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Ashgabat-Rome: hi-tech and oil calling

The official visit in Italy of Turkmen President Gurbanguly Berdimuhamedov on the 6-7th of November shows the mutual interests of both countries to improve diplomatic relations and to deepen economic cooperation in order to better achieve the strategic aims of their foreign and energy policies.

Even if Italy recognised Turkmenistan's independence in 1992, bilateral relations are still in progress: only in 2014 Italy opened an embassy in Ashgabat. During his second visit in Italy, Berdimuhamedov had talks with Italian President Sergio Mattarella and with Prime Minister Luigi Conte signing a bilateral document to enhance cooperation in the security-military field, in energy, culture and transport matters.

The cooperation in the defence sector is rather important: in July 2019 the Italian Parliament ratified a specific inter-governmental agreement, previously signed in 2017: in addition to the export of military hardware, Italy is an important technological partner for Turkmenistan because in 2015 Thales Alenia Space (a joint venture between Thales for 67% and Leonardo for the remaining 33%) built and launched the first Turkmen communication satellite (Thales, Space in Eurasia, <https://www.thalesgroup.com/en/worldwide/thales-eurasia-space>).

Alongside Berdimuhamedov's visit, the Italy-Turkmenistan Business Forum took place in Milan, where political and business representatives met together because the bilateral commercial interchange is rather small: nearly 200 billion euro for 2019. During the Forum, ENI Executive Vice President for Central Asia Luca Vignati declared the company's intention to diversify activities in Turkmenistan, preserving its huge interest in the oil and gas sector but also trying to develop renewable energy sources. ENI benefits from a long-term strong position in this energy-rich country (holding the world's fourth largest natural gas reserves): since 2008 ENI has invested 2 billion euros to develop the Nebit Dag onshore bloc in the western region ("Italy's Eni ready to diversify activities in Turkmenistan", *Oil & Gas Journal*, November 7, 2019). Furthermore, together with China National Petroleum Company, ENI is the only foreign energy company that signed a Partnership Sharing Agreement on the most lucrative onshore fields.

In the past years, Turkmenistan and ENI discussed on the possibility to use compressed natural gas as an alternative option to deliver Turkmen natural gas through the Caspian Sea without building the offshore gas pipeline (namely, the Trans-Caspian Gas Pipeline), but shipping it by tankers. A potential resubmission of this project today could ensure benefits for both parties, allowing Turkmenistan to join the Southern Gas Corridor exporting gas to the EU and diversifying its export routes, while ENI could increase its role in Turkmenistan energy sector and in the whole Caspian region, given its interests in Kazakhstan's oil and gas. Sector

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