

Speech by the Minister of Petroleum and Natural Gas Shri Dharmendra Pradhan at INDIA ENERGY FORUM – CERAWeeK in New Delhi

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I heartily welcome friends from international and Indian oil and gas industry, the broader energy industry and key consuming sectors to a brand new chapter of CERAWeeK, the CERAWeeK India Energy Forum.

Thank you Dr. Daniel Yergin, Vice Chairman, IHS Markit, Dr. Atul Arya, Senior Vice President, IHS Markit and your team, for bringing your flagship event out of Houston for the first time and selecting India for its first home away from home.

India will remain one of the fastest growing energy markets in the World in the coming two decades. Both on account of increasing access and better life styles, there will be growth in per capita energy consumption. We will be an influential buyer in the global energy market.

Given our dependence on imports (80% oil and 50% gas) – we have to constantly track the global trends and learn from experts like yourselves.

Last month when hurricanes hit the US and refinery capacities went down, crude itself had been on its way up already. Given that our refineries and producers both get benchmark price, the retail prices went up and there was hue and cry in the street. My point is, we are an industry that is well integrated with the global industry and need to be informed about what is happening.

During the course of these next two days I hope much deliberation will take place on the trends in the oil markets – what is happening to the OPEC cut agreements, what is happening with respect trends in production from big non OPEC producers such as Russia, Shale in the US etc. We want to know the trends in the LNG market. The trends in oil & Gas contracts etc.

Important aspect is the understanding of geo-politics – particularly what is happening in Syria and ISIS, what is happening in Kurdistan referendum, Saudi block's sanction situation against Qatar, political situation in Venezuela. All these are situations that would have impact on oil prices and hence on our consumers, on our fiscal deficit and on our economy.

World is at the cross road of a major transition. This is with respect to the move towards Electric Vehicle (EV). There is a sense of credence about this – the only debate is probably the timing. We want to know your views on how things would shape up. Both in terms of renewable technologies such as solar and also in terms of enabling storage.

I am asking you this because a lot of our planning and investment depends on this. This

would decide if gas would act as an interim fuel or not. How much refining capacity to plan and when?

We have taken several policy measures to completely overhaul the licensing regime in upstream segment with our HELP policy. We have also come out with NDR to make sure all the interested investors get full access to available geological information to take informed investment decisions. I would be interested to know how this is finding favour with investor community and what else can be done.

Friends we have seen Indian professionals in Information technology (IT), banking and in the field of medicine throughout the World. The same level of participation is also expected in the global oil and gas industry. What can be done for skill development across the hydrocarbon value chain to make sure that the workforce is fully trained to service the Indian and the global oil and gas industries?

In this regards we are very keen to know the format of co-operation between the industry and the academia in major energy centres such as Huston, Calgary, Aberdeen etc.

I saw the program, there is a session on technological innovation in the oil and gas industry and if India could take lead in that. This is of huge interest to me.

Exponential technologies like Robotic Process Automation (RPA), Artificial Intelligence, Internet of Things (IOT), Block Chain etc can change the way oil and gas industry is run in future and we in India cannot afford to miss out on this front.

I wish all the best to the experts and participants for a rich deliberation and exchange of ideas in the next two days.

Thank you!

DNS/MB

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