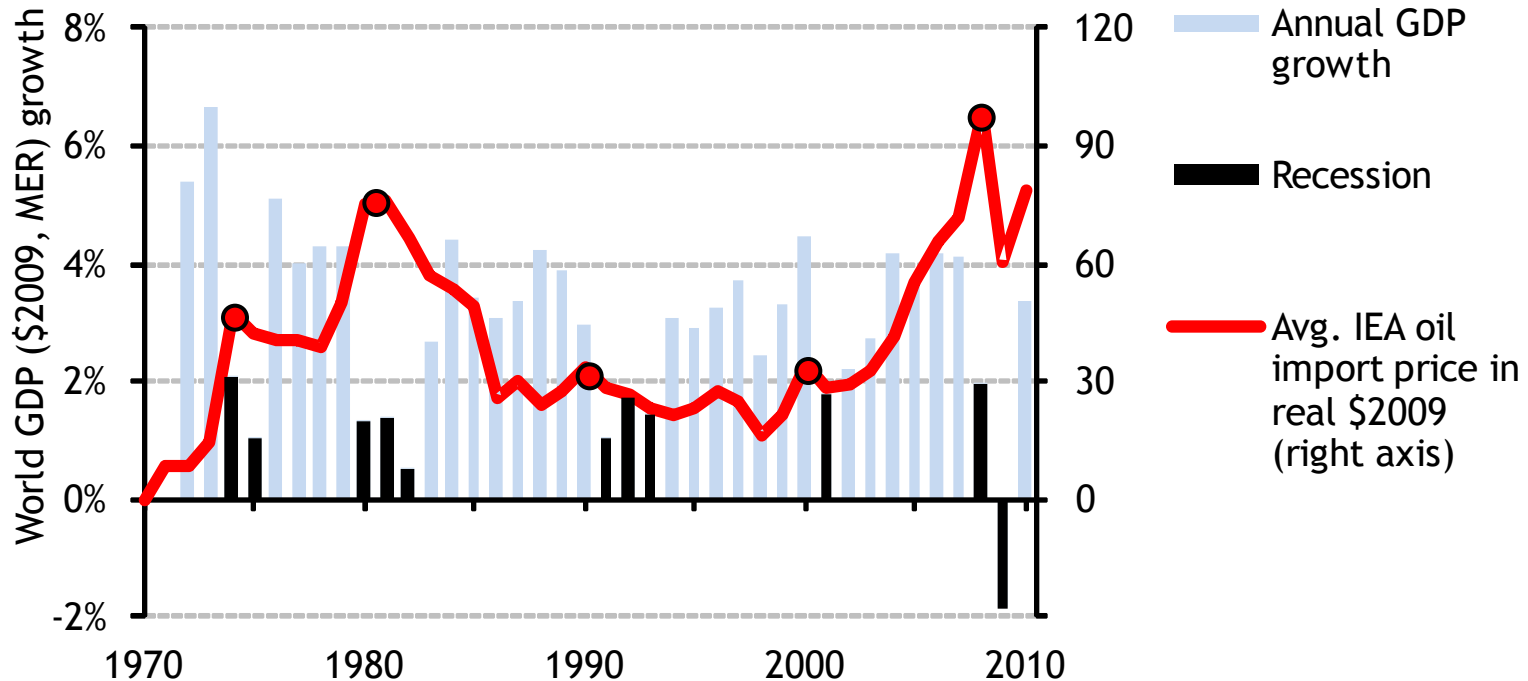


The determining role of Asia in global energy demand

Mr. Nobuo Tanaka
Executive Director
