



## Review of India's Energy Policies

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### Why in News

**International Energy Agency (IEA)** The has released the first in-depth review of India's energy policies.

- The report highlights the achievements of India's energy policies and provides recommendations to support the government's goals of promoting well-functioning energy markets and boosting deployment of renewables.
- **first review carried out for India IEA-association country since March 2017.** IEA regularly conducts in-depth reviews of energy policies for its member and association countries. This is the , which has been an

### Key Findings

- **Policies Appreciated**
  - **SAUBHAGYAUJALA UJJWALA** Government's achievements in extending citizens' access to electricity, affordable efficient lighting and clean cooking through historic schemes like , and .
  - Energy efficiency improvements in India avoided 15% of additional energy demand, oil and gas imports, and air pollution as well as 300 million tonnes of CO<sub>2</sub> emissions between 2000 and 2018.
  - Government policies designed to conduct large-scale renewable energy auctions, open up coal mining to private companies, and promote access to oil and gas markets for foreign investors.
- **Status of Renewables:** **23% of the country's total installed capacity.** There is a strong growth of renewables in India, which now accounts for almost

- **India's Demand for Energy**
  - **country's demand for energy double by 2040, electricity triple.** The is set to and its demand may
  - Indian oil consumption is expected to grow faster than that of any other major economy (including China). This makes further improving energy security a key priority for India's economy.
  - **oil demand 6 million barrels per day (bpd) by 2024 vulnerable to supply disruption in the Middle East.** India's is expected to reach from 4.4 million bpd in 2017, but its domestic production is expected to rise only marginally, making the country more reliant on crude imports and more
  - **oil refining capacity is expected to rise to 5.7 million bpd by 2024,** India's making it a very attractive market for refinery investment.
- **Recommendations**
  - NITI Aayog can play a strong role in working with the states to implement power sector reforms, advance grid integration, improve flexibility and coordinate energy policy decisions.
  - In renewables-rich states, the share of variable renewables in electricity generation is already above 15%, a level that calls for dedicated policies to ensure they integrate smoothly into the power system.
  - The review encourages India to institutionalise energy policy coordination across government with a national energy policy framework.
  - **Strategic Petroleum Reserves (SPR).** India should also to expand its

## Note

- **third in terms of global oil consumption** India ranks after China and the United States.
- **Strait of Hormuz.** India ships in over 80% of its oil needs, of which 65% is from the Middle East through the
- **world's fourth largest oil refinernet exporter of refined fuels,** India is the and a mainly gasoline and diesel.

## International Energy Agency

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- **1974** The IEA was created in to help coordinate a collective response to major disruptions in the supply of oil.
- **30 member countries.** It is made up of It also includes 8 association countries.
- **autonomous inter-governmental organisation within the(OECD) framework,** It is an Organisation for Economic Co-operation and Development headed by its Executive Director.
- **Paris, France.** It is headquartered in

**Source: PIB**