プロジェクト報告

Energy Connectivity and Transport Infrastructure: Assessment of Challenges and Opportunities for the Belt and Road Initiative (BRI)

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Abstract

As the largest economy, Asia will assume the role of global leadership. And to act as the leader of the 21st century, it will be essential for Asia to work for regional cooperation and integration. Infrastructure acts as a base of demand and supply chain. The development of inter-regional infrastructure would reduce the imbalance in Asian economies since the development of infrastructure is directly proportional to economic growth which is also directly proportional to the development of region hereby enhancing regional integration. The Belt and Road Initiative (BRI), first defined in 2013 by the President of China, as the largest initiative towards the regional connectivity and international cooperation in recent times. According to the Chinese perspective, this initiative offers economic, cultural, political, and strategic potential to the countries besides the belt and road routes, and Central Asia is a significant territory along the One Belt route. Receiving global attention, BRI is a reinvention of the ancient Silk trade route, which may prompt the massive

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infrastructure development on the Belt and Road route, through new highways, railways, ports, and pipelines and would tie countries of Asia to Europe.

The objective of this paper is twofold: firstly, to assess the connectivity of energy supply, strengthened by the construction of pipelines integrating Central Asian and Caspian energy to other sub-regions of Asia and Europe for energy security and secondly, to analyse the challenges associated with BRI in Asia and the world at large using the scenario development methodology. This methodology is applicable to predict the uncertain geopolitical settings for a long-term macro scaled planning. Accordingly, through this research, the author proposes the policy recommendations about the various cases developed using scenario development methods, to make sure the potential inclusive involvement of highly significant major economies of Asia namely, India and Japan, in BRI towards the Pan-Asian regional integration.

Keywords: Energy Security, Geopolitics, BRI, Asia, Regional Cooperation

JEL Codes: L95, O13, O18, P48, Q40

Introduction

Globalization has given boost to energy demands of various economies of world, as these economies have liberalized themselves and open up for foreign investment to integrate themselves with world economy. These investments require regular inflow of oil and natural gas at large scale to sustain the level of growth through infrastructural development. And here comes energy at the nexus of global geopolitical processes, since maintaining energy security has become an essential element of policy making of each state.

International Energy Agency explains energy security as "*the uninterrupted availability of energy sources at an affordable price*" (IEA 2019). Perception about energy security differs for all involved actors, predominantly for producer and consumer countries as well as oil companies which act as linkage between these countries. Talking about these actors: main concern of producer countries about energy security is the fear about balance of payment shocks and about security of

revenue and demand. From the viewpoint of consumer countries, the most important concern about energy security is availability of energy at affordable price and undisrupted supply of energy. Oil producing companies' view, access to new reserves, capacity to develop new infrastructure and secure investment regime, as their main concern to maintain energy security (Esakova 2012). Cooperation among all actors involved in the process is highly essential for uninterrupted supply of energy, since in today's interdependent world it is difficult for any single state to tackle its energy demands with its own resources.

Energy cooperation involves large scale infrastructure construction, the trading of resources, and energy finance products and energy governance. The objective of energy cooperation, however, is not merely to acquire energy resources but also to cover the diversification of sources and transportation routes, industry development, policy coordination, energy financing, sustainable development and regional governance (Yu 2018). Other than policy objectives the keystone of energy cooperation is energy connectivity for which all of the above-mentioned steps are taken into consideration.

Connectivity of Energy Supply

EU representative Federica Mogherini defines Connectivity as, "*the physical and non-physical infrastructure through which goods, services, ideas and people can flow unhindered*" (Russell 2019). Energy crises occur due to lack of balance in demand and supply of energy, which can be addressed only through improved supply of energy as well as diversification of energy resources. The ability to share and trade these resources in terms of physical infrastructure, to address energy surpluses and deficits require physical connectivity infrastructure, such as oil and natural gas pipelines, electricity grids which in turn demand substantial funding for infrastructure construction (UN ESCAP Akhtar 2016).