International Energy Agency

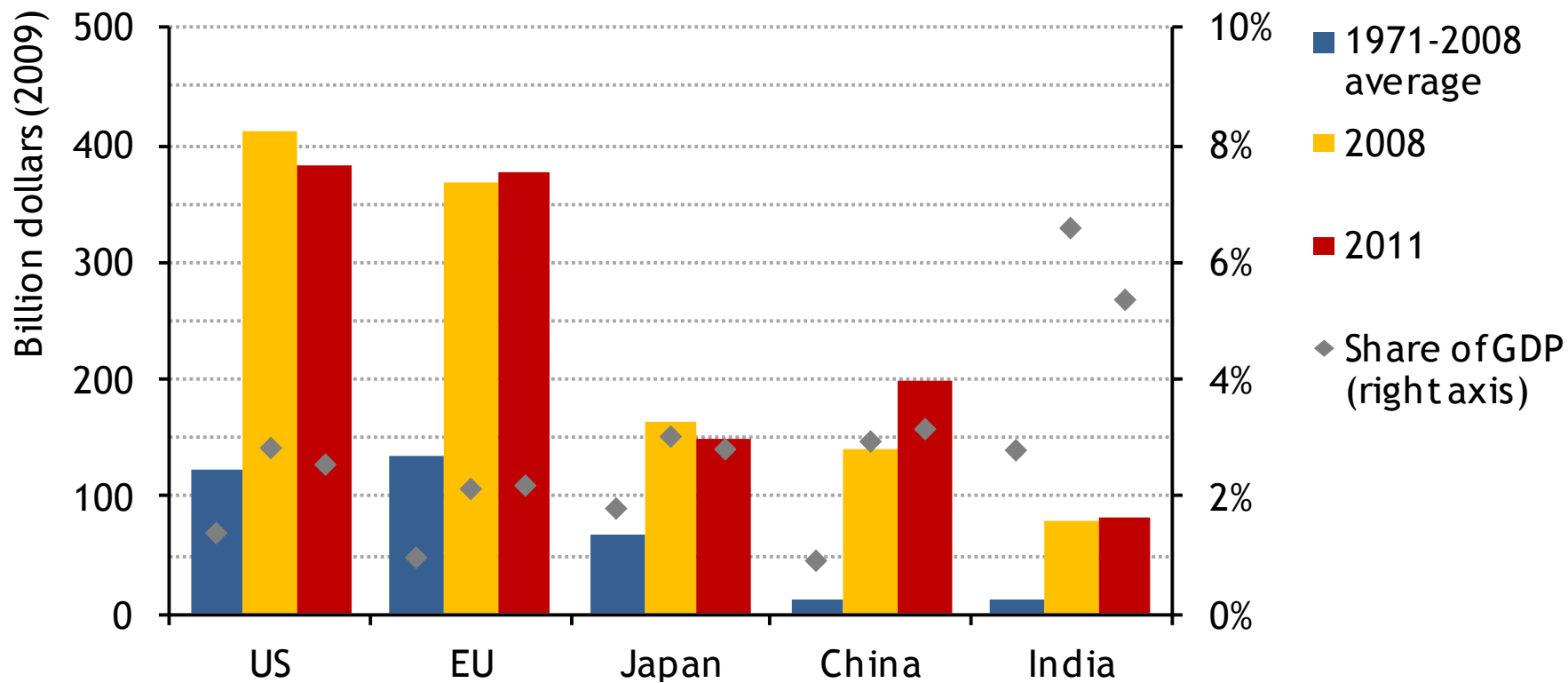
*4th Asian Ministerial Energy Roundtable
State of Kuwait
18 April 2011*

