



CURRENT AFFAIRS



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TAPI GAS PIPELINE PROJECT

This article covers "Daily Current Affairs" and the topic details "TAPI Gas Pipeline Project". The topic "TAPI Gas Pipeline Project" has relevance in the Energy Security section of the UPSC CSE exam.

Relevance:

For Prelims:

What is the TAPI Gas Pipeline Project?

For Mains:

GS 3: Energy Security

Significance of the TAPI Gas Pipeline Project for India?

Challenges in the TAPI Gas Pipeline Project for India?

Why in the news?

In an effort to speed up work on Turkmenistan, Afghanistan, Pakistan, and India (Tapi) gas pipeline project and finish the feasibility study as soon as possible, Pakistan and Turkmenistan signed a Joint Implementation Plan (JIP)

What is the TAPI Gas Pipeline Project?

The Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline is a major natural gas pipeline project that aims to transport natural gas from Turkmenistan to Afghanistan, Pakistan, and India.

- **Route:** The TAPI pipeline originates from the Galkynysh gas field in Turkmenistan, one of the world's largest gas reserves. It then passes through Afghanistan, Pakistan, and ends at Fazilka in northwestern India.
- **Length and Capacity:** The total length of the TAPI pipeline is approximately 1,814 kilometers (1,127 miles). It has a designed transportation capacity of 33 billion cubic meters (bcm) of natural gas per year.
- **Energy Security:** The TAPI pipeline is seen as a strategic energy project aimed at enhancing energy security for the participating countries. It provides a new source of natural gas supply and diversifies the energy mix in the region.
- **Economic Benefits:** The pipeline has the potential to generate significant economic benefits for the participating countries. It can create jobs during the construction phase, boost local economies along the pipeline route, and provide a reliable and affordable energy source for industries and households.
- **Project Consortium:** The TAPI pipeline is a collaborative effort among four countries. Turkmenistan is the gas supplier, while Afghanistan, Pakistan, and India are the recipient countries. The project is implemented by a consortium known as TAPI Pipeline Company Limited (TPCL), with each country having an equal stake.
- **Project Timeline:** The TAPI pipeline project has faced numerous delays and challenges since its inception in the 1990s. Construction work on the pipeline officially began in Turkmenistan in 2015, and subsequent sections are planned to be completed in phases, with the aim of delivering natural gas to the recipient countries in the coming years.

Significance of the TAPI Gas Pipeline Project for India?

- **Energy Security:** India is the world's third-largest energy consumer, and ensuring a diverse and secure energy supply is crucial for its economic growth. The TAPI pipeline provides India with a direct and reliable

source of natural gas from Turkmenistan, helping to diversify its energy mix and reduce dependence on traditional energy sources.

- **Fueling Economic Growth:** The availability of natural gas from the TAPI pipeline can support India's industrial and economic development. Natural gas is used in various sectors, including power generation, manufacturing, fertilizers, and transportation. The pipeline's supply of natural gas can contribute to economic growth, job creation, and improved industrial competitiveness.
- **Clean Energy Transition:** Natural gas is considered a cleaner fossil fuel compared to coal and oil, with lower emissions of greenhouse gases and pollutants. Access to natural gas through the TAPI pipeline can aid India in its efforts to transition to a cleaner energy mix and reduce its carbon footprint.
- **Enhanced Energy Access:** The TAPI pipeline can bring natural gas to regions in India that currently have limited access to clean energy sources. This can benefit rural and remote areas by providing cleaner fuel options for cooking, heating, and other domestic purposes.
- **Regional Cooperation and Diplomacy:** The TAPI pipeline is a symbol of regional cooperation and connectivity. Its successful implementation strengthens diplomatic ties among the participating countries, fosters economic integration, and enhances India's engagement in Central and West Asia.
- **Geopolitical Considerations:** The TAPI pipeline can contribute to India's geopolitical interests in the region. It offers an alternative energy route bypassing Pakistan, which has geopolitical implications for India's energy security and reduces its vulnerability to disruptions in other energy supply routes.
- **Infrastructure Development:** The construction and operation of the TAPI pipeline requires significant infrastructure development, including gas processing plants, compressor stations, and pipeline networks. This contributes to the overall infrastructure development in India and creates opportunities for related industries.
- **Employment and Trade Opportunities:** The TAPI pipeline project can create employment opportunities during the construction phase and generate trade and business prospects in the energy sector. It can attract investments and collaboration between Indian companies and international stakeholders involved in the project.
- **Strengthening International Relations:** The TAPI pipeline strengthens India's relations with Turkmenistan, Afghanistan, and Pakistan, as it involves cooperation and coordination among these countries. It provides a platform for engagement on energy, economic, and strategic matters, fostering closer ties and regional stability.
- **Energy Diplomacy:** The TAPI pipeline serves as a significant component of India's energy diplomacy efforts. It showcases India's ability to engage in cross-border energy projects and highlights its role as a reliable and responsible energy partner in the region.