Greater connectivity results in better cooperation not only among the member countries, but also inter-regionally. It would also help in the multifaceted growth of the region and would significantly narrow the development gap between underdeveloped and developed region (Das 2013). Energy markets do not connect by themselves but actions are needed and most importantly mutual trust and

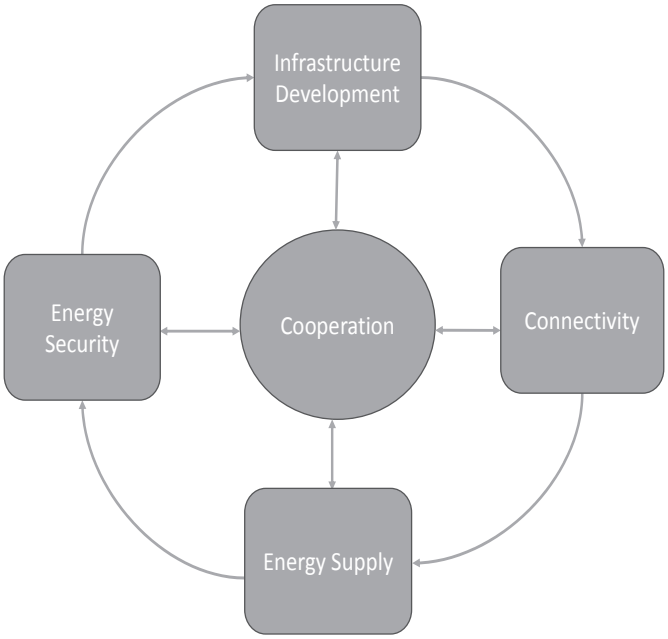

Figure 1 Schematic Relationship Illustration among Cooperation and other Economic Parameters

Source : Author

cooperation between two nations act as cornerstone of regional cooperation to address regional challenges (UN ESCAP 2016). Figure 1 features key elements in Cyclical pattern and showcases that cooperation between states gives boost to infrastructure development through collaboration and cooperation among governments and companies which enhances physical infrastructure connectivity, hereby boosting energy supply to strengthen energy security of the region. Illustration displays cooperation at the centre comprising economic parameters for the bilateral as well as multilateral growth.

In order to foster deeper region cooperation and integration, world leaders on 25 September 2015 decided to adopt new framework "*Transforming our World: The 2030 Agenda for Sustainable Development*" and reiterated that "*The 2030 Agenda compels us to look beyond national boundaries and short-term interest and act in solidarity for the long term. We can no longer afford to think and work in silos*" (UN ESCAP 2016). It is high time to work together, use available energy reserve and

address global challenges such as terrorism, climate change in cooperation with each other. Regional energy connectivity will create structures and institutions to deliver cost effective energy for entire region similarly through large scale energy infrastructure favourable market conditions can be created. In the next section, paper aims to evaluate Belt and Road Initiative in terms of pipeline connectivity of Central Asian Caspian region and examine particularly natural gas pipeline infrastructure as an opportunity under BRI initiative.

China's Belt and Road Initiatives towards Energy Connectivity

Highly ambitious venture Belt and Road Initiative (BRI) of China projects its futuristic vision for regional integration of Eurasian continent through regional initiative and development projects. Published in 2015 by Chinese government, BRI official policy document, "Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road" emphasizes five key areas as cooperation priorities: policy coordination, unimpeded trade, facilities connectivity, financial integration, people to people bond (Yu 2018). Of these priority areas energy cooperation holds a significant position to foster energy connectivity on trans-continental scale. Zou Ji president of the Energy Foundation China in an interview claims that, "*through BRI, countries and regions could enhance energy connectivity and take a proactive approach when planning their energy infrastructure*" (Xinhua 2019).

On the geopolitical map of Eurasia, Central Asian Caspian region is positioned on the "oil heartland" which is not only rich in valuable hydro carbon reserves but also serves as strategic channel connecting East to the West. However, being a land locked region, the connectivity of Central Asian and Caspian region is dependent upon pipelines and neighbouring states to reach consumer market. In recent years with the prospects of improved connectivity, China has invested in the infrastructure projects such as development of highways, transmission networks, oil and gas pipelines and logistic hubs inter and intra regionally (Kitade 2019; Bird et.al. World Bank Group 2019). Since it is difficult to separate the ongoing and proposed projects under BRI "*as many bilateral agreements are now being brought under the Silk Road and BRI umbrella*" (Dave 2018). Therefore, in the next section this paper discusses

two major Energy projects directly and indirectly under BRI originating in Central Asian Caspian region: Central Asia China Gas Pipeline and Trans-Anatolian Natural Gas Pipeline. Originating in Caspian Basin, the former is routed towards east while the latter to west.

