

Turkmenistan holds world's second largest gas field

Former Soviet Turkmenistan holds the world's second largest gas field, auditors confirmed on Tuesday, underlining its growing importance as a global energy supplier.

By James Kilner, Almaty

5:25PM BST 11 Oct 2011

The announcement is likely to intensify the battle to gain access to energy reserves in the Central Asian state, considered one of the most reclusive and repressive countries in the world.

This year, delegations from China, Iran, India, Russia and the European Union have all travelled to Ashgabat, Turkmenistan's capital, to woo Turkmen President Kurbanguly Berdymukhamedov and other senior officials

Now, after months of research, auditors Gaffney, Cline & Associates said on Tuesday that the South Iolotan field contains between 13.1 trillion cubic metres and 21.2 trillion cubic metres of gas, second only in size to Iran's South Pars.

This is a rise from their 2008 estimate of between 4 trillion cubic metres and 14 trillion cubic metres of gas.

"Turkmenistan's gas reserves are more than enough for any potential demand over the foreseeable future, whether it be from China, Russia, Iran or Europe," Reuters quoted, Jim Gillett, Gaffney, Cline & Associates business development manager as saying.

Turkmen gas is vital to a number of ambitious pipeline projects. The European Union considers the Nabucco project, which aims to pump gas from the Caspian to central Europe central to its plan to reduce its dependency on Russia but to make the project work it needs Turkmen gas.

This year India, Pakistan and Afghanistan have also been negotiating with Turkmenistan for supplies to the so-called TAPI pipeline project which wind its way from Central Asia through South Asia.

Russia, too, has been trying to mend relations damaged during a row over gas prices in 2009.

Against all this is China's growing influence in the region. China has made several major deals over the last few years and now owns large swathes of Central Asia's oil. To drive oil and gas east it has also laid down a web of pipelines, including from Turkmenistan.

Chinese state oil and gas company CNPC is one of four companies that won a tender in 2009 to develop the South Ioloten field. The other three companies were Petrofac Emirates and South Korea's LG International Corp and Hyundai Engineering Co.

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