Challenges in the TAPI Gas Pipeline Project for India?

- **Security Concerns:** The TAPI pipeline passes through politically unstable regions, particularly in Afghanistan and parts of Pakistan. Ensuring the security of the pipeline infrastructure and personnel can be a significant challenge.
- **Geopolitical Complexities:** The TAPI pipeline traverses multiple countries, each with its own geopolitical dynamics. Maintaining harmonious relations and addressing any geopolitical tensions among the participating countries can be challenging.
- **Funding and Financial Viability:** The TAPI pipeline project requires substantial investment for its construction and operation. Securing adequate funding and attracting investment can be a challenge, especially considering the high costs associated with the project.
- **Land Acquisition and Right-of-Way Issues:** The pipeline route involves acquiring land from multiple stakeholders, including private individuals, communities, and government entities. Land acquisition and right-of-way issues can lead to delays, disputes, and potential conflicts with local communities and indigenous populations.
- **Coordination and Regulatory Framework:** The successful implementation of the TAPI pipeline requires effective coordination among the participating countries, regulatory bodies, and stakeholders involved.
- **Technical and Operational Challenges:** Building and operating a long-distance pipeline, especially in challenging terrains and diverse environmental conditions, presents technical and operational challenges.
- **Long-Term Gas Supply and Pricing:** Ensuring a reliable and sustainable long-term gas supply from Turkmenistan is crucial for the success of the pipeline. Negotiating gas supply agreements, managing gas

pricing mechanisms, and addressing potential fluctuations in gas availability and prices can pose challenges for India as the recipient country.

- **Infrastructure Connectivity and Integration:** Integrating the TAPI pipeline into India's existing gas infrastructure, including distribution networks and power plants, requires substantial infrastructure development and coordination. Ensuring seamless connectivity and optimizing gas utilization across different regions can be complex and require significant investment and planning.
- **Environmental and Social Impact Mitigation:** The pipeline's construction and operation can have environmental and social impacts, including habitat disruption, potential pollution, and displacement of local communities.

Source:

https://www.business-standard.com/world-news/pakistan-turkmenistan-ink-joint-implementation-plan-for-tapi-gas-pipeline-123060900063_1.html

Q.1 Which of the following is a significant challenge associated with the implementation of the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline?

- (a) Geopolitical complexities among the participating countries
- (b) Insufficient funding from international financial institutions
- (c) Technical difficulties in maintaining pipeline integrity
- (d) Lack of public support for the project

Answer: (a)

Q.2 Which of the following statements is true regarding the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline?

1. The TAPI pipeline aims to transport crude oil from Turkmenistan to India via Afghanistan and Pakistan.
2. The TAPI pipeline project has faced challenges due to security concerns in Afghanistan and Pakistan.
3. The TAPI pipeline will provide a direct source of freshwater supply to the participating countries.
4. The TAPI pipeline is primarily funded through bilateral agreements between Turkmenistan and India.

Select the correct answer using the code below:

- (a) 1 and 2 only
- (b) 2 only
- (c) 1, 2 and 3 only
- (d) 1, 2 3 and 4

Answer: (b)

Q.3 Examine the significance of the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline for regional energy cooperation and its potential impact on the geopolitical dynamics of South and Central Asia. Discuss the challenges faced in its implementation and suggest measures to ensure the successful realization of the project. (250 words)

Rishabh

INDIA-UAE CEPA

This article covers "Daily Current Affairs" and the topic details "India-UAE CEPA". The topic "India-UAE CEPA" has relevance in the Governance section for the UPSC CSE exam.

Relevance of the topic "Mission Karmayogi":

For Prelims:

What is CEPA?

What is India-UAE CEPA

For Mains:

GS 2: Governance

What is the trade status of India and UAE?