Central Asia China Gas Pipeline

Financed by largest Chinese oil Company-China National Petroleum Corporation (CNPC), Central Asia China Gas Pipeline (CACGP) reflects energy flow from Central Asia towards East Asia as well as integration of Central Asian economy in terms of energy supply and infrastructure (Blank 2010). In order to cater its fast-growing energy needs and reduce the dependence on the Malacca Strait Shipping route China invested to utilize oil and natural gas reserves of Central Asian Caspian region (Bin 2014). Chinese company China National Petroleum Corporation (CNPC) signed the production sharing agreement in 2007 with the Turkmen State Agencies to develop gas fields on the right bank of Amu-Darya River. This contract also included management, sale, purchase and usage of hydrocarbon reserves of the region (CNPC 2019). Construction of first phase of pipeline began in July 2008 and became operative in December 2009, just in 28 months from signing of the project, creating the "Amu Darya Miracle" in pipeline construction (Bin 2014).

Under the production sharing agreement signed in 2007, CACGP aimed to supply 30 billion cubic meters of natural gas annually to China for next 30 years. The whole project is divided into four pipelines traversing through 4 routes. Line A became operational in 2009 with annual gas capacity of 30 billion cubic meters, Line B became operational in 2010 with same production capacity. After two years in 2012 Line C came into construction and became operational in 2014 with annual gas transport capacity of 25 million cubic metres and Line D is expected to become operational in 2020 (Choganou 2019, CNPC 2019). While line A, B, C, start from right bank of Amu Darya at Gaidum in Turkmenistan, crossing the southern Kazakhstan and Central Uzbekistan, and end at Horgos in China's Xinjiang Uygur Autonomous Region (CNPC 2019). On the other hand, route of Line D circumvents Kazakhstan by way of Uzbekistan and Tajikistan and Kyrgyzstan to China, (Guo et. al. 2019). Line D of the

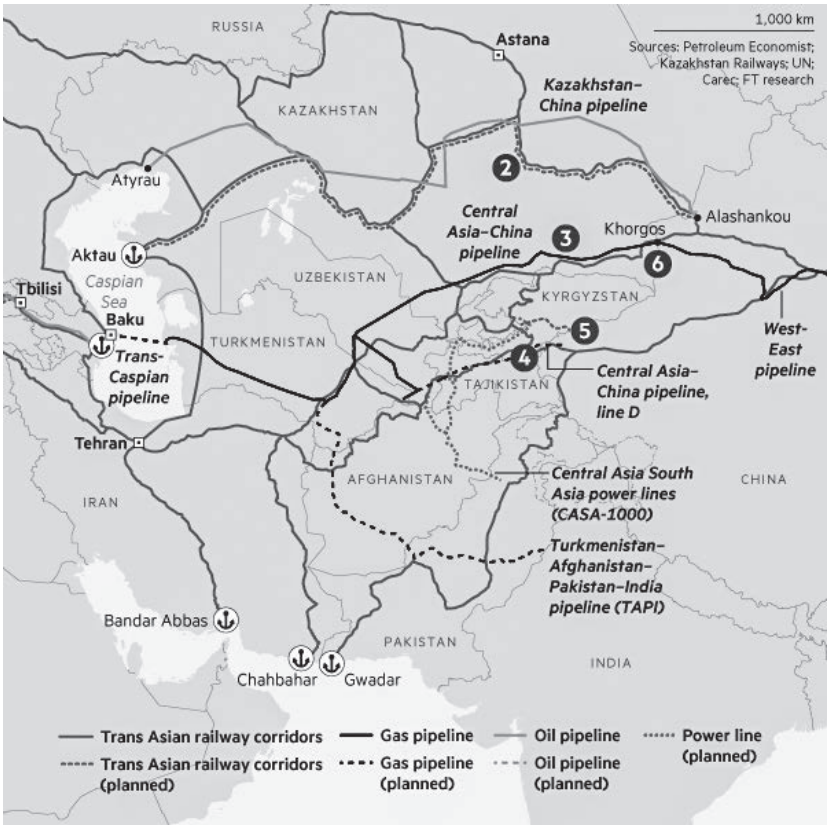

Figure 2 : Central Asia-China Natural Gas Pipeline

Source : Financial Times ; https://www.ft.com/content/ee5cf40a-15e5-11e6-9d98-00386a18e39d

project is expected to raise gas export from Central Asia to China from annual 55 billion cubic metres to 85 billion cubic metres natural gas per year (CNPC 2014; Farchy and Kynge 2016). The CACGP pipeline is further connected to Second West-East Gas pipeline, which starts from Horgos at the China-Kazakhstan border. This pipeline will transport Central Asian energy to the key demand centres of China and will travel 8653 kilometres to Shanghai in the east and Hong Kong in south (EIA 2015; CNPC 2019).

