

ENERGY COUNTRY REVIEW

Tajikistan

KEYFACTSEnergy

Country Review Tajikistan

The Republic of Tajikistan is located in the Pamira foothills and does not have access to the sea. It borders Uzbekistan and Kyrgyzstan to the north and west, China to the east, and Afghanistan to the south. The country's area is 143,100 square kilometres. Tajikistan is rich in natural resources, but as 93% of the Republic's territory is mountainous, extracting them is complicated.

Tajikistan is one of the most picturesque regions of Central Asia, striking in the variety of its natural landscapes. It is here that the highest mountain ranges in this part of the world can be found – Tyanyshan and Pamir – with absolute altitudes from 300 to 7,495 m. From their peaks, glaciers of unspeakable beauty descend to the valleys. Tajikistan has a record holder from the Guinness Book of Records – the Nurek hydroelectric station – with the tallest dam in the world, which offers a magnificent view over the surrounding mountain world. The blooming plains are few in number but unusually beautiful, especially the Hisor valley, home to Tajikistan's capital city of Dushanbe.

Tajikistan is the only Persian-speaking state in former Soviet Central Asia. The majority of the population of the Republic (as of 2000) are Tajik (about 80%); around 17% of the population are Uzbeks, 1.3% are Kyrgyz and less than 1% are Russian. The majority of Tajikistan's population are Sunni Muslims.

In 1924, Tajikistan became part of the USSR as an autonomous republic within the structure of the Uzbek Soviet Socialist Republic. The Tajik Soviet Socialist Republic was formed on 16 October 1929, and on 5 December in the same year it joined the USSR with the rights of a union republic.

Planned industrialisation was carried out in the country during the 1930s and at the time of the Second World War, accompanied by a rebuilding of the national economy and

Country Key Facts

Official name:	Republic of Tajikistan
Capital:	Dushanbe
Population:	8 769 221(2016)
Area:	143,100 square kilometers (55,251 square miles)
Form of government:	Republic
Language:	Tajik, Russian
Religions:	Sunni and Shiite Muslim
Currency:	Somoni
Calling code:	+992

Country Review Tajikistan

Government

Immediately after independence civil war broke out between various factions backed by Russia and Iran. Most Russians fled and by 1997 a central government developed and elections took place in 1999.

Tajikistan is a democratic republic operating under a presidential system. The president is directly elected as head of state and the head of government. The president appoints the prime minister and Council of Ministers. The bicameral Supreme Assembly (Majlisi Oli) includes a 63-seat Assembly of Representatives elected for a 5-year term and a 33-seat appointed National Assembly.

The oil and gas industry is overseen by the Ministry of Energy and Industry. The State Oil and Gas Company (State Unitary Enterprise) is Naftguzasht va Angisht.



an inflow of qualified labour from Russia and other republics of the USSR. The main specialisation of the Tajik Soviet Socialist Republic was the cotton industry. Meanwhile, in the 1960s and 70s new sectors of the economy were created: machine building, textiles, electronics, chemicals and hydropower engineering.

Tajikistan acquired independence in 1991 as a result of the disintegration of the USSR. Today, the head of the Tajik government is the President, who can hold the post for two seven-year terms.

Tajikistan is a member of the Commonwealth of Independent States, the Collective Security Treaty Organisation, the Organisation for Security and Co-operation in Europe and the United Nations.

The country's economy is deeply dependent on funds earned by expatriate labour: money transfers to the homeland amount to around 50% of GDP. The number of Tajik citizens who work in Russia exceeds 1 million people. The Republic's main export goods are aluminium and cotton.

Administratively, Tajikistan is divided into 3 regions, one of which is autonomous. In addition, 13 regions of Republican subordination have been singled out in the central part of the country along with one city (Dushanbe) that have special status. Each region is divided into districts, which in their turn are divided into jamoats (formerly village soviets), and then into dekha (villages).

Country Review Tajikistan

Energy

While Tajikistan's economy has previously focused on agriculture and aluminium production, there is great potential for the development of its energy industry and the country's mineral and vast hydropower resources are now being further developed. The need for energy independence is a top priority in Tajikistan, with currently over 90% of oil and gas being imported from neighboring countries within Central Asia. The Tajik government has put a priority on the development of domestic resources.

