

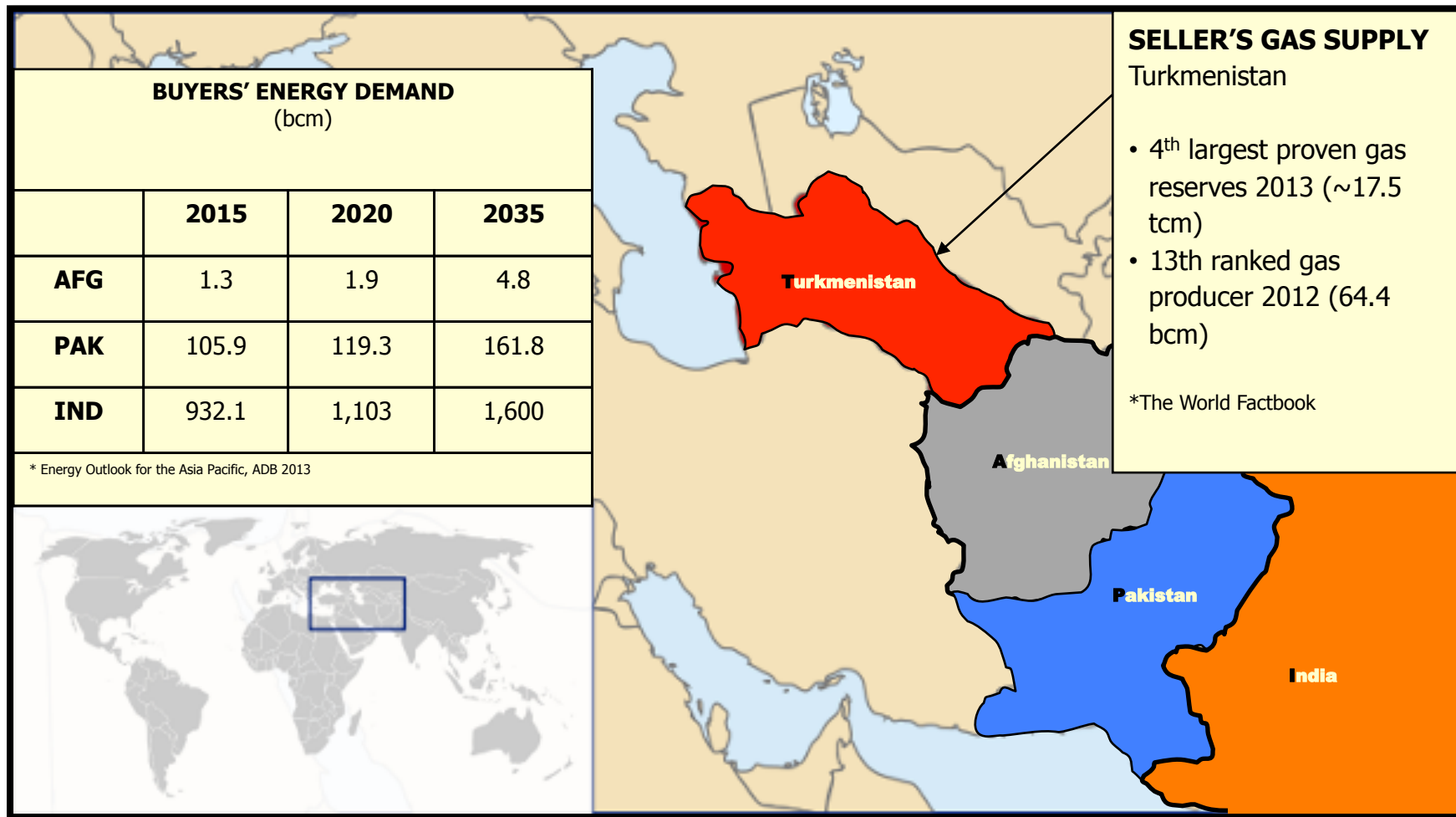
TAPI Gas Pipeline

Regional Cooperation in Central Asia

Manila, Philippines
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Matching Demand and Supply



What Has Been Done

- TAP Inter Governmental Agreement May 2002
- Penspen Feasibility Study Sept 2004
- Penspen Feasibility Study Update July 2008
- Gas Pipeline Framework Agreement Dec 2010
- TAPI Inter Governmental Agreement Dec 2010
- Gas Sales and Purchase Agreement between Turkmengaz and ISGS May 2012

What Has Been Done

- Gas Sales and Purchase Agreement between Turkmengaz and GAIL May 2012
- International roadshow with potential consortium leaders and financiers Sept 2012
- Gas Sales and Purchase Agreement between Turkmengaz and AGE July 2013
- Transaction Advisory Services Agreement between Turkmengaz, AGE, ISGS & GAIL and ADB Nov 2013
- Operations Agreement between Turkmengaz and AGE, ISGS, & GAIL July 2014

Indicative Route



What is Next

- Establish TAPI pipeline consortium
- Complete and sign Transit Fee Agreements
- Complete Feasibility Study and issue Information Memorandum
- Market to eligible potential consortium leaders
- Conduct bidding to select consortium leader
- Negotiate entry of consortium leader into TAPI pipeline consortium

Major Challenges

- Different legal systems and corporate cultures
- Security along pipeline route
- Host country arrangements in AFG and PAK
- Financing considerations; credit enhancements
- Identifying and attracting consortium leader

Thank you!

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