

## **7<sup>th</sup> Asian Ministerial Energy Roundtable**

### **7<sup>th</sup> Asian Ministerial Energy Roundtable: Inauguration Session**

**Introduction, and Scene Setting Remarks**  
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**Shangri La Hotel, Bangkok Thailand, 2 November 2017**

[Check against delivery]

**9.15-9.20**

[5 minutes speaking time]

**Your Excellencies, Distinguished Guests, Ladies and Gentlemen,**

Let me **thank the Deputy Prime Minister of Thailand, His Excellency Air Chief Marshal Prajin Juntong**, for his warm welcoming words, and for **inaugurating this 7<sup>th</sup> Asian Ministerial Energy Roundtable**, graciously hosted by **the Kingdom of Thailand**, in the **splendid city of Bangkok**, the heart of South East Asia.

I also thank His Excellency General Anantaporn Kanjanarat, **Minister of Energy of Thailand**, His Excellency Suhail Mohamed Al Mazrouei, **Minister of Energy and Industry**, of the United Arab Emirates, our co-host, and His Excellency Khalid Al-Falih, **Minister of Energy, Industry, and Mineral Resources of Saudi Arabia** for their staunch support of the energy dialogue.

**Asia is now at the center of the global energy market.** Its influence is felt in every corner of the world – and it will become stronger as the region’s dynamic economies continue to grow. **As Asia goes, so goes the world of energy.**

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**Dialogue and cooperation in Asia and beyond is pivotal to move from vision to action in global energy markets in transition.**

Let me use this opportunity to do two things:

- First, to **highlight** how the producer-consumer dialogue has evolved; and
- Second, to **underscore** where **your support is key**, to **move from vision to action** in global energy markets in transition

The producer-consumer **dialogue is evolving into conversation** with many new stakeholders, that sharpens focus on **market stability as new technology perspectives can be disrupting.**

New horizons are painted by the **rapid emergence of unconventional drilling technologies, renewables, and new vehicles that often reach markets faster than expected.**

**While Liquefied Natural Gas give gas flows greater reach and flexibility, making it the fastest growing fossil fuel now the Age of Gas takes off in Asia.**

The adoption of the **United Nations Sustainable Development Agenda 2030, and the Paris Agreement in 2015**, call for a **more dynamic, open, and forward-looking dialogue.**

But all of these developments also **add greater variety and uncertainty in outlooks on the energy future we share.**

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**Focus has shifted to transition, new technologies, energy access, and efficiency** in a period of relative low oil and gas prices. Yet **economic growth is picking up speed, and oil demand growth is rebalancing markets after three years of deferred upstream investment.**

**More dialogue and cooperation** is needed to **reduce energy market volatility and uncertainty**, therefore.

This will **allow investment in both conventional and new resources to move forward in tandem** and **make energy transition pathways more predictable.**

**In 2040 oil and gas will supply more than 50%** of global energy demand, **with coal consumption amounting to 25%** according to IEA and OPEC projections.

Moving from vision to action depends above all on strengthening **policy and technology cooperation in the carbon industry and markets of Asia.**

**Dialogue on the use of existing and new energy technologies** by introducing new standards and price signals here, will make energy supply and demand cleaner, more efficient, and secure worldwide.

**The 15<sup>th</sup> Session of the IEF Ministerial International Energy Forum** called for enhanced dialogue **to support an orderly energy transition** in closer **collaboration with all stakeholders.**

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**IEF Dialogue findings show** that to navigate global pressure points successfully and make energy markets more inclusive, sustainable, and secure, we must overcome **five challenges**:

1. **Unbalanced global energy sector development.** While new technologies leap forward, 1.1 billion people living in Asia and Africa have no access to modern energy services.
2. **Expectations renewables will drive energy transition alone.** Renewables will grow, but they only may fulfil 25% of total energy demand by 2040, IEA and OPEC projections show.
3. **Making the fossil fuel sector more efficient and sustainable.** The sector must become cleaner, especially to respond to coal demand in growth economies. In 2040 world energy demand reliance on coal, gas, and oil still averages around 75%.
4. **Timely unlocking of investment in a period of low prices.** Over the past three years oil and gas sector investment dropped and declines rates in existing fields are at their highest level in decades. This erodes future supply-demand balances and foreshadows renewed market turbulence.
5. **Effectively combining new and traditional energy sources.** The integration of new energy sources requires more dialogue on market design and regulation to ensure developments are mutually reinforcing, and avoid wasteful imbalances.

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To say that the energy sector is **living through challenging times is an understatement.**

But it takes **only three simple steps, to move from vision to action. Here your help is urgently needed:**

- **Let the producer consumer dialogue evolve** in to a conversation among all energy sector stakeholders, and organisations.
- **Governments, and fossil and renewable industries help each other** across borders and technologies to achieve shared goals together.
- **Join hands in Asia, and beyond** to facilitate an orderly global transition, accelerate efficiency gains, and jointly deepen data transparency.

Let me **thank you for your presence in the marvelous city of Bangkok, and contributions to the 7<sup>th</sup> Asian Ministerial Energy Roundtable, so graciously hosted by the Kingdom of Thailand.**

**I look forward to our discussions**