There are two oil and gas basins in Tajikistan. In the north, the Fergana Basin has produced oil since 1900 and although the shallower potential is now limited, deeper potential still exists in this basin. In the south west of the country lies the Tajik-Afghan Basin, an extension of the prolific Amu Darya Basin. The Amu-Darya Basin has giant and supergiant fields in Turkmenistan and Uzbekistan and some of the largest fields in the world including the South Yolotan field in Turkmenistan, which is one of the five largest gas fields in the world. The Tajik portion of this basin offers similar geology and reservoirs making it a prized prospect for development. Lack of investment in post-Soviet times has precluded any active exploration programs to date within Tajikistan. Tethys Petroleum is the first independent oil and gas exploration and production company to work within the Tajik portion of these basins.

In 2001, Tajik oil production was only 350 barrels per day (b/d), and by 2012 this had declined to 220 barrels per day (b/d). There has been a long period of production decline since Tajikistan produced 1,311 b/d in 1992. This decrease has been attributed to the 1992-1997 civil war, economic troubles, and lack of investment in the oil infrastructure. Tajikistan consumes 29,000 b/d of oil products, almost all of which are imported. The main source is Uzbekistan, which provides 70% of Tajikistan's oil product imports.

In July 2001, Tajikistan brought its first small oil refinery online at Konibodom. The refinery had a capacity of 400 b/d, and produces gasoline, diesel fuel, kerosene, and fuel oil. The production is far too small for the country's needs, however; Tajikistan still imports almost all its oil as refined petroleum products.

Natural Gas

Tajikistan has been estimated to have 200 billion cubic feet (Bcf) of natural gas reserves, comprised of several

Country Review Tajikistan

fields. In 2000, Tajikistan began operations in the Khoja Sartez field in the southern Khatlon Region, and has also increased its activity in the Qizil Tumshuq deposit in the Kolkhozobod District of the southern Khatlon Region. Tajikistan has also tried to increase its own gas production, in 2000, by exploratory drilling in the Khatlon region. Apparently, some of the drilling has been successful enough to interest China in future drilling activities.

The total natural gas production for Tajikistan in 2000 was 1.4 Bcf. With its small domestic production, Tajikistan must rely on imports for 95% of the natural gas it consumes.

Tajikistan has had continuing problems in paying for the gas it imports. There is an intergovernmental agreement with Uzbekistan for a fixed annual quantity, but consumption has been running ahead of schedule. An additional problem is that only 18% of the gas consumed in 2001 was paid for by users. As a result of these issues, Tajikistan has had to cut off non-paying customers and negotiate with suppliers for more gas.

The energy sector of Tajikistan includes several entities. The electric power is the responsibility of the State-owned joint stock company Barqi Tojik, which entirely controls production, transportation and distribution of electricity in Tajikistan. Oil and gas production, and development of oil and gas deposits are the responsibility of the State Committee for Oil and Gas. Distribution of natural and liquefied gas in Tajikistan is carried out by the national gas company TajikGas, while import and distribution of oil products are carried out by the State Company Tajiknefteproduct. The coal-mining sector is controlled by the State Committee for Industry.

Tajikistan has 4.4 gigawatts (GWe) of generating capacity, about 90% of which is hydroelectric. A major portion of this hydroelectric capacity is used in aluminum production, which consumes 40% of all the country's electric power. Tajikistan produces practically no oil, gas, or coal of its own. However, Tajikistan imports 43 billion cubic feet of natural gas per year, mostly from Uzbekistan.

Hydroelectric

The country possesses considerable potential in the hydropower sector, which has still not been realised. The overall scope of hydroelectric energy resources is estimated at 572 billion kilowatt hours, including 220

Country Review Tajikistan

billion kWh which are technically feasible for use, and 172 billion kWh which are economically feasible for construction. This makes the state one of the most secure in the world in terms of this renewable source of energy (eighth place in terms of absolute potential of output). Amongst CIS countries, Tajikistan is second only to Russia according to this indicator.

An example of the development of Tajikistan's hydroelectric sector is the Sangtuda hydroelectric station with a capacity of 670 MW, built jointly with the Russian Federation and commissioned in 2009.

In the same year, the South-North (LEP-500) and Khatlon-Chelanzar (LEP-220) high-voltage power transmission lines were constructed, enabling the power supply systems in the southern and northern regions of Tajikistan to be joined.

Tajikistan also has a developed mining industry. Examples include the Shurab brown coal deposit, non-ferrous metals (aluminium, lead, zinc, bismuth, mercury, tungsten, molybdenum, and gold), and the consumer goods industry, which is closely linked with the processing of raw materials.

One of the largest silver deposits in the world – Bolshoi Koni Mansur – is situated in the north of Tajikistan, in the Sogdi region. Tajikistan is also rich in precious stones, uranium (according to some data, 16% of world supplies), gold, coal, aluminium and multi-metallic ores.

Source: Gazprom, GlobalSecurity.org. Tethys Petroleum