



The Assam Cabinet has approved the **Assam Hydrocarbon Exploration, Production and Upstream Ecosystem Development Policy, 2026** to encourage fresh exploration of the State's oil and mineral resources. The policy comes amid concerns over limited new discoveries and the high cost and uncertainty associated with exploration.

The policy proposes **incentives related to GST and land premiums** to attract greater investment in exploration. The government has warned that without new discoveries, Assam's **oil production could begin declining within about a decade**, making renewed exploration important for the State's energy security and economy.

APSC Relevance: Assam's Oil & Hydrocarbon Sector; Mineral Resource Management.