For China these natural gas pipelines not only contribute to meet the demand of its growing market but also support in the reduction of coal consumption by 63000 tonnes per day to reduce air pollution, strategy adopted by China for environment friendly industrial development. Catering most of the gas import needs of China, the CACGP project has delivered a total of 277.4 billion cubic metres of natural gas to

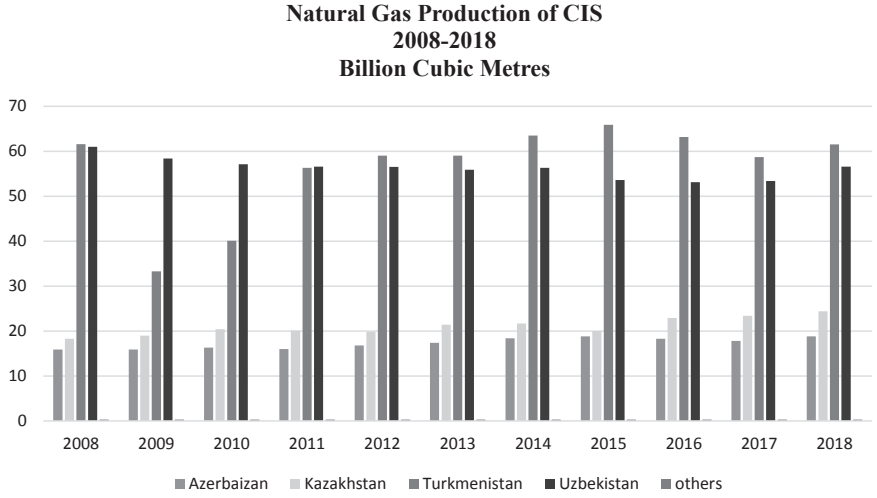

Figure 3：Natural Gas Production of major CIS Gas producing countries

Source：Compiled by Author using BP Statistical Review of World Energy (2019)

China in 27 provinces benefiting more than 500 million people. The pipeline accounts for about 25 percent of oil and gas pipeline network and according to the latest report by PetroChina, the pipeline supply with 160 million cubic metres of gas per day in December 2018 recorded its highest level of capacity of natural gas supply. Figure 3 shows the natural gas production for last 10 years of key natural gas producing countries of CIS except Russia, because of CACGP project Turkmenistan has emerged as one of the world's largest producer and exporter of natural gas (CNPC 2019; Reuters 2018). Turkmenistan's gas reserves are projected as the fourth largest in the world representing about 10 percent of global reserves (World Bank, Turkmenistan 2017).

For CACGP project participating countries, exporting natural gas to China would help diversifying their energy exports to the East, thus benefiting all the parties involved. This pipeline forms the backbone of the inter-regional infrastructure connections among the Central Asian states, being first ever project after soviet disintegration which brought together Central Asian states under one project. Other than promoting energy cooperation between China and Central Asian countries, the agreement aims to promote investment in local natural gas reserves, hereby stimulating the growth of local construction and manufacturing industries and generating the employment opportunities hence fostering prosperity in the region

(CNPC 2019). In the oil and gas cooperation with Central Asia CNPC focuses on establishing a coordination group, promoting over all oil and business opportunities and sustainable development and applying speciality engineering technology and improving project economic benefits (Bin 2014).

Trans-Antolian Natural Gas Pipeline (TANAP)

Framed as the Silk Road of energy TANAP project was originally proposed at the 3rd Black Sea Energy and Economic Forum organized in October 2011 during Turkey-Azerbaijan transit discussions. Later on, a Memorandum of Understanding (MOU) was signed for pipeline development between Turkey and Azerbaijan in December 2011 and Intergovernmental agreement in 2012 (Suleymanov et. al. 2016). Starting from Shah Deniz field located on the western coast of Caspian Basin in Azerbaijan, the TANAP projects at 1850 kilometre constitutes more than fifty percent of an energy corridor of 3500 km extending from Azerbaijan via Turkey to Italy in Europe (TANAP 2018, World Bank 2016). TANAP project along with South Caucasus Pipeline (SCP) and Trans-Adriatic Pipeline (TAP), holds the central position in the Southern Gas Corridor Program, which is a planned infrastructure program to transport gas from Azerbaijan through Georgia, Turkey, Greece and Albania to Italy (World Bank 2016). The 1850 km long pipeline would initially transport 16 billion cubic metres of natural gas annually, of which 10 billion cubic metres will be transported to Tbilisi, Athens, Tirana and Rome, while 6 billion cubic metres would be transported to Ankara. And this capacity would enhance to annual flow of 24 billion cubic metres and 32 billion cubic metres tentatively (TANAP 2018). The annual gas flow of 10 billion cubic meter through TANAP would constitute about 3.5 percent share of Europe's import and is expected to increase to more than 15 percent after the possible expansion to 32 billion cubic meters (AIIB 2016).

