Shell sets its eyes in India, China while betting on alternative fuels

Royal Dutch Shell is expanding its business operations in Asia and wants 20% of its sales at gas stations across the world to come from recharging electric vehicles and low carbon fuels by 2025.

The Anglo-Dutch firm, with 43,000 fuel stations in 80 countries, wants to expand its operations in Indian, China and Mexico, as those are three markets expected to see continued growth in fossil fuels over the next decade, John Abbott, the head of refining, trading and marketing, told Reuters.

"Shell will be part of leading the de-carbonizing of the energy system. We have to accept that is the way the world is going," he said in an interview in London.

The global company aims at having 20% of fuels offered at forecourts to be low carbon intensity, including biofuels, battery recharging and liquefied natural gas (LNG) by 2025.

At the beginning of year, Shell laid out plans to install EV charging points throughout its network in the Netherlands and the UK. With countries such as Britain, France and Sweden getting ready to ban the sale of new petrol and diesel cars, EV services will only grow in Europe´s service stations.

Targeting key markets

Over the next 10 years, if market conditions continue to develop at their current rates, Shell plans to invest around $1 billion to develop a large fuelling network in Mexico. Only two weeks ago, the company opened its first Shell-branded gas station in the country.

China and India, the two most populated countries in the world, continue to grow and the development of a middle class will see a rise in vehicles and usage as well as growing demand for additional services such as automatic car washes.

The liberalization of diesel prices in India has lured private fuel retailers back into the country. India´s Government wants to push the expansion of LNG refuelling stations and the sale of LNG trucks, which also fits into Shell´s plans to diversify their fuel offer.

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