

# Joint Statement

*by the Kingdom of Saudi Arabia and the Secretariats of  
the International Energy Agency,  
the International Energy Forum and  
the Organization of Petroleum Exporting Countries*

## Jeddah Energy Meeting

22 June 2008

Upon a timely and kind invitation from the Government of the Kingdom of Saudi Arabia and under the patronage of the Custodian of the Two Holy Mosques, King Abdullah Bin Abdul-Aziz, Ministers and representatives from many producing and consuming countries, with the attendance of oil industry representatives as observers, met in Jeddah, Saudi Arabia, on 22 June 2008, to discuss the current oil market situation.

Participants noted with concern that oil prices have risen sharply and become more volatile, due to a host of factors. They sought to identify the causes and consequences of recent price behavior and suggested areas of improvement for the efficient operation of the oil market. Participants also noted that current oil prices and their volatility are detrimental to the global economy and, in particular, the economies of least-developed countries.

Participants agreed that the situation requires concerted efforts from all parties — producing and consuming countries, the oil industry and all concerned parties — to bring stability to the international oil market for the benefit of all.

Taking into account their diverse national circumstances and priorities, as well as their shared interest in a stable global oil market and sustainable economic growth, the participants recognized the importance of the following.

- That the existence of spare capacity throughout the oil supply chain is important for the stability of the global oil market. Hence an appropriate increase in investment, both upstream and downstream, is necessary to ensure that the markets are supplied in a timely and adequate manner. Predictable energy and investment policies, as well as better access to technology, are necessary to this end.

- That the transparency and regulation of financial markets should be improved through measures to capture more data on index fund activity and to examine cross-exchange interactions in the crude market.
- That the quality, completeness and timeliness of oil data submitted through the monthly Joint Oil Data Initiative (JODI) should be enhanced. In order to further improve market transparency and stability, the seven organizations involved in JODI (APEC, Eurostat, IEA, IEF, OLADE, OPEC and UNSD) are called upon to start work to cover annual data, that includes, among other things, upstream and downstream capacities and expansion plans.
- That there should be immediate collaboration between the IEA and OPEC Secretariats, together with the IEF Secretariat, on preparing shared analyses of oil market trends and outlook, as well as of the impact of financial markets on the level and volatility of oil prices, which can be used to better understand the market situation.
- That development assistance from the national, regional and international finance and aid institutions, is intensified, to alleviate the consequences of higher oil prices on the least-developed countries.
- That co-operation is enhanced among international, national and service companies from all producing and consuming countries in investment, technology and human resource development.
- That energy efficiency is promoted in all sectors through passing on market price signals, technology transfer and the sharing of best practices in energy production and consumption.

The host and the parties to this statement will convene a working group to follow up the needed actions from the above, as appropriate. Participants welcomed the kind invitation from the UK government to hold a meeting on the progress made on the above issues in London before the end of the year.