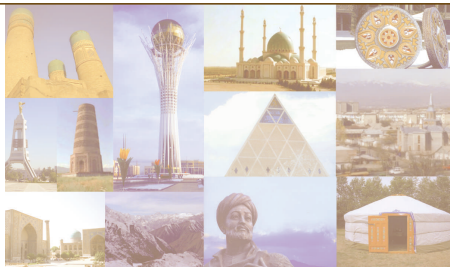




CENTRAL ASIA OBSERVATORY

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November 2010



TURKMENISTAN

SEPTEMBER-OCTOBER 2010

Bimonthly article

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Highlights

Turkmenistan actively participates in the discussion and successful settlement of issues that are vitally important to the international community. In his address to the 65th session of the UN General Assembly, the President of Turkmenistan Gurbanguly Berdimuhamedov made constructive proposals regarding the problems of ensuring global energy security and a peaceful settlement of the conflict in Afghanistan. .

Internal affairs

TAPI project

The Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project still represents a problem. In September, representatives of the Asian Development Bank and experts from the participating countries attended the 6th meeting of the Technical Working Group to discuss and harmonize a number of important technical and commercial issues with a view to accelerating the TAPI project.

A delegation from Afghanistan headed by the deputy Minister of Industry and Trade visited Turkmenistan. The 11th Steering Committee meeting on the TAPI gas pipeline project was held on 20 September. Participants studied and approved the outcome of the 6th meeting of the Technical Working Group. All the documents relating to the Committee's decisions will be submitted to the summit of Heads of State-Participants to be held in December 2010 in Ashgabat.

In October, President Berdimuhamedov received a delegation of senior Afghan officials, namely the finance minister, the minister of public affairs, the

minister of mining and the acting minister of energy and water resources. Special discussions were devoted to the practical realization of the TAPI gas pipeline project.

President Berdimuhamedov held a telephone conversation with the Prime Minister of India, Manmohan Singh, who expressed a desire to attend the meeting of Countries-Participants of TAPI project in Ashgabat at the end of the year.

Turkmenistan - U.S.

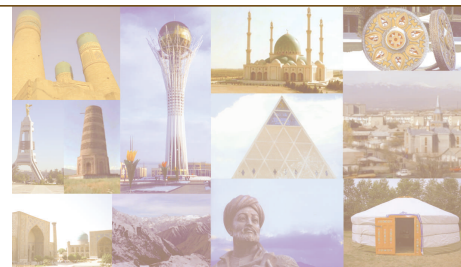
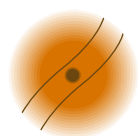
On 11 September the U.S. Embassy in Ashgabat took part in the official opening of the newly renovated Shir-Kebir Mosque in Ashgabat. Built in the 9th century, Shir Kebir is the oldest mosque in Turkmenistan. Restoration works were carried out with the financial support of the U.S. State Department's Ambassador's Fund for Cultural Preservation, which has supported eleven cultural heritage projects worth more than \$230,000 in the last eight years in Turkmenistan.

Foreign and international policy

At the 65th session of the UN General Assembly, Turkmenistan initiated the idea of setting up the UN Energy Council and organizing a special international group of experts to draw up an integrated legal instrument to provide stable energy supplies all around the world.

President Berdimuhamedov reiterated that Turkmenistan is ready to grant a venue to enable the warring parties in Afghanistan to reconcile a dispute. Turkmenistan confirmed its intention to increase the supply of subsidized electricity to Afghanistan, as well as to expand its energy infrastructure to the territory of Afghanistan. Turkmenistan also submitted

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the idea of railway construction in Afghanistan with the financial support of the international community and offered its assistance in the executive development of this project. The President said that construction of the TAPI pipeline would contribute to stability and employment in the region.

President Berdimuhamedov proposed the organization of summits to tackle peace, security and cooperation issues in Central Asia and the Caspian region, suggesting Ashgabat as a venue for the first session.

The Romanian Institute of International Relations and Economic Cooperation named President Berdimuhamedov *Man of the Year* for his achievements in the field of international diplomacy, the high rate of economic growth in Turkmenistan, significant investments in the development of public health and education, and his initiatives to promote peace and security.

Turkmenistan-Europe relations

At present, the European Union is negotiating a final trade agreement with Turkmenistan and the prospect of joining the Turkmen gas pipeline to Nabucco. The European Union is also discussing other commercial transactions. Earlier, the EU signed the interim agreement and a memorandum of understanding on gas pipelines.

