

'GECF committed to help India emerge as key player for future natural gas imports'

India has announced plans to increase share of natural gas to 15% by 2020 from around 7% today.

The Gas Exporting Countries Forum, through its member countries, remains committed to supply additional LNG to the Indian market to help the country achieve its goal of natural gas representing 15% of the primary energy mix by 2020, says GECF secretary-general Yury Sentyurin.

India is emerging as key country for future natural gas imports as the government has announced plans to increase the share of natural gas to 15% by 2020 from around 7% today.

Asked what the Indian push towards LNG meant for GECF, Sentyurin said, "First of all, India as one of the fastest growing emerging markets, with economic growth about 7%, represents a huge promising future for gas demand in coming years.

"In addition, the fertiliser industry leads gas consumption in the country accounting for around 34% of total gas consumption. The fertiliser sector is of critical importance for the agricultural sector in India, which contributed to 17% of India's GDP in the financial year 2016-17."

On whether GECF would play a leading role in helping India reach its natural gas target, the secretary-general said, "The target of the government to reach a 15% share in the energy mix means a lot not only for GECF, but for India as an important country engaging in securing energy for its industry, as well as for natural gas. "This denotes a golden future for this golden source of energy, widely available with GECF member countries sitting on more than 70% of its proven reserves."

Sentyurin provided Gulf Times with some key facts and figures

on natural gas market in India. India, he said, imports natural gas in the form of LNG amidst growing domestic gas demand and declining domestic gas production. GECF member countries have been a reliable supplier of LNG to India for more than a decade, since imports started in 2004. In 2017, GECF countries supplied more than 80% of India's LNG imports, which includes supplies based on long-term contracts and spot LNG sales, he said.

As of the beginning of 2018, India has more than 20mn tonnes per year (mtpy) of LNG supply under long-term contracts with more than 40% from GECF countries. He said GECF members have also strengthened the partnership with India, where India opted to purchase additional volumes of LNG from GECF members, in addition to the renegotiation of two long-term LNG contracts with some GECF countries based on 'win-win' situation.

At the same time, Sentyurin noted renegotiations with other non-GECF suppliers did not reach the same results. "This solid historical partnership with India is an asset in both sides that continues to be strengthened, especially with more calls for natural gas by Indian consumers," he said. "There are plenty of opportunities of co-operation with this important partner that could go above selling and buying gas and LNG, where we have seen the interest of India to invest in upstream and gas export projects in some GECF countries," Sentyurin added.

GECF Doha meet seeks to further strengthen gas marke

The 18th ministerial meeting of the Gas Exporting Countries Forum (GECF) in Doha tomorrow will further explore ways to

strengthen the global gas market, which faces numerous challenges including lower prices.

The Doha-headquartered GECF currently accounts for 42% of the global gas output, 67% of the world's proven natural gas reserves, 40% of pipe gas transmission, and 85% of global LNG trade.

The GECF seeks to increase the level of coordination and strengthen the collaboration among member countries, and to build a mechanism for a more meaningful dialogue between gas producers and consumers to ensure stability and security of supply and demand in global natural gas markets.

It also aims to support its members over their natural gas resources and their abilities to develop, preserve and use such resources for the benefit of their peoples, through the exchange of experience, views, information and coordination in gas-related matters.

Saudi Arabian Energy Minister Khalid al-Falih is expected to travel to the Qatari capital, Doha, this week for meetings with oil-producing countries on the sidelines of an energy forum, three sources familiar with the matter said, according to a Reuters dispatch. Al-Falih is expected to meet other energy ministers from Opec and possibly Russian Energy Minister Alexander Novak on Friday, the sources said, speaking on condition of anonymity.

It was not immediately clear whether al-Falih would meet Iranian Oil Minister Bijan Zanganeh, the sources said, as there was no confirmation from Tehran yet on whether Zanganeh would attend the gas forum.

Qatar and Russia are members of the GECF, while Saudi Arabia is not.

The natural gas market is very dynamic and requires liquidity, flexibility and transparency for it to function effectively, GECF noted. It, therefore, needs multiple supply sources, users and comprehensive infrastructure for transmission and distribution. The natural gas market is highly developed in

the US Europe and Asia.