

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

STARRED QUESTION NO:390
ANSWERED ON:30.07.2009
INDO MYANMAR GAS PIPELINE
Adsul Shri Anandrao Vithoba

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

- (a) whether the Oil and Natural Gas Corporation and the Gas Authority of India Limited had found huge quantity of gas in Myanmar;
- (b) if so, the details thereof;
- (c) whether the Government of Myanmar had given any guarantee to supply gas for the proposed Myanmar-India pipeline;
- (d) if so, the details thereof;
- (e) whether the stake hold by the Indian firms is enough to feed the proposed pipeline;
- (f) if so, the status of the Indo-Myanmar pipeline; and
- (g) if not, the other sources to feed the proposed pipeline?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURLIDEORA)

(a) to (g): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF THE LOK SABHA STARRED QUESTION NO.390 BY SHRI ANANDRAO ADSUL, NIP TO BE ANSWERED ON 30 JULY, 2009 REGARDING INDO-MYANMAR GAS PIPELINE

(a) & (b): ONGC Videsh Ltd.(OVL) and GAIL (India) Ltd. (GAIL) have 20% and 10% stakes respectively in A1 and A3 blocks in Myanmar. Together these blocks have proven gas reserves of about 4.5 trillion cubic feet (tcf).

(c) & (d): India pursued import of natural gas from Myanmar through Indo-Myanmar Gas Pipeline Project. Government of Myanmar issued a Letter of Intent on 11th February 2004, wherein GAIL was acknowledged as a preferential buyer of gas from A1 & A3 blocks. Further, an MoU to the above effect was signed between the two countries on 9th March 2006. However, in the meeting held in February 2007 between Myanmar Government and PetroChina, Myanmar Government decided that the gas from A1 & A3 blocks would be sold to China through the pipeline route. GAIL impressed upon the other partners and Myanmar Government that GAIL's pipeline offer was still the most competitive and offered optimum value for them due to proximity of India to these fields. However, Myanmar Government is going ahead with its decision to sell the gas to China.

(e) to (g): As per the Production Sharing Contract (PSC). OVL and GAIL have the right to sell domestically or export their share of profit gas of about 2 million standard cubic meters per day (mmscmd) gas. However, it would not be economically viable to bring only the mentioned quantity to India. Further, no other source of gas is available in Myanmar for import to India. Hence, presently it is not possible to take up Indo-Myanmar gas pipeline project.