

LOK SABHA
UNSTARRED QUESTION NO. 3512
TO BE ANSWERED ON 16th March, 2020

Reforms in Exploration and Licensing Policy

3512. MS. LOCKET CHATTERJEE:
DR. (PROF.) KIRIT PREMJBHAI SOLANKI:
SHRI SRIDHAR KOTAGIRI:

पैट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the details of steps/initiatives taken by the Government to reduce dependency on fossil fuels from abroad and the total funds allocated and utilized to implement these initiatives;
- (b) the targets set under each initiative in the state of Andhra Pradesh and the measures taken by the Government to review these initiatives;
- (c) whether any new oil exploration projects have been started to reduce dependency from abroad, if so, the details thereof;
- (d) whether any steps have been taken to improve consumption of bio-fuels in order to reduce imports from other countries; and
- (e) whether the Government has made any reforms in exploration and licensing policy to enhance exploration activities, attract domestic and foreign investment and accelerate domestic production of oil and gas from existing fields, if so, the details thereof?

ANSWER

पैट्रोलियम और प्राकृतिक गैस मंत्री

(श्री धर्मेन्द्र प्रधान)

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

(a) & (b) Ministry of Petroleum and Natural Gas is working in collaboration with various Central Government Ministries/stakeholders to make efforts to achieve reduction in import dependency on oil. The import reduction strategy broadly includes increasing domestic production of oil and gas, improving energy efficiency and productivity, giving thrust on demand substitution, promoting biofuels and alternate fuels and renewables. The Roadmap has highlighted various strategies/initiatives

which can be taken for reducing import dependency, for which disaggregated level targets have not been indicated.

(c) As per the schedule stipulated in Hydrocarbon Exploration and Licensing Policy (HELP)/Open Acreage Licensing Policy (OALP), four bidding rounds have so far been finalized in which 94 exploration blocks have been awarded covering an area of approximately 1,36,790 sq. km. OALP Bid Round-V offering 11 blocks covering an area of approximately 19,800 sq. km. was also launched on 14th January, 2020.

(d) The Government, through Oil Marketing Companies (OMCs), is implementing Ethanol Blended Petrol (EBP) Programme and Biodiesel blending programme for blending of ethanol and biodiesel with Petrol and High Speed Diesel respectively. Further, in order to improve the availability of ethanol for blending with petrol and thereby reduce imports of petroleum products, the Government has opened the Second Generation (2G) route and allowed use of other feedstocks like grains, sugarcane juice, fruit and vegetable wastes etc. for production of ethanol. Government is also promoting production of Compressed Bio Gas from various wastes / biomass sources. In this direction, Oil PSUs have launched 'Sustainable Alternative Towards Affordable Transportation (SATAT) initiative. Government has also notified the National Policy on Biofuels – 2018 which envisages an indicative target of 20% blending of ethanol in petrol and 5% blending of biodiesel in diesel by 2030.

(e) The Government in February, 2019 approved major reforms in exploration and licensing policy to enhance exploration activities, attract domestic and foreign investment in unexplored/unallocated areas of sedimentary basins and accelerate domestic production of oil and gas from existing fields. The policy reforms inter-alia aims to boost exploration activities with greater weightage to work programme, simplified fiscal and contractual terms, bidding of exploration blocks under Category II and III sedimentary basins without any production or revenue sharing to Government, early monetization of discoveries by extending fiscal incentives, incentivizing gas production including marketing and pricing freedom, induction of latest technology and capital, more functional freedom to National Oil Companies for collaboration and private sector participation for production enhancement methods in nomination fields, streamlining approval processes and promoting ease of doing business including electronic single window mechanism.
