



2ND INDIA – AFRICA HYDROCARBONS CONFERENCE
DECEMBER 7-8, 2009, NEW DELHI

Keynote Address by Shri Murli Deora, Hon'ble Union Minister for Petroleum & Natural Gas, Government of India

- Hon'ble Minister of External Affairs, Shri S.M. Krishna.
- Shri H.P. Singhanian, President, Federation of Indian Chambers of Commerce & Industry.
- Hon'ble Ministers and Heads of delegation.
- Your Excellencies, Ambassadors and High Commissioners to New Delhi of the participating African countries.
- Distinguished delegates.
- Distinguished representatives of Oil & Gas industry.
- Senior officers of the Ministry of Petroleum & Natural Gas and Ministry of External Affairs.
- Members of the media.
- Ladies and Gentlemen.

I am delighted and honoured to have this opportunity to welcome all of you to this Conference. Your presence here reflects strong desire and commitment on part of all of us to build stronger ties between India and Africa in the hydrocarbon sector. India and Africa enjoy a historical relationship. Both of us share the legacy of Mahatma Gandhi. He is held in high reverence by people of India and Africa.

Friends Shri S.M. Krishna, our External Affairs Minister is man of letters. He has studied Law from the George Washington University Law School, USA. After finishing his studies, he also taught International Law there. Shri Krishna has held various positions in Union Cabinet in his long political career. He is credited for making Bangalore the Information Technology Capital of India His presence demonstrates the importance that India attaches to this Conference

India and Africa enjoy strong potential to work together for strengthening energy security. Several African countries are endowed with rich hydrocarbon resources. India is a willing partner of Africa ready to contribute technology, skills and investment to harness these resources in cost-effective manner for our common benefit. As we are dependent on hydrocarbon resources to meet our huge developmental needs, we seek to forge a robust partnership with Africa in the oil & gas sector. We believe that a greater synergy in energy with Africa will only serve the needs of the present times better.

I am confident that this Conference will provide an opportunity to all stakeholders to interact closely and discuss potential business tie-ups to promote mutual interests. India is currently world's fifth largest consumer of energy and accounts for nearly 3.8 of world's energy consumption. With the sustained economic growth rate of 7 -8%, the demand of energy is on increase. More development requires more energy. Energy is the most vital input for the socio-economic development of the country. Its production is an important yardstick measurement of the economic growth and development of the country.

We have in recent years invested in exploration and production of oil & gas in Sudan, Nigeria, Libya, Egypt, Gabon, Congo Brazzaville, Nigeria-Sao Tome Joint Development Zone (JDZ) and Equatorial Guinea. India is a big consumer of crude oil from Nigeria, Angola, Egypt and Sudan, to mention just a few African countries. We are also keen to expand our import of LNG from Africa. Our depth of engagement with Africa has grown as our companies are present in retail of petroleum products, building of storage terminals and refinery upgradation in Africa. We are also engaged in city gas distribution and CNG projects. Our training facilities and consultancy services in the hydrocarbon sector have been availed successfully by a few countries in Africa. We want to develop this cooperation further.

Indian upstream companies, led by our premier company ONGC Videsh Limited, have made an overseas investment of about US\$ 12 billion, with our share of oil & gas production from these overseas assets reaching 8.8 million tonnes last year. Our investment in Sudan has been mutually beneficial. We are keen to invest in many such ventures in Africa in the years ahead.

I may also mention that India has emerged as a major refining hub in South Africa. The total installed capacity of refineries in India is 177.97 MMTPA. India is not only meeting its domestic demand of petroleum products but also exporting US\$ 25 billion worth of petroleum products annually. Our refining capacity is expected to expand even further in next 3 years. We offer to the countries in Africa expertise in several fields, including in laying cross-country pipelines, setting up terminals and depots, LPG plants, and marketing & distribution of various petroleum products.

Our premier design and engineering consultancy company, Engineers India Limited, is ready to share its expertise with Africa in areas such as petroleum refineries, petrochemicals, oil & gas processing - both onshore and offshore and pipelines.

We are a stable, long-term and growing market for Africa's Natural Gas. Our companies are interested in sourcing LNG as well as equity participation in existing and upcoming LNG terminals in Africa.

We are particularly keen to participate in upcoming exploration & production opportunities in Angola, Ghana, Sudan, Nigeria, Uganda and Cote D'Ivoire. Our companies are also interested in farm-in opportunities in producing blocks especially in Libya, Algeria and Egypt.

In efforts to broad base our activities, ONGC Videsh Limited is discussing setting up of a Greenfield refinery in Nigeria.

The thrust of our approach to Africa is building an enduring partnership with sustainable development, resting on principles of equality, mutual respect and mutual benefit. Besides participation in oil & gas development projects, our companies have also taken up some community development programmes in Africa. We are committed to continue with the principle of inclusive growth in future also.

I once again extend a warm welcome to all dignitaries and delegates particularly those from Africa, I sincerely hope that your deliberations and business decisions during the Conference will lead us to improved energy security and economic prosperity for all.

I thank you for your kind attention.

Jai Hind.