

India in pact with UAE to spur energy security

Dharmendra Pradhan

Prime Minister Narendra Modi's recent trip to the UAE has resulted in two agreements being signed that will strengthen India's energy security, said Petroleum and Natural Gas Minister Dharmendra Pradhan.

"Two highlights of the PM's visit were the signing of the Concession Agreement between an Indian consortium and Abu Dhabi National Oil Company for award of 10% stake in Lower Zakum Offshore oil field, and an agreement between Indian Strategic Petroleum Reserves (ISPRL) and ADNOC to operationalise the filling up of a strategic petroleum reserve cavern in Mangalore," he said at a press conference. The Lower Zakum oil field is coming up for rebidding for 40% of its capacity, of which 10% had been awarded to India.

The second agreement allowed ADNOC to invest in the strategic crude oil storage facility in Mangaluru.

"ADNOC will invest about \$400 million [for] storing crude in one ISPRL underground rock cavern... of capacity 5.86 million barrels."

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