

THANK YOU MR HENRIKSEN!

EXCELLENCIES, LADIES AND GENTLEMEN, IT IS WITH GREAT PLEASURE I JOIN YOU TODAY. I WOULD LIKE TO EXTEND A THANK YOU TO THE STATE OF KUWAIT, FOR HOSTING THE 13TH IEF AND 5TH IEBF FORUM.

NOCS AND IOCS ARE NOT SO DIFFERENT IN THEIR MANNER; IT GOES WITHOUT SAYING THAT THEY HAVE QUITE SOME COMPLEMENTARY ATTRIBUTES.

IN TODAY'S CHANGING GLOBAL ECONOMIC LANDSCAPE, THE COOPERATION BETWEEN NOCS AND IOCS IS ESSENTIAL, HOLDS A SIGNIFICANT ROLE, AND NEEDS TO BE THE CONSTANT IN ADDRESSING THE CURRENT OPPORTUNITIES AND CHALLENGES FACING THE INDUSTRY.

THE NEXT DECADE WILL BE CHARACTERIZED BY DEVELOPMENTS RESULTING FROM

- NEW, UNCONVENTIONAL OIL AND GAS RESOURCES, AND ALTERNATIVE ENERGY SUPPLY SOURCES;
- FURTHER INTEGRATION OF GLOBAL ENERGY MARKETS, NEW VALUE CHAINS AND LOGISTICS FLOWS WHICH SPAN THE GLOBE;
- NEW PRICING DYNAMICS; AND
- THE INCREASING SUSTAINABILITY CHALLENGES

SUBSEQUENTLY, TECHNOLOGY PLAYS AN EVER MORE IMPORTANT ROLE - AND IS KEY TO UNLOCKING NEW RESOURCES IN REMOTE AREAS, BUT ALSO ESSENTIAL TO IMPROVING PRODUCTION EFFICIENCY AND ADDRESSING ENVIRONMENTAL CONCERNS.

YET IT IS CLEAR, WE SHOULD NOT NEGATE THE 'PEOPLE FACTOR'.

THE ENERGY SECTOR PLAYS AN IMPORTANT ROLE IN SOLVING THE CONCERNS RELATED TO ENERGY SECURITY, MARKET VOLATILITY AND ENVIRONMENTAL CONCERNS.

PEOPLE MAKE THE DIFFERENCE --- AND SECURING HUMAN AND TECHNOLOGICAL COMPETENCIES IS HIGH ON THE AGENDA FOR NOCS AND IOCS ALIKE; WHERE THESE PARTIES SEEK ENHANCED COOPERATION WITH OTHER STAKEHOLDERS - INCLUDING UNIVERSITIES, GOVERNMENTAL ORGANIZATIONS.

SIMILAR TO MR. LANKHORST COMMENTS, AND A NICE EXAMPLE IN OUR COUNTRY, THE NETHERLANDS - IS THE DEVELOPMENT OF THE ENERGY ACADEMY EUROPE UNDER THE LEADERSHIP OF NOÉ VAN HULST, THE PREVIOUS SECRETARY GENERAL OF THE IEF, AIMED AT BECOMING AN INTERNATIONAL CENTER OF EXCELLENCE IN ENERGY RESEARCH, EDUCATION AND INNOVATION.

LADIES AND GENTLEMEN, WE CAN ALL AGREE WITH THE TREMENDOUS AMOUNT OF TIME, EFFORT AND THOUGHTS PUT INTO THE DEVELOPMENT OF THE GUIDELINES FOR SUCCESSFUL COOPERATION BETWEEN NOCS AND IOCS. AND, WE FULLY CONCUR AND SUPPORT THE MAIN CONCLUSIONS HIGHLIGHTED TO DATE.

