

Vibhuti Garg

Director - South Asia
IEEFA



What is India's approach to and expectation from COP 27?

India is undergoing a lot of development and has big plans for renewable energy and needs more finance than what is currently available. India has not historically been a contributor to the climate change that we are witnessing, unlike China whose fuel-based capacity is starkly different. We would want to see progress made at COP 27 on the loss and damage fund. It is on the agenda this time, but timelines are a very important aspect. We can't wait for two or three years to start with this process – there's an urgent need to provide for those who have been impacted through the natural calamities that have hit different parts of the globe.

Outlook for Indian economic growth in 2023?

We are poised for strong economic growth, whether it's in transportation, industrialization and even urbanization, and that will lead to huge demand for oil. We import 80% of our oil needs and it will take time to decarbonize the transportation sector, with no immediate replacement available for the next few years.

Will India continue to import discounted Russian oil next year?

India has been emphasizing consumer needs first. We also have wholesale price inflation of over 10% and consumer price inflation of 7%. Oil is one of the big components which is driving this, which further impacts food inflation. So, there's a lot of linkage with what price India secures its oil and so, irrespective of which country the source of supply is, it will scout for cheaper oil imports.

Can Asian countries compete if Europe becomes a long-term LNG importer?

India is not so reliant on gas in its total energy mix, but countries like Bangladesh and Pakistan have a huge reliance. The Russia Ukraine war has led many countries, including India, to press the reset button from an energy security and price volatility perspective, to reduce reliance on these fossil fuels. If the US pumps more LNG into the system, that could help with some price stabilization in the short-term, but further out, efforts are being undertaken to reduce reliance, whether it's oil or LNG. ■

**Paraphrased Comments*