Asian Infrastructure Investment Bank (AIIB)-a Chinese initiative and a major financer of Belt and Road Initiative, provided fund of $ 600 million to Azerbaijan for the construction of part of TANAP project. The bank released the statement, which says, "This crucial upgrade of energy infrastructure between Asia and Europe will further strengthen the economy of Azerbaijan while underpinning energy security in Turkey as well as several other countries in southern Europe", highlighting the

strategic importance of the project (Suokas 2016). Other important international financial institutions those are supporting the program include, World Bank, European Investment Bank (EIB), Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD) added by other commercial investors (World Bank 2016).

As the most straightforward route to connect energy reserves from Central Asian and Caspian region to European market via Turkey the project would also boost up Turkey's place on the energy corridor connecting Eurasia (Aydin and Azhgaliyeva 2019). Thus TANAP project not only introduces Azerbaijan's natural gas to new energy market and may emerge as a potential alternative pipeline for transporting Turkmen natural gas to Turkey and Europe in future, also this will make it possible for Azerbaijan and Turkey to possess of a strategic position in the energy security issues of the region (Suleymanov 2016). This pipeline will not only boost the regional energy supply security but also foster multinational cooperation.

The project will reduce the dependency of Turkey as well as other countries, on Russian supply for natural gas which is more expensive, thus project will lead to decrease in the energy prices for energy consumer countries. According to the *Johanson Cointegration Analysis*, 1 unit decrease in gas prices, give boost of 6.71 unites in the production (Yildirim et. al. 2017). Given the correlation between

Figure 4：Southern Gas Corridor Program

Source：World Bank http://documents.worldbank.org/curated/en/224911483470754491/pdf/PAD1665-REVISED-OUO-9-P157416-PAD-Main-Final-12012016.pdf

affordable energy supply and economic activities, the project will not only increase the infrastructure connectivity through multinational pipeline system but also ensures energy security of the Europe and Turkey.

There are total four stages of the project, the first stage of operation completed in 2018 with flow of 6 billion cubic metres natural gas to Turkey. The second stage would increase the capacity to 16 billion cubic metres and the export of 10 billion cubic metres natural gas will begin to Europe. The third stage is expected to increase the annual flow of natural gas to 24 billion cubic meters by 2023. And the final fourth stage will increase the annual capacity to 32 billion cubic metres and later on the 50 billion cubic metres (Suleymanov 2016). So far project has provided direct employment opportunities via new businesses and industrial enterprises to approximately 15,000 people in 20 provinces on its route (TANAP 2018). Figure 5 shows the implementation of the project TANAP and shows that after the initiation of the project in 2018 actual amount superseded the original amount estimated earlier. In its first year of operation TANAP was successfully able to transport 1 billion cubic metres of natural gas to Turkey, which has been increased to 2.39 billion cubic metres as of August 2019 (Ergin 2019).

The TANAP project can prove as an important expansion towards the future potential partners in Central Asia. And, Belt and Road Initiative through its various infrastructure development initiatives on this route, especially under Central Asia West Asia economic corridor can further expand the horizon of the project.

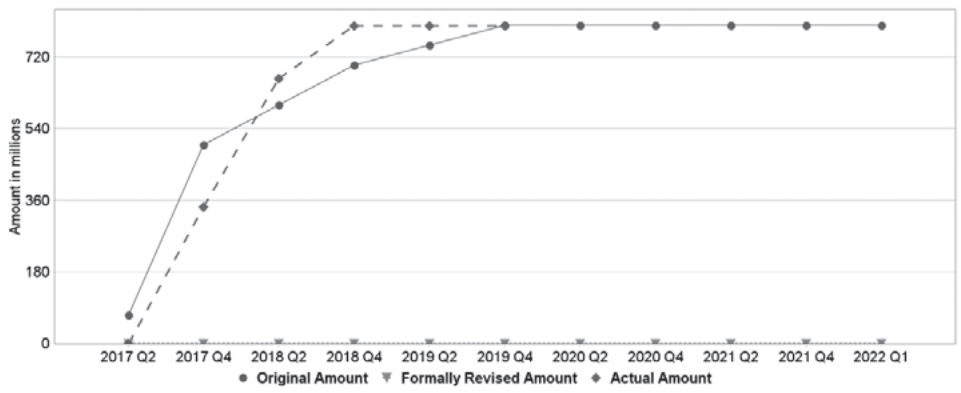

Figure 5 : TANAP Project Implementation Report

Source : World Bank (2019)

