

COP28: India to oppose curbs on hydrocarbon investments

SUBHAYAN CHAKRABORTY

New Delhi, 13 November

India should stick to its position that further investments in developing, and extracting oil and gas resources are needed in tandem with the exploration of carbon-free alternatives at the upcoming global COP28 climate change summit in the UAE, a senior official from the Petroleum ministry has said.

The 2023 United Nations Climate Change Conference, more commonly referred to as COP28, will be held from November 30 to December 12 in Dubai.

The curbing of further investments in traditional fossil fuels has become a major issue in the past few years. In May 2022, the G7 countries agreed to end taxpayer funding for oil, gas and coal projects overseas.

"The argument is in line with Prime Minister Narendra Modi's call to ensure major investments into India's oil and gas exploration and production (E&P) sector, even as we remain committed to boosting renewable energy and phasing out carbon emissions," the senior official said.

"We can't have a situation where such investments are capped globally, since our developmental needs and energy security can't be compromised," the official added last week.

According to the International Energy Agency (IEA), India's share in global oil demand is 5.5 per cent in 2023, much below the United States' 20 per cent and China's 16.1 per cent. However, it is rising and is set to hit 6.6 per cent over the next 5 years.

India has strongly advocated for the reduction of all fossil fuels, including oil and gas. At COP27 held in Sharm El Sheikh Egypt, New Delhi pitched for expanding the scope of a proposal on phasing down of coal to all fossil fuels.

The same request was made at the G20 summit in New Delhi for the group's carbon emissions reduction plan. However, the host nation conceded to the requests of major hydrocarbon-producing nations, espe-



BALANCING INTERESTS

- Govt recommends India should continue developing oil and gas resources along with the exploration of carbon-free alternatives
- Curbing of investments in fossil fuels has been a major issue at COPs
- In May 2022, the G7 countries agreed to end taxpayer funding for oil, gas and coal projects overseas
- At COP27, India advocated a phase down of fossil fuels
- India's share in global oil demand is 5.5% in 2023, set to reach 6.6% in 5 years

cially Saudi Arabia, to limit the reduction to coal.

Higher domestic production

The government is currently aiming to achieve the target of 1 million square kilometres under exploration by 2030, and reduce the 'No-Go' areas in the Indian offshore sedimentary basins by 99 per cent.

The Centre has rolled out a series of measures to make oil and gas exploration easier for companies.

This includes providing pre-approved clearances of blocks, permitting self-certification to cut the application process and granting companies the freedom to carve out operational areas from within the blocks.

The government is expected to open the 9th round of bidding under the Open Acreage Licensing Policy (OALP IX) in November, Business Standard reported last month.

The 26 blocks earmarked by the Directorate General of Hydrocarbons (DGH) for exploration and development of oil and gas under OALP IX, make up the largest area ever offered by the government.