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**“Energy Security: India’s Viewpoint”**

Today, I would like to talk about three points: (1) discussion about international context, or in other words, sustainable development; (2) energy security; and (3) India’s energy situation. Discussion about energy in the 21st century must undoubtedly cover economics, the environment, and social considerations.

Discussion not only of oil but also of overall energy security is also indispensable. Energy portfolio diversification is extremely important. Therefore, we attach great importance to enlargement of the role of natural gas and the development of alternative energy sources including renewable energy. On the other hand, developing countries depend on conventional energy, and are also searching for ways to get access to energy now.

Energy supply and demand forecasts for India envision a shortage not only in oil but also in coal and natural gas in 2006. In about 2024, energy demand is estimated to surpass domestic supply. Most oil demand is from the transportation sector. Therefore, measures should be taken in this regard. As dependence on imports for oil is estimated to rise to around 94% in 2030, the government has been taking the initiative and expanding domestic supply, while also making efforts to acquire assets produced overseas and to develop new licensing policies.

In the present plan for strategic storage, five million tons of crude oil will be reserved, which means that sufficient volume for 15 days’ consumption will be stored in underground tanks. In addition to that, crude oil that would last for 15 days and oil products that would last for 45 days have now been placed in reserve for the private sector. As for independent development of crude oil, the government is also placing emphasis on asset acquisition, investing in Sakhalin, Vietnam, Sudan, Iran, Myanmar, Iraq, Libya, and Syria. The ultimate goal of the government is to annually secure 20 million tons of independently-developed crude oil and gas by 2010. The long-term goal is to secure a total of 60 million tons of independently developed crude oil and gas.

Energy diversification will become more important in the future, and gas will come to play a more significant role. India has several options for international gas pipelines, including one to import gas from Bangladesh and Myanmar, and one to do so from Iran via Pakistan. As for South-South cooperation, I think India and China can learn from each other. It is important for both of us to look for ways to cooperate instead of

competing head-on with each other.

Undoubtedly, oil security will continue to be important. However, we should view the world energy market including gas in a comprehensive way. In considering cooperation among the countries of South Asia and Northeast Asia, discussion from the viewpoint of security is extremely important. At the same time, we should not ignore environmental security. Energy is a subject that requires more all-round and comprehensive perspective. Discussion that focuses only on a specific kind of energy is inadequate.