Pipeline in doldrums

RECENT policy statement made by the outgoing government in the National Assembly confirms that the decade-old Iran-Pakistan gas pipeline scheme has been kicked into the long grass. Minister of State for Petroleum Musadik Malik had told the House that Pakistan had issued notice of "force majeure and excusing event" to Iran suspending its contractual obligations on the project due to the threat of US sanctions. He added that "project activities will begin once sanctions on Iran are removed and there is no threat" to Pakistani entities. The minister had also pointed out that Iran could take the matter for arbitration, which could result in penalties for Pakistan, Successive governments have handled this matter poorly. Iran has been subject to US sanctions since 1979, and if the powers that be had feared Washington's wrath, the deal should not have been signed in the first place, However, considering that the deal was inked by two sovereign states, all avenues should have been explored to help bring it to fruition. The PDM government itself had been saying only a few months ago that the project was on. But the statement in parliament indicates the pipeline is going nowhere.

Before abandoning the project, the state must consider a few things. Firstly, at a time when a special investment body has been set up to bring foreign funds to Pakistan, will it reflect well on the country to ditch a project that was signed with much fanfare? Moreover, should the matter be dragged before arbitrators, bilateral ties with Iran are likely to suffer, while Pakistan must consider if it is ready to pay a hefty amount in penalties for reneging on the deal. Instead of throwing in the towel, all legal and diplomatic options should be explored to save the deal and bring much-needed gas to Pakistan, while the state must convince the US to exempt this scheme from sanctions.

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Final Doct: Title: Pipeline project blorced into growe The ending government stated in the Northand Assembly that Iran-Palustan gas pipeline project has been pushed in darliness, due to international threads and ignorance on the matter by the US, after the implementation of US sanction over Ivan. In continuation He revival of project would cost Pakistan or hefty amount. In Post, PDH government raised the vorce aren de matter, but was compelled to remain quieties Pakistan was looking toward Sinaicial Stability to tackle the matter easily. Moreovers, by the fact if Pakislain can elear the help armounds for the nevert of project.