Oil prices affect the global economy



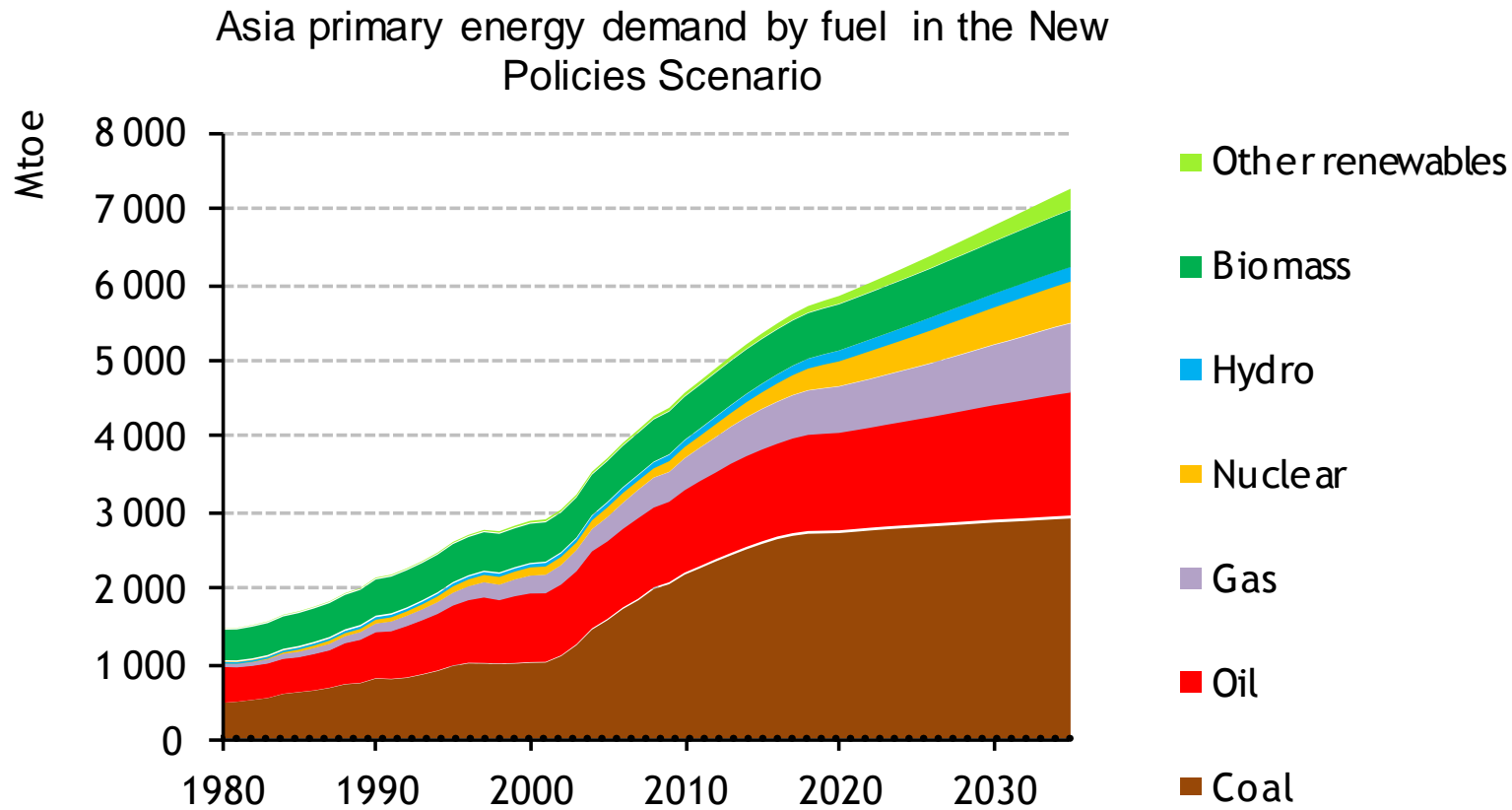
Oil price spikes have preceded each global recession since the early 1970's

