

Valedictory Address
By EAM
at the
IEF Ministerial Meeting

[April 12, 2018: 1230 Hrs. : Taj Diplomatic Enclave]

Words: 1218

My colleague Minister of Petroleum & Natural Gas
Shri Dharmendra Pradhan Ji,

Participating Ministers,

Heads of International Organisations,

CEOs

Delegates and

Friends

It gives me great pleasure to be with you all at this Valedictory Session of the IEF Ministerial Meeting. I am indeed happy to see that about 40 energy Ministers, 10 Heads of International Organisations and top CEOs have engaged extensively over the last two days. Such a broad swath of participation is a rare event in the world. I am delighted that this event took place in India.

During the inaugural session, you heard from my Prime Minister about the importance energy occupies in his policy matrix. His vision has always been to promote energy access, energy sustainability, energy efficiency and energy security. I am sure, these objectives also guide most of you.

Geo-politics is a complex and evolving subject. Geo-politics of oil is even more complex. I hope that your discussions over the last one and a half days have provided more solutions rather than raising more questions. Oil and Gas are not only strategic commodities, but price variations impact people down to the bottom of the pyramid.

As the third largest consumer of energy, we carefully observe the shifts in centre of gravity of the oil and gas world, the potential technology disruptions, the financialisation of the oil markets, climate change imperatives and innovations. All these elements have an ingrained capacity to create sudden and disruptive pressure on the operations of global energy assets and energy supplies.

As the External Affairs Minister,
energy is beginning to
occupy more and more space in my world view.
Energy is a key engine of our economic growth.
It is also a key element of
our diplomatic engagement and outreach.

India took the lead during CoP 21 in Paris.
India and France announced the formation of the
International Solar Alliance (ISA).
Today ISA is a reality.
Of the 121 prospective nations,
61 have joined the alliance,
32 have also ratified the framework agreement.

The successful first ISA summit in Delhi last month saw the participation of 23 Heads of State and Government and over 75 Ministers.

Our commitment is amply reflected in our efforts at a national level.

In India, we have started the world's largest renewable energy expansion program.

We will generate 175 GW of electricity from renewable sources of energy by 2022, of which 100 GW will be from solar power. We have already achieved 20 GW installed solar power. Time again has come for India to take the lead, which according to most projections will lead incremental growth in energy consumption and show the way towards green and clean energy.

We have been working to promote “Climate Justice” to protect the poor and vulnerable from adverse impacts of climate change. Several schemes have been launched to achieve universal access to clean, sustainable & affordable energy for our poor.

Prime Minister Modi launched the Saubhagya Scheme in September 2017. It aims at electrifying 40 million additional households by December 2018 at an investment of US\$ 2.5 billion.

Currently, India's per capita energy consumption is almost one tenth of that of some of the advanced countries. I assure you that we will be responsible in our incremental energy consumption. However, in this regard, India expects the world to share technology knowhow and partnership to achieve the objective of providing clean and affordable energy to its citizen.

On the oil and gas front,
the rapid expansion of
infrastructure and enhanced energy availability
has been marked by two clear objectives:

- (i) promote energy access; and
- (ii) promote clean and affordable energy.

India accords high priority to promoting a gas based economy. Currently natural gas forms a relatively small share of the energy mix. Gas infrastructure projects of over US \$ 8 billion are under implementation across the country. We aim to increase share of natural gas in energy mix from current 6.5% to 15% by 2022.

In the last 20 months,
under the UJJWALA scheme,
35 million new households have started using LPG,
taking LPG penetration from 56% in 2014 to 80%.
India will leap from Euro IV to Euro VI fuel by
April 2020. There is also a concerted effort of
replacing Fossil Fuels by Bio-Fuels.

We are well aware that just as energy is a key pillar for our economic growth & development, it is also the same for our neighbours.

Our government has been following 'Neighbourhood First' in our foreign policy.

In line with this policy, we strongly believe that our efforts to build our oil and gas infrastructure should also benefit our neighbours and promote economic development and raise their standards of living. We appreciate the close cooperation of our neighbours in this regard.

India supplies 100% of the domestic requirement of petroleum products to landlocked Nepal since 1974.

Last week Prime Minister Modi and Prime Minister Oli of Nepal jointly initiated work on a petroleum product pipeline between India and Nepal. We are also working with Nepal to increase availability of LPG and natural gas and build an efficient distribution system.

India is engaged with Bangladesh to build a pipeline to supply Diesel to Parbatipur and natural gas to power plant at Khulna. Work is also in progress to build LNG terminals, both land based and floating.

In Bhutan too, India supplies 100% of their petroleum products requirements. We are working closely with them to increase LPG penetration based on our own successful *Ujjwala* programme.

The Sri Lankan government has been according priority for enhanced use of gas. In this context, India is engaged in setting up an LNG terminal in Sri Lanka to introduce gas as an important and sustainable energy source.

In Myanmar, we are working closely with the government to promote use of LPG and provide Diesel to the North West region through refineries in our North Eastern states.

A new policy framework has been brought in by our Government, termed as the Hydrocarbon Exploration & Licensing Policy (HELP).

The key elements are:

(i) A single uniform license for exploration and development of both conventional & unconventional hydrocarbon prospects;

(ii) A simple and easy to administer Revenue Sharing Contract Model;

(iii) Full freedom in pricing & marketing of crude oil & natural gas produced;

(iv) Simplified fiscal regime with no levy of cess on crude oil, exemption of custom duty, and,

(v) low graded royalty rates including zero royalty for deep water and ultra-deep water areas during first seven years.

India is becoming an increasingly attractive investment destination, particularly in oil and gas sector.

You are all familiar with the massive economic transformation India is undergoing under the leadership of Prime Minister Modi.

The overhauled indirect tax system with the introduction of GST, programmes to promote skills and domestic manufacture, and the increasing ease of doing business augers well for FDI.

Energy fuels growth. Energy fuels aspirations. Energy should also fuel sustainability. No country, international organization or company alone can provide all the answers.

I am confident that the new ideas,
new solutions and new approaches provided by
IEF Ministerial Meeting will ensure that
we are all better off and
the earth is a greener and happier place.
As Helen Keller says, "*Alone we can do so little;
together we can do so much.*"

I thank you for your attention.
