

Russia offers to build pipeline for gas exports to Pakistan: Report

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Islamabad: Russia has offered to lay a pipeline for gas exports to energy-starved Pakistan that will run parallel to the TAPI pipeline, a proposal that stems from fears that Moscow may lose the European Union market due to political tensions, according to a media report.

Russia, the second largest producer of natural gas, is looking for alternatives and has already signed a multi-billion-dollar energy deal with China.

Pakistan could also prove to be a huge market as it faces annual gas shortage of over 2 billion cubic feet per day, the Express Tribune reported.

"A Russian delegation during a visit to Pakistan last month discussed plans for building a gas pipeline in a meeting of the Pakistan-Russia Inter-governmental Commission," an official aware of the development was quoted as saying.

They expressed keen interest in laying the pipeline for gas exports to Pakistan, which would snake through Turkmenistan and Afghanistan, he said.

According to officials, the Russian pipeline will run parallel to another regional pipeline called TAPI, which will be built by Turkmenistan, Afghanistan, Pakistan and India.

Russia has also offered liquefied natural gas (LNG) supplies to Pakistan over the next two years to meet its growing energy requirements.

They have signed a government-to-government deal for building a pipeline for transporting LNG from Karachi to Lahore. Russia will provide USD 2 billion for the project.

Pakistan will provide 15 per cent of equity whereas 85 per cent of funding will come from the Russian company. First phase of the project is expected to be completed by the end of December 2017.

Analysts say Russia's proposal stems from fears that it may lose the EU market because of its tensions with the West over Syria and Ukraine.

- PTI