Annual expenditure on net imports of oil



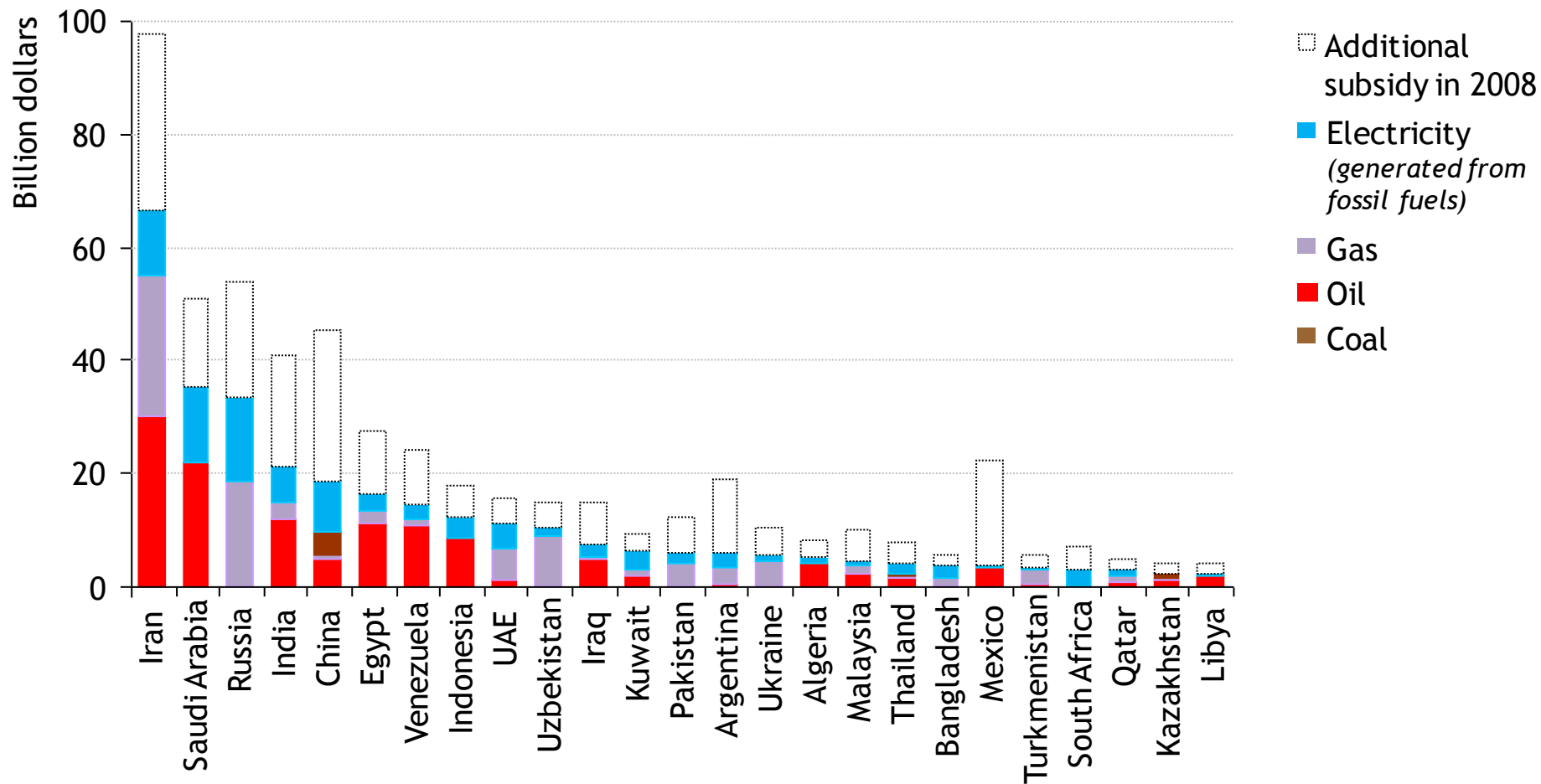
If oil prices average US\$100 a barrel in 2011, spending on oil imports in many countries will reach or surpass the record levels of 2008

Asia to remain the main driver of global energy demand



Energy demand in Asia increases by 70% over the Outlook period, pushing the region's share of global demand from 35% today to 44% in 2035