TRADITIONALLY, THE COOPERATION BETWEEN NOCS AND IOCS HAS FOCUSED MAINLY ON UPSTREAM AND DOWNSTREAM – REFINING / MANUFACTURING. THERE ARE MANY EXAMPLES, INCLUDING THE BP-STATOIL ALLIANCE, MENTIONED BY MR HENRIKSEN AS WELL AS QATAR & SHELL'S PEARL GTL PROJECT. A CLASSIC EXAMPLE, WHERE NEW TECHNOLOGY, MASSIVE ENERGY RESOURCES AND ESTABLISHED MARKETING EXPERTISE HAVE BEEN COMBINED TO CREATE A SUCCESSFUL IOC / NOC PARTNERSHIP.

NONETHELESS, WITH THE GROWING IMPORTANCE OF GLOBALLY INTEGRATED ENERGY MARKETS – A NEW AREA OF COOPERATION IS EMERGING – ONE WHICH WILL RESULT IN ADDITIONAL STAKEHOLDERS, INCLUDING COMMODITY EXCHANGES, GLOBAL TRADING COMPANIES, REGULATORY AUTHORITIES, AND LOGISTICS COMPANIES TO PROVIDE THE NEEDED INFRASTRUCTURE, GOVERNANCE AND TRADING PLATFORM FOR ENERGY MARKETS TO OPERATE EFFICIENTLY. ALLOW ME TO SPEAK FROM MY EXPERIENCE, TANK STORAGE COMPANIES SUCH AS ROYAL VOPAK ARE THE PHYSICAL MARKET PLACES WHICH COMPLEMENT THE ACTIVITIES AT EXCHANGES AND PAPER MARKETS.

IN THIS OVERALL EQUATION, GOVERNMENTS PLAY A PIVOTAL ROLE BY SETTING UP A SOLID REGULATORY FRAMEWORK TO ENSURE MARKET EFFICIENCY, CONSISTENCY AND TRANSPARENCY. AS AN EXAMPLE, BONDED STORAGE REGULATIONS ARE IMPORTANT AS IT RELATES TO THE FRAMEWORK WHICH ENSURES THAT DUTIABLE GOODS CAN BE STORED WITHOUT PAYING DUTIES (ON SUCH GOODS) UNTIL RETRIEVED AND IMPORTED. THIS IS THE CORNERSTONE OF PHYSICAL MARKETS IN A GLOBAL MARKET PLACE. ANOTHER IMPORTANT ELEMENT IS THE INDEPENDENCY OF SUCH FACILITIES WHICH ALLOWS MULTIPLE PARTIES TO HAVE ACCESS TO LIBERAL MARKETS – THUS, INCREASING LIQUIDITY AND COMPETITIVENESS – SOMETHING THAT IS BENEFICIAL TO THE END USER.

EXCELLENCIES, LADIES AND GENTLEMEN - TO SUMMARIZE, WE BELIEVE THAT COOPERATION BETWEEN NOCS AND IOCS IS ESSENTIAL AND WE FULLY SUPPORT THE PROPOSALS BEFORE US TODAY; HOWEVER, THE CURRENT GLOBALIZATION OF ENERGY MARKETS MEANS THAT THE TRADITIONAL ARENAS SHOULD BE EXTENDED TO OTHER STAKEHOLDERS AND AFOREMENTIONED AREAS.

AS A KEY CONSIDERATION AND TO REITERATE - KEY IS TO ENABLE THE NEW SUPPLY CHAINS ACROSS THE GLOBE TO DEVELOP THE INDUSTRY NEEDS – WHICH MEANS – THE OPENING OF DOWNSTREAM MARKETS AND THE EFFICIENCY OF TRADE; AND TO ENCOURAGE THE RIGHT FRAMEWORKS TO INCENTIVIZE CUSTOMERS ON EFFICIENCY IN DOWNSTREAM MARKETS.

IN CLOSING, I ASK YOU ALL TO JOIN ME IN PROMOTING AND ENDORSING THE GUIDELINES FOR SUCCESSFUL NOCS AND IOCS COOPERATION - HOLDING EACH OTHER ACCOUNTABLE AND MAKING A COMMITMENT TO REGULARLY CONSULT AND ADDRESS ANY DEVIATIONS, WHICH MAY ARISE.

THANK YOU FOR YOUR ATTENTION!