

The United Nations Economic Commission welcomed the decision of the parliament of Turkmenistan to join the Convention on the Protection and Use of Transboundary Watercourses and International Lakes. Turkmenistan will become the 39th state-party of the Convention. The Commission stated that this decision is an important step in strengthening transboundary water cooperation and integrated management of water resources.

### *Official visit of Tajik President*

Tajik President Emomali Rahmon paid an official visit to Ashgabat. The countries established diplomatic relations on 27 January 1993. The current official visit demonstrated the desire of the parties to further develop bilateral relations. In a joint statement, production, transportation and transit of electric power, petroleum, nonferrous metallurgy, transport, telecommunications and textiles sectors were named as priorities of Turkmen-Tajik cooperation. In the framework of the current visit seven documents were signed on cooperation in trade, finance, education,

science, culture and art, and diplomacy. In order to increase the supply of petroleum products to Tajikistan Turkmenistan is ready to hold talks with Tajik partners in the near future.

### *Meeting in Iran*

Heading a Turkmen government delegation, President Gurbanguly Berdimuhamedov paid a working visit to Iran to participate in the summit of heads of state and governments of the Non-Aligned Movement, which Turkmenistan joined in October 1995. The main issue on the summit agenda was taking effective steps to resist current threats and meet challenges as well as enhancing cooperation.

During his visit, President Berdimuhamedov held a meeting with Iranian President Mahmoud Ahmadinejad. The two sides discussed key international issues and the prospects of economic cooperation between the countries.

The President of Turkmenistan also held a meeting with Ayatollah Seyyed Ali Hosseini Khamenei, the Supreme spiritual leader of Islamic Republic of Iran.

He also received Ahmad Mohamed Ali Al-Madani, the head of the Islamic Development Bank, and called for continuing the long-term bilateral partnership. At the summit, the President suggested holding the Conference of Non-Aligned Movement in Ashgabat in 2015. The main theme of the conference will be strengthening the global dialogue for peace, security and the development of mankind.

### *Turkmen-Chinese cooperation*

The Turkmen leader and Ma Sinzhu, the president of Chinese Corporation for Space Science and Technology negotiated their cooperation in the space sector as well as



## TURKMENISTAN

Bimonthly article

Prof. Maral Meredova\*

prospects for close interaction between the agencies.

A further discussion of Turkmen-Chinese partnership was held in Beijing at the 2nd meeting of the Intergovernmental Committee for Cooperation and at the meeting of its subcommittee on energy and humanitarian cooperation. Following the meeting, an agreement was signed on economic and technological cooperation between the governments of Turkmenistan and China whereby China shall provide the grant to Turkmenistan. The sides discussed the issues of further developing cooperation in the energy sector, including increasing natural gas supplies to China to up to 65 billion cubic meters a year. The Turkmen delegation held a series of bilateral meetings with Chinese representatives of ministries and departments.

### *Japanese companies in Turkmenistan*

President Berdimuhamedov received the heads of major Japanese companies Kawasaki Heavy Industries Ltd. and Sojitz Corporation. Kawasaki's representatives reported on implementing the plant construction in Mary city to produce urea. The guests made some new proposals to the President of Turkmenistan.

### *New contacts*

Diana Virengdzhurita, Ambassador Extraordinary and Plenipotentiary of Indonesia accredited in Turkmenistan, and Juan Carlos Kreckler, the Ambassador Extraordinary and Plenipotentiary of the Republic of Argentina in Turkmenistan with residence in Moscow, presented their credentials at the Turkmenistan Parliament and discussed bilateral cooperation with Turkmenistan in different areas of economy. A particular topic of the meetings was the

discussion of the prospects of further expansion of parliamentary cooperation.

### **Internal affairs**

The Union of Industrialists and Entrepreneurs of Turkmenistan completed the foundation of a new political party. Since 1991, the Democratic Party of Turkmenistan has been the only political party in the country with Gurbanguly Berdimuhamedov at its head. In January 2012, Turkmenistan adopted a law on political parties. In 2010 Gurbanguly Berdimuhamedov proposed the idea of another party being founded. The organizing committee of a new political party was formed in April 2012.

### *Education*

In order to develop the education system Gurbanguly Berdimuhamedov addressed the issue of extending secondary education to 11-12 years.

### **Economy and business enterprises**

Intergovernmental commissions on trade and economy, scientific-technical and cultural cooperation continued their work.

The building of a mutually beneficial interstate economic partnership was discussed in Tehran during the 12th meeting of the joint intergovernmental commission on economic cooperation between Turkmenistan and Iran. As part of the meeting, the Turkmen-Iranian business forum was held in Tehran. Prospects for increasing electricity and energy exports to Iran were marked by participants.

The fourth meeting agenda of the joint intergovernmental Turkmen-Tajik



## TURKMENISTAN

Bimonthly article

Prof. Maral Meredova\*

commission covered the summary results of the previous period and determined particular areas for further expansion of their fruitful cooperation.

Moscow hosted the sixth meeting of the intergovernmental Turkmen-Russian commission for economic cooperation. An Agreement was signed between the Russian Maritime Register of Shipping and the State Service of Maritime and River Transport of Turkmenistan.

The fifth session of the intergovernmental Turkmen-Kazakh Commission on Economic, Scientific, Technological and Cultural Cooperation in Astana engendered a plan to provide for joint activities of two countries in various spheres of economy with a view to strengthening mutually beneficial cooperation.

Joint meetings of Turkmen-Japanese and Japanese-Turkmen committees on economic cooperation were held in Tokyo. Turkmenistan highlighted the important role of international cooperation and mutually beneficial partnership in the energy field with powerful Japanese companies.

The problems of further strengthening and developing bilateral relations were on the agenda of Turkmen-Uzbek ministerial consultations. Komil Rashidov, Uzbekistan's deputy minister of foreign affairs, headed the delegation.

### *Insurance system is improving*

Turkmenistan will create a closed joint stock company «Atiýaçlandyryşhyzmatlary» («Insurance Services») the founders of which are Turkmengas with 25% of the share capital, Turkmen state National Air

Service with 15% and the State Insurance Organization of Turkmenistan with a 10% stake.

The state corporation Turkmenmashingurlushik started assembling low voltage panels at the Ashgabat electrical plant in collaboration with the famous French company Schneider Electric. Russian and Turkish specialists from Schneider Electric subsidiaries organized testing and training for workers of the plant in new production.

### *Russian MTS returned to Turkmenistan*

In January 2011, Russian cellular service company MTS had to terminate its five-year agreement with Turkmenistan. In late August 2012, MTS resumed work in Turkmenistan.

The opinions expressed here are those of the authors and do not necessarily reflect the positions of the Central Asia Observatory (CAO). The institutions that constitute the CAO are not responsible for the use of these contents.

© Central Asia Observatory