Motihari-Amalekhgunj Petroleum Pipeline

News

PM Modi and his Nepalese counterpart KPS Oli will “switch on” the Motihari-Amalekhgunj petroleum pipeline from their offices in New Delhi and Kathmandu.

About the pipeline:

- The pipeline will transport fuel from Barauni refinery in Bihar’s Begusarai district to Amalekhgunj in southeastern Nepal, situated across the border from Raxaul in East Champaran district.
- The 69-km pipeline will drastically reduce the cost of transporting fuel to landlocked Nepal from India.
- The Amalekhgunj fuel depot will have the capacity to store up to 16,000 kilolitres of petroleum products.
- The pipeline will help in tackling the oil storage problem in Nepal and doing away with transportation of petroleum products through tankers.
- It will ensure smooth, cost-effective and environment-friendly supply of petroleum products to Nepal.

Years in making

- The pipeline project was first proposed in 1996, but progress was slow. Things began to move after PM visited Kathmandu in 2014.
- The following year, the two governments signed an agreement to execute the project; however, political tensions, including India’s alleged “economic blockade” of Nepal, acted as roadblocks in the implementation.
- In 2017 Indian Oil Corporation (IOC) signed a petroleum trade agreement to supply about 1.3 million tonnes of fuel annually to Nepal with a promise to double the volume by 2020.
- In July, the two countries successfully concluded a “testing transfer” through the oil pipeline.