TITLE: ENERGY INTENSITIES IN INDIA DURING THE ECONOMIC REFORM PERIOD

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ABSTRACT:

To uplift the economy, the government of India adopted new economic policy in 1991 and also introduced reforms in energy sectors to make the sector more efficient as India is both a major producer and consumer. This has resulted in changes in the energy intensities of the different industries of the Indian economy. Energy intensity is an indicator to show how efficiently energy is used in the economy. The energy intensity of India is over twice that of the matured economies, which are represented by the OECD (Organization of Economic Co-operation and Development) member countries. India’s energy intensity is also much higher than the emerging economies-the Asian countries, which include the ASEAN member countries as well as China. However, since 1999, India’s energy intensity has been decreasing and is expected to continue to decrease. The paper estimates the energy intensities of the different sectors using the Input-output method during the reform period 1993-94 to 2003-4. Result show variations in intensities overtime across the different sectors. For example cement, Iron and steel have shown a reduction in intensities. While the sectors like transport have not. The paper also attempts to explore the causes of changes in the intensities. Finally the authors suggest policies.