GOVERNMENT OF INDIA LOK SABHA

UNSTARRED QUESTION NO. 3124 TO BE ANSWERED ON 31st DECEMBER, 2018

GLOBAL OIL DEMAND

3124. DR. SHRIKANT EKNATH SHINDE:

SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:

SHRI VINAYAK BHAURAO RAUT:

SHRI DHARMENDRA YADAV:

SHRI SHRIRANG APPA BARNE:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether as per the report of the International Energy Agency (IEA), India will be the centre of global oil demand growth until 2030 and if so, the details thereof;
- (b) whether the country expects to double gasoline and diesel consumption by 2030 even as it aspires to sell only electric vehicles in 2030 and if so, the facts thereof and the efforts made by the Government in this regard;
- (c) whether India's oil consumption grew at fastest pace during the last two years, if so, the details thereof and the total oil consumption expanded during the said period along with any assessment made by the Government to determine/ascertain the reasons for growth in consumption of oil; and
- (d) the steps taken/being taken by the Government to meet the growing demand of oil indigenously?

ANSWER

MINISTER OF MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) As per International Energy Agency's World Energy Outlook 2018, the growth of oil consumption under the 'new policy scenario' for the major economies of the world and India during the period 2016 to 2030 is given below:

	Oil demand (Mtoe)			
	Y	CAGR (%)		
Country	2016	2030	2016-30	
China	551	719	1.92	
USA	787	745	-0.39	
India	217	350	3.47	
Russian Federation	149	154	0.24	
Japan	177	129	-2.23	
World	4364	4830	0.73	

Mtoe: Million tonnes of oil equivalent

(b) and (c):

As per the report of the Working Group constituted by MoP&NG on enhancing refining capacity by 2040, the demand of petrol and diesel under the 'Trend Scenario' is as under:

(Million Metric Tonne)

	Petrol		Diesel	
Scenario	2017-18	2029-30	2017-18	2029-30
Trend Scenario	26.2	49.0	81.1	163.0

The year –wise growth in oil consumption in the country is given below:

Years	In Mtoe		
2015	197.8		
2016	217.1		
2017 (P)	222.1		

P: Provisional MMT: Million Tonnes oil equivalent

Source: BP Statistical Review 2018

The growth rate of oil consumption in 2017 over 2015 grew on compound average basis of 6%. The major reasons for growth in consumption of oil in the country include, inter-alia, increasing economic and manufacturing activities, thrust on infrastructure spending, growth in disposal incomes leading to higher purchase of automobiles and mechanization of agriculture.

(d) Government has taken several steps to enhance exploration & production of oil and gas in the country which include inter-alia Hydrocarbon Exploration Licensing Policy (HELP) and Open Acreage Licensing Policy (OALP), Discovered Small Field (DSF) Policy, gas pricing reforms with premium for difficult areas, grant of marketing freedom for gas produced from difficult areas, National Seismic Programme for unappraised areas, National Data Repository, easing out rigidities in the existing Production Sharing Contracts and transparent and clear policy for grant of extension under the PSC regime, promoting and incentivizing Enhanced Recovery Methods to improve recovery factor of existing hydrocarbons reserves for augmenting domestic production of oil and gas and permitting exploration and exploitation of unconventional hydrocarbons such as Shale oil/gas, Coal Bed Methane (CBM) etc.