What is the significance of India-UAE CEPA?

Way forward

Why in the news?

The first meeting of the Joint Committee of the India-UAE Comprehensive Economic Partnership Agreement heralds a new era of bilateral cooperation.

During this meeting, both sides came together to discuss and negotiate various aspects of the agreement, aiming to reach mutually beneficial outcomes.

What is CEPA?

A Comprehensive Economic Partnership Agreement, or CEPA, is a special kind of trade agreement between two countries that aims to strengthen their economic cooperation.

It goes beyond just reducing tariffs and barriers to trade by covering a wide range of areas, such as trade in goods and services, investment, intellectual property rights, and competition policy.

Basically, it's a way for countries to work together more closely on economic matters and create more opportunities for businesses.

What is India-UAE CEPA?

The case of the India-UAE CEPA, it's a significant agreement that holds great potential for both countries. By entering into this partnership, India and the United Arab Emirates are taking a big step towards deepening their economic ties and fostering closer collaboration.

They are looking to remove obstacles that hinder trade and investment and to create a more favorable environment for businesses from both nations to thrive.

The CEPA aims to promote and facilitate:

1. Trade in goods and services,
2. Boost investment flows,
3. Protect intellectual property rights,
4. Improve market access for businesses from both India and the UAE.
5. Closer collaboration in sectors such as agriculture, textiles, manufacturing, information technology, finance, and tourism.

What is the trade status of India and UAE?

- **Bilateral trade:**
 - The bilateral trade between India and the UAE is on an upward trajectory after the signing of CEPA.
 - With modest trade starting at **USD 180 million per annum in the 1970s** it has crossed **US\$ 80 billion** today.
 - After the signing of the CEPA, the trade has increased from **US\$ 72.9 billion to US\$ 84.5 billion by the month of March 2023.**
 - UAE is India's **third-largest trading partner.**

- **Exports:**
- UAE is the **second-largest export destination** for India.
- **FDI:**
- UAE is **eighth in terms of foreign direct investment (FDI)**.

What is the significance of India-UAE CEPA?

- **Tariff Reduction:** There is greater access for UAE exports to enter the Indian markets through the reduction or **removal of tariffs on more than 80 percent** of products.
- **Non-Discriminatory Environment:** An open and non-discriminatory environment for **cross-border trade** with India, ensuring fair treatment for UAE businesses.
- **Expanded Market Access for Services:** Enhanced market access for UAE service providers across **11 sectors and more than 100 sub-sectors**, promoting collaboration and investment in service industries.
- **Addressing Technical Barriers:** The removal of unnecessary technical barriers (TBT) for UAE and Indian exporters, facilitating smoother trade procedures and compliance with international standards.
- **International Standards:** The use of international standards as the basis for technical regulations, promoting harmonization and reducing trade barriers.
- **Government Procurement Opportunities:** Enhanced access for UAE businesses to Indian government procurement opportunities, enabling participation in government tenders and projects.
- **Price Preference in UAE Government Procurement:** Support for UAE companies through a 10 percent price preference in UAE government procurement tenders, providing competitive advantages.
- **Exemption from Anti-dumping Investigations:** Assurance that UAE products will not be subject to India's anti-dumping investigations as transshipped goods, ensuring fair treatment for UAE exporters.
- **Joint Committee for Continuous Improvement:** Establishment of a Joint Committee to assess, revise, and propose amendments to the CEPA, including improving market access and addressing any emerging trade issues.

Source:

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1931759>

https://www.moec.gov.ae/en/cepa_india

PRELIMS QUESTIONS

Q.1 Which of the following are the emirates in the UAE:

1. Ras Al Khaimah
2. Sharjah
3. Dubai
4. Riyadh

Select the correct answer from the code given below:

1. 1 only
2. 2 and 3 only
3. 1, 2, and 3 only
4. None of the above

Answer: (c)

Q.2 Arrange the following trade agreements in the increasing order of trade integration:

1. Free Trade Agreement
2. Comprehensive Economic Partnership Agreement
3. Customs Union
4. Economic Union

Select the correct answer from the code given below:

1. 1->3->2->4
2. 2->3->1->4
3. 4->3->2->1
4. 3->1->2->4

Answer: (a)

Mains Question

1. **Discuss the significance of India-UAE CEPA and the associated challenges.**

Mohit Pratap Singh