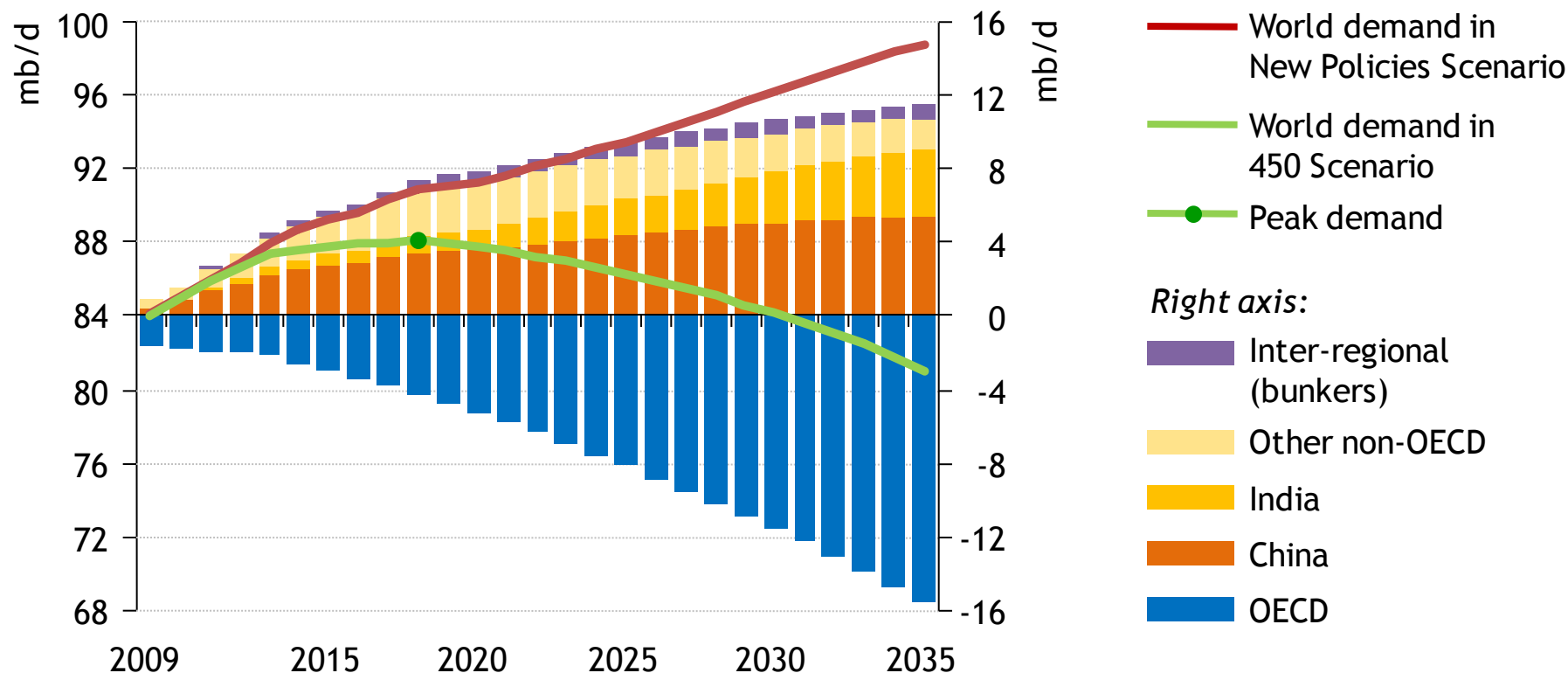
Fossil-fuel subsidies mute demand response and add to market volatility



Fossil-fuel consumption subsidies amounted to \$312 billion in 2009, down from \$558 billion in 2008, with the bulk of the fall due to lower international prices