Pipelines as an Opportunity in Bridging East and West under BRI Framework

Energy is the cornerstone of all infrastructure development towards seamless connectivity and China is looking forward to expand transnational energy cooperation through massive development of energy infrastructure to improve market accessibility (Yu 2017). The transport connectivity is at the core of the BRI as it aims to jointly build seamless and sustainable transport links with participating countries along its economic corridors. Among the six envisioned economic corridoes under BRI, China Central Asia-West Asia Economic Corridor (CCAWA) holds a special place due to its strategic position on the *"Ancient Silk Route"*. This corridor aims to connect China to Mediterranean Sea through Kazakhstan, Turkmenistan, Uzbekistan, Kyrgyzstan, Tajikistan, Turkey and Iran. This initiative will be completed by bilateral cooperation agreement between China and Central Asian states (ESCAP Report 2017). In June 2015, at the third China-Central Asia Cooperation Forum, a joint declaration was signed between China and Central Asian countries with a commitment to "jointly building the Silk Road Economic Belt" towards deeper multilateral cooperation in trade, finance, transportation and communication to enhance connectivity of the corridor (ibid).

Bian Dezhi a senior official at CNPC states that, "*China is busy building the Silk Road Economic Belt throughout Central Asia, and we see these oil and natural gas pipelines as an 'energy Silk Road'*", which will bring batter cooperation environment (Lishen, Belt and Road Portal 2017). As it can be seen that the growth of CACGP and TANAP is explained in the section of China's Belt and Road Initiatives towards Energy Connectivity of this paper which gives a positive outlook to anticipate the future opportunities. The position of CACGP and TANAP, stretching out horizontally from Caspian Sea in the East and West direction can be mobilized towards the further development of economic corridor. These energy corridors may further involve energy terminals from Persian Gulf, thus truly forming a "*Pan-Asian global energy bridge*" which can link existing and potential energy suppliers from Persian Gulf, Central Asia and Russia to major energy consumers such as China, India, Japan and South Korea (Fazilov and Chen 2013). If successful, such energy cooperation will pave the way towards Pan-Asian Regional Integration.

In the past, there had been examples such as TAPI (Turkmenistan, Afghanistan, Pakistan and India pipeline) and IPI (Iran Pakistan and India pipeline) projects, although initiated, but could not came in shape due to lack of cooperation among the countries involved. TAPI has been under discussion in diplomatic and political circle from last 15 years. Thus, it can be stated that the opportunity through BRI can rejuvenate such projects in future.

Challenges for BRI

Although talking about regional cooperation and integration and development for all, China is trying to build its monopoly on the platter of regional integration. Majority of the infrastructure built on the belt and road route is merging towards China. Regional cooperation means that each and every stakeholder has inclusive participation as well as contribution rather than making the multiple power centres in the region itself. In this paper author argues that to make BRI a successful and sustainable project, it is important for China to understand that how its initiative is perceived, and the perception can be improved with the involvement of more trusted regional actors such as India and Japan.

Albert Hirschman a noted Harvard economist discussed in his research long before the announcement of BRI that, "*expansion in international commerce inevitably creates asymmetrical dependence in favour of the powerful states*" (Deng 2018). Thus there have been debate about the real nature of BRI whether it is a Chinese development initiative or a geopolitical instrument that uses debt-trap as a tool to bring targeted countries into the desired terms. Debt diplomacy contains a creditor country which deliberately extends excessive credit to the debtor country. If the debtor country cannot fulfil its debt obligations, often the creditor country will make it possible to interfere with economic and political condition in the debtor country (Rakhmat and Indramawan 2019). However there are more than 60 participating countries in BRI but it is strange that out of top 10 largest economies of the world except Italy, no other country is a part of BRI, which makes situation even more vulnerable for smaller economies falling in "*debt trap*". Such type of monetary obligations would yield China influence over political leaderships through which it can control foreign assets, gain military access etc in foreign lands (Kliman and Grace 2018). In 2015 newly

elected President, Maithripala Sirisena to reduce the growing Chinese influence, suspended the "Port City" project due to undisclosed stopover by Chinese submarines and warship at Colombo container terminal owned by Chinese state company. Later on in 2016 already debt ridden government of Sri Lanka signed the deal of $1.4 billon with China Harbour Engineering Company to resume the "Hambantota Port Development Project". Using Sri Lanka's debt as a leverage, in 2017 China successfully swap the debt in to equity and gained the control of the strategically important Hambantota port in Indian ocean for 99 years (Mulrenan 2018; Habib 2018). As well in 2016 when Mongolia invited the Dalai Lama, Beijing threatened Mongolia of economic and trade sanctions, leaving Mongolia with no choice but to submit to its demand (Deng 2018).