In October, President Berdimuhamedov received the co-chairman of the Turkmen-British Trade and Industry Council, Ronald Nash, who headed a delegation of the UK businessmen. The delegation was represented by executives of well-known companies such as Shell, Gaffney, Cline & Associates, De La Rue, Rolls-Royce, WYG International, Worley Parsons, BSP International Foundation Ltd., British Petroleum, and JCB. Important aspects of bilateral partnership were discussed within the scheduled meeting of the Turkmen-British Trade and Industry Council, with special emphasis on energy

partnership. Nash stressed the desire of leading British companies to expand their presence on the Turkmen market. President Berdimuhamedov supported the idea of holding Council meetings every six months in Ashgabat or Britain.

The Turkmen government and the International Bank for Reconstruction and Development signed a memorandum of understanding on the project to modernize the seaport of Turkmenbashi. The memorandum is aimed at developing cooperation in transport infrastructure. The cost of the investment project is about \$62 million.

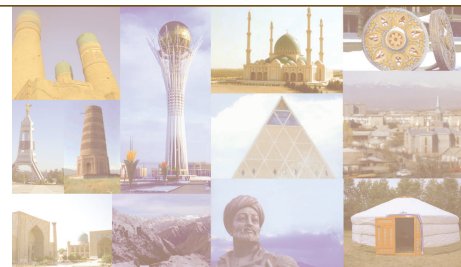
In October, the senior vice president of Total, Patrick Puyanne, held talks at the State Agency for Management and Use of Hydrocarbon Resources under the President of Turkmenistan. The partners discussed strengthening their cooperation in the oil and gas sector and the problems of implementing joint projects in the Turkmen sector of the Caspian Sea.

President Berdimuhamedov took part in the official opening of the gas compression station *Bagtyyarlyk*, constructed by the Belgian company Enx. Dresser Rand, General Electric, Schneider Electric and Hanuell were among the companies that supplied modern equipment for this station.

The European Union continues to provide assistance to Turkmenistan by organizing workshops on engineering supervision and cooperation between Turkmenistan and OSCE in the field of education, global security and responding to existing threats and challenges.

Relations with neighbouring countries

In October President Islam Karimov of Uzbekistan paid an official visit to Turkmenistan coinciding with the Festival of Turkmen-Uzbek Friendship in Dashoguz.



In October, Russian President Dmitry Medvedev flew to Turkmenistan for a working visit during which he met with President Berdimuhamedov in Turkmenbashi to discuss the expansion of cooperation in the spheres of trade, fuel and energy, construction, science and education and the humanitarian sphere.

The presidents of Turkmenistan, Azerbaijan, Kazakhstan and Kyrgyzstan took part in the meeting of heads of states of Turkic-speaking countries in Istanbul. The participants at the meeting expressed their interest in enhancing multilateral collaboration. Azerbaijan and Turkmenistan demonstrated a very constructive attitude to issues relating to Caspian Sea problems and strengthening their mutually beneficial bilateral relations. President Berdimuhamedov spoke about the prospect of Turkmenistan's participation in the Nabucco pipeline project.

Visit to Qatar

On 11 October, President Berdimuhamedov paid an official visit to Qatar. Both countries are energy resource exporters and diplomatic relations between them were established in 1996. During the meeting the two leaders discussed important issues such as oil and gas projects, investments in telecommunications and transport, textile and chemical industries and the Avaza national tourist zone on the Caspian Sea. The Turkmen president proposed setting up an intergovernmental commission and holding regular meetings of foreign affairs ministers.

The Qatari leader Sheikh Tamim bin Khamad al-Tani offered to establish a direct air link between the two countries. President Berdimuhamedov offered to host the Turkmen-Qatar Business Forum and Exhibition for mutual trade and investment in 2011. The meeting concluded with the signing of agreements between the two countries.

Economy and business enterprise

The Chamber of Commerce and Industry of Turkmenistan and Britain's IC Energy Limited held an investment forum in Ashgabat. The forum was attended by UNCTAD Secretary-General Dr. Supachai Panitchpakdi who highlighted the IMF's promising forecast for Turkmenistan in 2011, which puts economic growth in the country at over 10-11 per cent.

The first private newspaper

The Union of Industrialists and Entrepreneurs of Turkmenistan began to publish a newspaper called *Rysgal*, which means prosperity. *Rysgal* is the first private newspaper in the country.

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