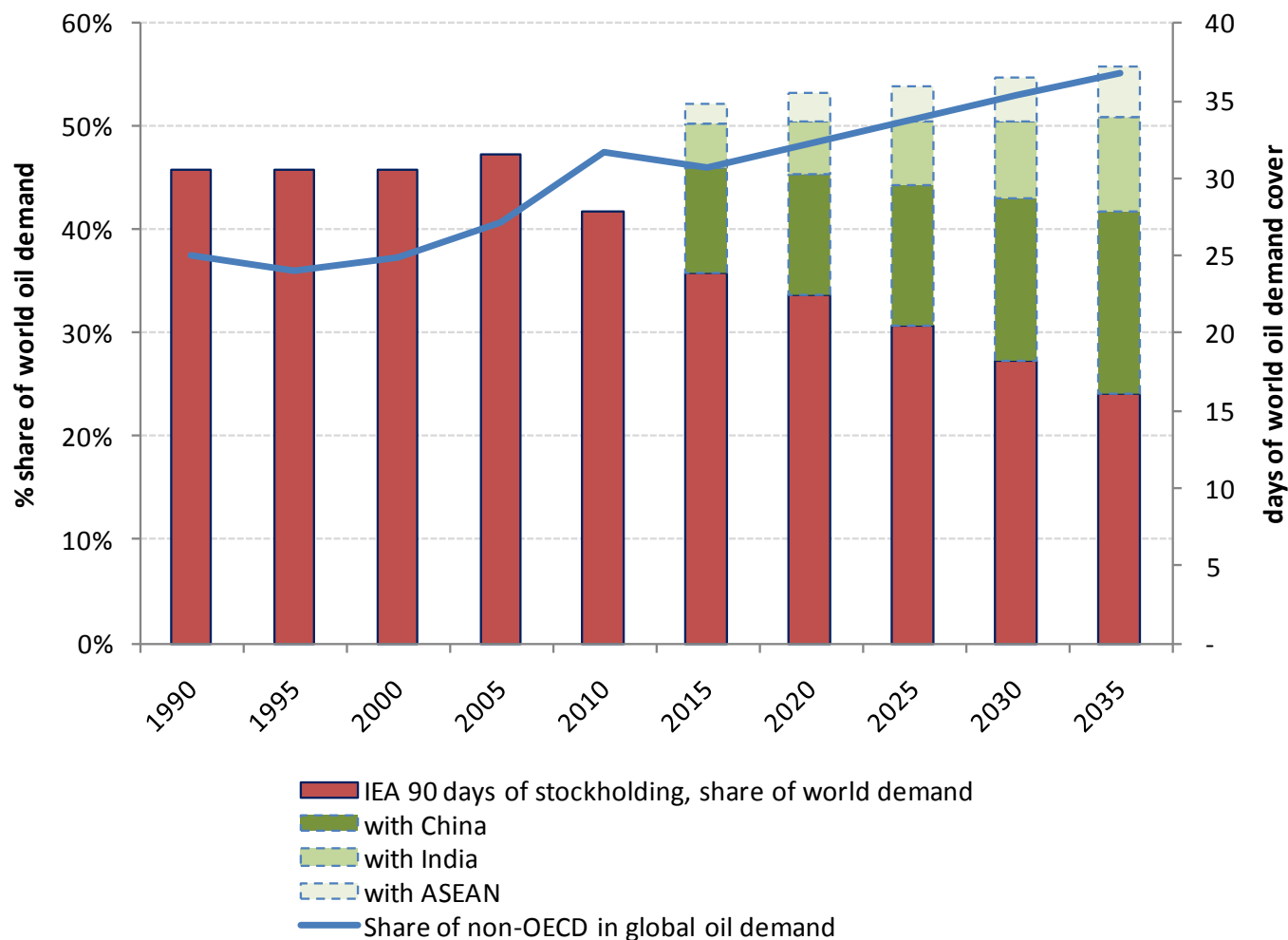
Will peak oil be a guest or the spectre at the feast?

Oil demand in the 450 Scenario



Oil demand peaks at 88 mb/d by 2020 & falls to 81 mb/d in 2035, with a fall in OECD demand offsetting continuing growth in non-OECD demand

IEA stockholding cover of global oil demand



Growing share of non-OECD oil demand results in declining global demand cover from IEA oil stocks

- **As the global economy pulls out of economic recession, we all have an interest in price stability, a well-supplied market, & the ability to respond effectively to events**
- **The importance of Asia in global energy markets will continue to grow**
 - **Asia is set to account for 67% of incremental global primary energy demand in 2008-2035**
- **On the supply side, the Middle East's oil & gas resources will be critical to meeting the world's growing appetite for energy**
- **Growing interdependence among producers and consumers means security & sustainability challenges are collective, & enhancing cooperation will be mutually beneficial**