Thus as a host country, Beijing needs to identify challenges associated with the perception about Belt and Road Initiative, as well clear its objective behind the project, since common outlook about the project is forming as Chinese tool to expand its sphere of influence for becoming global power. With-out forming cordial relationship with regional powers such as Japan, India and Russia, the Belt and Road activities may be perceived as an intrusion on their areas of influence for example Chinese control over many important ports in Indian Ocean (Meidan and Patey 2016). Other challenges which require consideration are the risk factors along the Belt and Road routes such as terrorism, piracy, ethnic and national rivalries, Islamic fundamentalism and internal extremism (Shichor 2018).

Professor Deng Yong analyse that in recent experience BRI has reflected more of a "particularistic interest" than "multilateralism" he stresses that in order to succeed this initiative need to be "*transparent, generalized and multilateral*" (Deng 2018). According to the World Bank (2019) report on opportunities and risk of belt and road initiative, multilateral cooperation among the economies on the Belt and Road Route can be improved through mutual trade facilitation and Border management, consolidated building infrastructure standards, management of environmental risk, legal frameworks for investors protection, transparency and most importantly a multilateral approach to deal with potential debt distress problems associated with BRI.

In this direction, from the available literature, author develops 3 Scenarios showcasing that for effective functioning of BRI which aims to establish pan Asian

connectivity, inclusive participation of regional actors cannot be neglected in order to address challenges such as debt trap, transparency associated with BRI. "Scenario" is "*a fuzzy concept that is used and misused with various shades of meaning*" which is generally used to depict the future (Mietzner and Reger 2004; Kosow and Gabner 2008). Therefore, defined as the depiction of a possible future situation, scenario analyses represents, "*hypothetical sequences of events constructed for the purpose of focusing attention on casual processes and decision points*" (Kahn and Wiener 1967). In spite of presenting full description of the future, these analyses feature key elements of the possible future. However on the negative side, due to its hypothetical and ideal nature many analysts assert that the created scenarios do not represent reality. (Kosow and Gabner 2008).

Scenario 1; envisions cooperative framework between India and China over BRI, with high integration of South Asia in Belt and Road Initiative. On one hand China invites India to participate in BRI on the other hand its China-Pakistan Economic Corridor (CPEC) passes from POK (Pakistan Occupied Kashmir) which is a diplomatic sovereign matter for India (Belt & Road News 2019). If China really wants deeper collaboration in South Asia it will not be possible without the active involvement of India in the project. Being the fifth largest economy of the world, route via India would garner higher traffic, larger market and provide direct access in the Indian Ocean with ports economically more viable. Recently Indian Parliamentarian Dr. Subramanian Swamy suggested, "*instead of passing through POK, BRI Corridor can enter India from Kunming in Southwestern China and from Kolkata Port it can take Sea Route through the Bay of Bengal, another route from Uttarakhand's Pithoragarh to reach Mumbai Port in western India*" (OBOR news 2020).

Highlighting the priorities for regional neighbours, Indian foreign minister Dr. S. Jaishankar stated, "*India believes in a softer and collaborative diplomacy with a sense of partnership*". Thus, active involvement of India would not only increase transparency but also it keeps a check on "debt trap" of the entangled smaller economies. Figure 6 indicates that only with the presence of China the goal of Asian integration will be limited and involvement of India, increases the horizon of integration to South Asia.

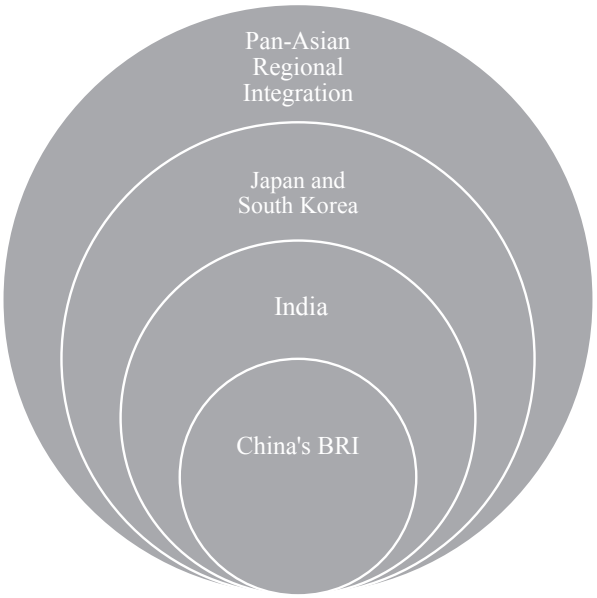

Figure 6：Illustrative Representation of the Scenarios
Source：Authors own elaboration

