

Natural gas plays major role in energy transition: Qatargas CEO



***Sheikh Khalid encouraged Indian government to create conducive environment for increased use of the clean fossil fuel**

Qatargas CEO Sheikh Khalid bin Khalifa al-Thani has underscored the significance of liquefied natural gas (LNG) as a “destination fuel” in the future of energy, playing a major role in the ‘energy transition’ the world is embarking on.

The Qatargas CEO was speaking at a ‘CEO Conclave’ titled ‘Shaping the New Energy World’ held as part of the 13th International Oil & Gas Conference and Exhibition-Petrotech 2019, organised by the Indian Ministry of Petroleum and Natural Gas in New Delhi from February 10 to 12 .

Sheikh Khalid said, “Natural gas remains the fastest growing fossil fuel globally, benefiting from its flexibility, competitive economics, and low emissions profile. Thus, natural gas is called to play a major role in the energy transition, supported by the industrialisation and power demand particularly in emerging countries in Asia and Africa, and the continued ‘coal to gas’ switch, especially in India and China.”

He noted that the energy demand would continue to grow driven by emerging economies and the projected growth in global population, which will touch 9bn by 2040.

LNG demand is expected to increase at an average 4% annually to reach more than 600mn tonnes in 2035 versus 290mn tonnes in 2017.

In view of this, more LNG projects are required to cover the existing and projected demand for clean fuels.

He reiterated Qatar's contribution to this increase of LNG supply through the addition of another 33mn tonnes per year (tpy) to its existing capacity of 77mn tpy to take the country's overall production capacity to 110mn tpy by next decade.

Thanks to its low carbon emission profile, natural gas is the ideal complement to renewables, he noted.

In countries like India where coal plays a major role (60% of energy for power), natural gas is a good substitute for oil, ensuring cleaner air and thus improving the standard of living, Sheikh Khalid said.

The CEO encouraged the Indian government to create a conducive environment for the increased use of this clean fossil fuel through a "top down" push for an enhancement of gas distribution infrastructure as well as reform of the applicable regulation and taxation.

During the conference, the Qatargas delegation led by Sheikh Khalid met with a number of key Indian stakeholders.

The company also showcased various projects and key milestones in the exhibition, which was held in parallel to the conference.

Qatargas has a strong, established partnership with India, supplying LNG since January 2004 and delivering more than 1,500 cargoes to date.