

[Korean Intervention in the third session]

Consuming countries including Korea are naturally worried about the effects of high oil prices on their economies as it passed hundred dollars per barrel (USD 100/bbl) in recent months. Even so, I would like to point out that the consuming countries are not the only one that should be worried.

The return of hundred dollar plus (\$100 plus) a barrel oil actually signals considerable trouble for not only consumers but also oil producing countries. High oil prices have not yet caused a major economic shock among consuming countries, but further rises would inevitably hurt the world economy on the recovery, and that would eventually harm producers too.

Many now have said the high price of oil is here to stay, but in my view it really depends. No one yet knows about the future course of Japan's nuclear accident and political unrest in Middle East and North Africa (MENA) region and so is the future of oil price.

Undoubtedly steady high oil price will lead to necessary adaptation efforts ranging from energy conservation to development and deployment of alternative technologies. The economic damage could be predictably controlled in the long run.

However, it is the volatility that could wreck real havoc to the global economy through reduced investment due to increased uncertainty. The specter of looming budget deficit and inflation in non-oil producing countries will constrain government as well as private spending that are

likely to cause a sizable fall in demand while heightened uncertainty in demand will in turn lower investment in upstream.

Thus, I believe cooperation and collaboration between the producers and consumers are vital for reducing the volatility by way of greater data and information transparency, further research on the linkage between physical market and financial market, and more investment in R&D for alternatives.

Thank you, Mr. Chairman!

[Korean Remarks in the final session]

His excellencies, Ladies and gentlemen!

First of all, I would like to extend my sincere thanks to His Excellency, Sheikh Ahmad Al-Abdullah Al-Ahmad Al-Sabah and the government of Kuwait for the impeccable preparation and execution of the 4th Asian Ministerial Energy Roundtable.

This meeting has been very successful in many respects as it has provided valuable opportunities for deepening our understanding of the global energy issues and also for affirming our view that continuous dialogues and cooperation between consumers and producers are certain to help stabilize the increasingly volatile market. Moreover, this meeting has ascertained our mutual interest in the long-term sustainable energy future.

We are pleased to announce the hosting of the 5th Asian Ministerial Energy Roundtable in 2013 in Korea. Based on the outcome of this meeting, Korea is determined to help iron out more concrete cooperative action plans.

We will soon send out the notice for the next Ministerial meeting with detailed information. I truly want all of you to attend the meeting in Korea.

Again, I would like to thank those who make this meeting a big success.

Thank you and see you in Korea!