

# Oil producers, users sign charter as prices spike

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**AFP**

RIYADH, Feb 22, 2011 (AFP) - Energy producer and consumer states signed a charter in Riyadh on Tuesday aimed at limiting price volatility and stabilising the market, even as Middle East turmoil propelled prices to two-year highs.

The non-binding charter was signed by 87 countries, representing 90 percent of global oil production and consumption, said Saudi Arabia's deputy oil minister, Prince Abdul Aziz bin Salman.

"We are here today to formally and officially confirm the approval of the IEF (International Energy Forum) charter," Prince Abdul Aziz said at the opening meeting of the IEF extraordinary ministerial meeting.

The host country's oil minister, Ali al-Naimi, said the charter aims to create a "global energy market characterised by transparency and stability" and to "strengthen cooperation for the benefit of future generations."

On the eve of the forum, Prince Abdul Aziz said the one-day meeting would also tackle the key issues of short-term price volatility and long-term demand and supply of crude oil and gas.

IEF's secretary general, Noe van Hulst, has said the group's ministers agreed that sharp fluctuations in the market were harmful.

The meeting comes as political turmoil in the Middle East have driven oil prices back to levels last seen before the 2008 global financial crisis with Brent crude soaring above US\$105 a barrel.

At its previous meeting in Mexico in March 2010, the IEF agreed to step up dialogue with the aim of improving transparency on the energy markets so as to reduce price volatility.

Brent prices broke past US\$107 in Asian trade on Tuesday as violence in Libya and Bahrain destabilised the strategic oil-producing Middle East and North Africa region.

Brent North Sea crude for delivery in April gained US\$1.53 to US\$107.27 per barrel in the afternoon, surpassing two-year highs reached on Monday. New York's main contract, light sweet crude for March delivery, surged US\$7.20 to US\$93.40 per barrel on its last trading day.