

7TH Asia Gas Partnership Summit
23rd March, 2012, New Delhi

Address by Shri S. Jaipal Reddy, Hon'ble Minister for Petroleum & Natural Gas

Hon'ble Prime Minister of India, Dr. Manmohan Singh ji
Shri R.P.N. Singh, my colleague and Minister of State for Petroleum & Natural Gas
Ms. Maria J.A. van der Hoeven, Executive Director, International Energy Agency
Datuk Dr. Abdul Rahim Hashim, President, International Gas Union
Mr Muhammad Ejaz Chaudhury, Secretary, Ministry of Petroleum and Natural Resources, Government of Pakistan
Shri G.C. Chaturvedi, Secretary, Ministry of Petroleum & Natural Gas
Shri B.C. Tripathi, Chairman & Managing Director, GAIL (India) Ltd.
Shri R.V. Kanoria, President, Federation of Indian Chamber of Commerce & Industry (FICCI) Distinguished Delegates, Friends from the Media, Ladies and Gentlemen

It is my proud privilege to welcome you to the 7th Asia Gas Partnership Summit in New Delhi. The Asia Gas Partnership Summit has now become a prestigious event on the calendar of the international gas industry, and is looked forward to with keen anticipation by policy makers, captains of industry and other stake holders alike. The 6th edition of the Asia Gas Partnership Summit held in 2010 saw a participation of 60 speakers from 12 countries, with over 900 participants. Continuing the tradition, the 7th AGPS brings together the key players in Governments and Industry to deliberate on issues confronting the global gas sector, namely, the evolving gas trade, connectivity of gas sources to gas markets, gas transportation and distribution, LNG technology, commercial and legal aspects in LNG trading and sustainability imperatives for the natural gas industry.

Today, in India 51 cities and towns are covered under the City Gas Distribution network as a part of which PNG for cooking and CNG for the transport sector are being supplied. The Delhi Transport Corporation runs the world's largest public transport system operated entirely on CNG. The Petroleum & Natural Gas Regulatory Board has plans to roll out CGD networks in over 300 geographical areas in the country. We have a country-wide network of 12,500 km of gas pipelines, with another 12,000 km of pipelines under construction. If we add another 7,000 km of pipelines under bidding by the PNGRB, we are looking at the emergence of a National Gas Grid nearly 30,000 km in length by 2017, with a capacity of 875 mmscmd, to take natural gas to different markets across the length and breadth of India. India's current gas pipeline capacity of 230 mmscmd is projected to quadruple in the next five years.

Of course, our dependence on imported LNG is also projected to grow. To cater to the increase in imported LNG, we are in the process of increasing our current LNG handling capacity of 13.5 MMTPA to approx. 50 MMTPA by 2017. I would like to use this opportunity to urge the captains of Industry to tap the potential in India's gas market and become part of the unfolding success story. The Government of India, through the dynamic vision of our Hon'ble Prime Minister, has laid out investor-friendly policies that make India a great investment destination. I would like to inform you that upto 100% Foreign Direct Investment is allowed through the automatic route in exploration, marketing infrastructure for petroleum & natural gas, pipelines for petroleum products and natural gas, LNG regasification infrastructure.

For ensuring its energy needs, India seeks long-term partnership with countries and companies in the gas business. In this context, the theme of this Summit "Evolving Dynamics Asian Gas Market: Challenges of Sourcing, Integration & Sustainability" is very relevant and timely. I have no doubt the deliberations at this Summit will impart fresh perspectives and throw new light on the challenges facing us and on the strategies required to address them.

Once again, I welcome you all to the 7th Asia Gas Partnership Summit.

Thank you.