

*[As delivered]*

**July 31, 2018**

**Assistant Secretary Fannon's Remarks at International Energy Forum  
"U.S. Perspectives"**

Good afternoon and thank you for the kind introduction and to the International Energy Forum's Executive Director Dr. Sun Xiansheng for this opportunity to speak on this prestigious panel today.

The IEF is the ideal place for my first multilateral organization presentation as Assistant Secretary for the Bureau of Energy Resources. My confirmation for this position reflects bipartisan recognition for the importance of energy in foreign policy.

I applaud the vision of our friends in Saudi Arabia for founding the IEF in Riyadh, and I was pleased to meet with Minister Al-Falih in Washington during the World Gas Conference and to visit him last month in Jeddah.

The U.S. vision is clear. We will work with you to:

- Ensure global energy security;
- Promote U.S. energy abundance to increase competition and promote diversification; and
- Promote universal access to affordable and reliable energy.

The U.S. perspective is very much that of both producer and consumer. The shale revolution continues to provide the United States and the world with an energy abundance. The United States is now the largest gas producer and consumer in the world. The U.S. produces 775 billion cubic meters of natural gas annually and will produce 1 trillion cubic meters per year as soon as 2025.

Today, the U.S. has two LNG export terminals that are sending gas to 30 countries across five continents. Yet, this represents only the first wave of U.S. LNG to hit the world market. The U.S. will triple its export capacity from 30 BCMA to 90 BCMA in the next 2 years, and more projects are expected to come on line in the near future. U.S. oil exports have surpassed 2 million barrels a day this year, and exports of petroleum products now exceed 5 million barrels per day.

To benefit both producers and consumers, we share an interest with you to foster market-driven global energy markets. The U.S. promotes the diversification of energy sources, supplies, and routes globally.

The United States will not use energy to coerce. We will remain a reliable energy partner and will not “shut off the oil or gas” when others need it the most. Our goal is to keep markets open, transparent, and free of manipulation. We promote exports of all forms of energy technologies and services. We advance mutually beneficial commercial deals, open new markets, and level playing fields around the world.

But we all need to work together to secure a better energy future. More infrastructure needs to be built, and we must foster stable regulatory climates that are critical to catalyze a meaningful global energy market that can provide increased energy security.

Yesterday, **Secretary Pompeo** announced **two new initiatives**. First, \$113 million in new U.S. funding to support foundational areas of the future: digital economy, energy, and infrastructure. These funds are a down payment on a new era of U.S. economic commitment to peace and prosperity in the Indo-Pacific Region.

The second initiative is called EDGE, or Enhancing Development and Growth through Energy. Through Asia EDGE, we will invest nearly \$50 million this year alone to help Indo-Pacific partners import, produce, move, store, and deploy energy resources.

Asia’s role as the largest destination for LNG cargos will only expand. In the last two years, roughly half of the 300 cargos that departed U.S. shores landed in Asia. In fact, China remains our third largest LNG market, and we welcome this growing, mutually beneficial relationship.

The Indo-Pacific already represents half of global energy consumption and will be the source of over 60 percent of energy demand growth to 2040. Gas consumption in Asia is poised to grow rapidly. The Indo-Pacific region will account for roughly 85 percent of the growth in net gas imports globally, underpinning a shift in trade flows from the Atlantic basin to Asia.

Through the development of a free and open natural gas market in Asia, the United States will bolster resilient energy supplies that support stability and peace.

Thank you for your efforts at the IEF, and for helping all of us to navigate this global energy system transformation. The United States will continue to be a reliable producer, supplier, and partner. We will work to foster global supply resilience, to increase options for importing countries, to foster market transparency, and to advance diversity in energy types, routes and sources.

My colleagues and I look forward to working with you to advance energy security for all. Thank you.