Scenario 2; incorporates Japan and South Korea along with India with deeper collaboration and cooperation in BRI. Integration of East and South-East Asia would be incomplete without involvement of Japan and South Korea. Engagement of these two economies would enhance business opportunities along the BRI route. Particularly, Japan's support for the BRI would heighten up the capacity of both China's and Japan's ongoing infrastructure projects such as industry advancement, energy conservation and goods distribution (Sano 2018). With huge interest in Asia's infrastructure development, Japan has plans to invest in Asia especially through Asian Development Bank. In June 2017, Abe government announced support of US$ 1 trillion for the project to build cross border infrastructure. It has shown interest in working with China to reduce competition between Japan and China (Sano 2018; Brinza 2018).

Ryo Hinata-Yamaguchi, a visiting professor at the college of Economics and international Trades at Pusan National University suggested economic benefits to South Korea including "*new opportunities in Eurasia, including China, Southeast Asia, Central Asia, Russia and beyond*" (Belt & Road News 2019). Involvement of South Korea in BRI on one hand would strengthen its long standing objective of linking a

reunified Korean peninsula with Europe via Eurasia and increase sub-regional cooperation and integration. On the other hand, there will be pool from another major economy towards the financing of infrastructure development projects along the route.

Scenario 3; imagines Pan Asian regional integration, with equal involvement and cooperation of all major economies in BRI. While working on the common agenda with limited resources it is high time for leaders to come together for the common cause and realize the need of Regional cooperation and integration for the new world order. In an utopian scenario, this paper envisions a perfect mutual cooperation and collaboration among the leaders from all major economies of Asia particularly Russia, Japan, China, India, South Korea, Saudi Arabia, Turkey and others. Keeping aside personal objectives, these leaders can learn from Franco-German Reconciliation in the post war phase. It was particularly leadership of General Charles de Gaulle and Chancellor Konrad Adenauer who paved the road of reconciliation in the pursuit of deeper cooperation which shaped the future course of European Integration (Gerhausser 2012). However there are apprehension about Chinese motives, but the concept of Belt and Road can be that bridge which may connect all the economies from East to West and North to South, since connectivity enables governments to harness regional advantages. But it will only possible with proper inclusion, transparency, trust and mutual cooperation of all leaders who needs to work together in one direction rather than forming their own smaller groups.

Conclusions

Paper explains the importance of energy security as a cornerstone to nurture multinational cooperation. In this process paper establishes a cyclical relationship showcasing that cooperation is the central force to establish, to grow and to sustain the economic parameters such as infrastructure development, connectivity, energy supply and security in the region. The Chinese Belt and Road initiative aims to foster inter-regional and intra-regional connectivity through transport and energy infrastructure in continental Eurasia.

Discussing both opportunities and challenges of BRI, this paper look up to pipeline

construction as an opportunity which will act as an engine to enhance connectivity of the Central Asian Caspian region. And successful implementation of multinational pipeline project can provide a futuristic vision of projects under BRI connecting Eurasia. However absence of major economic player is a huge challenge to bring the vision into complete reality.

The above mention CACGP and TANAP pipelines are positioned on the mighty ancient Silk route connecting East and West, if managed properly under cooperative multinational framework, it will be possible to establish energy flow between East and West. The Belt and Road Initiative which is indented to improve connectivity and cooperation on a transnational scale through its economic corridors can act as catalyst to boost infrastructure on the silk route.

Author views that in the future, the expansion of BRI would be possible only with genuine cumulative efforts of all regional players. Presently, there is no major economy of the world participating in BRI, involvement of larger economies would not only enhance the trust but also transparency in project. Integration of India to the project would include a very vital strategic partner, with larger market, and Japan and Korea would provide increase financing of the project as well as technology and high quality services. Particularly involvement of Japan in Belt and Road initiative would act as redefining element of the foundation of the project because of the international trust about the country. Involvement of these actors would act as a trust building measure for the project. The concerns about validity and reliability of the project can be answered through comprehensive participation of these regional players. It is also responsibility of China being a host state of the initiative to take steps for inclusive involvement of strategic partners to address the scepticism and change the global perception about the project which aim to establish Pan-Asian connectivity.

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