

Extraordinary IEF Ministerial Meeting

22 February 2011

Session on Transparency and JODI Related Activities

Remarks by Mr. Nobuo Tanaka, Executive Director, IEA

Ten years ago, 18 oil producing and consuming countries and several oil companies came together with six organizations...

...including the Asia Pacific Economic Cooperation forum, Eurostat from the EU, the Organisation of Energy for Latin America, OPEC, the United Nations, and the International Energy Agency

...to meet in Bangkok for what has become a historical meeting. They agreed to embark on a 6-month oil data reporting exercise, and JODI was born.

Ten years later, there is not a single oil conference in the world where the name JODI is not mentioned. This is a remarkable achievement on the part of all parties involved in the initiative.

Let me tell you how proud the IEA is of taking part in this adventure alongside our 6 partner organizations.

How much progress 10 years can bring!

From 18 founding countries in Bangkok to almost 100 participating countries today. From a voluntary exercise to regular submissions. From an ambitious concept to a concrete implementation. From a narrow database to a widely open website. From lengthy discussion to faithful cooperation. From confidentiality to transparency.

The road to transparency has been marked by key milestones, and I would like to emphasize in particular the launch of the JODI database by King Abdullah in November 2005, on the occasion of the opening of the IEF premises. Let me also commend the ever growing support of IEF Ministers since the 8th Ministerial meeting in Osaka in 2002. Without this ongoing political support, JODI would not have reached the level it has.

In one month, JODI will celebrate its 10th Anniversary. JODI is no longer a toddler, but neither is it completely mature. Despite more and more smiley faces, there are still areas for improvement. As it has been said in previous IEF Ministerial meetings, global transparency will only exist if all countries are fully transparent and send timely, complete and reliable submissions. This is true for all flows, but particularly true for the data on stocks.

And oil stock levels may be the most essential piece of data for market analysts.

Once again, I would like to call on all producing and consuming countries to be fully transparent in order to make JODI fully mature and as useful as possible for the whole oil community.

After 10 years, JODI oil is no longer the only child of the producer-consumer dialogue. The IEA is pleased to associate itself to the development of JODI gas and of JODI annual capacity data.

With the development of LNG and more gas pipelines, the natural gas market is becoming more global. As a consequence, there is an obvious need for more timely and complete data on the evolution of the gas market. I would like to reiterate that the IEA will spare no effort to make JODI gas as successful as JODI oil.

I understand that there will be a JODI gas workshop in the second half of 2011; it is my sincere hope that this workshop will allow all the main producing and consuming countries as well as the main gas companies to gather, in order to place JODI gas at the same level as JODI oil.

As regards the third initiative related to the collection of annual data on reserves and capacity, we are working to make it a success, but there is still a need to further improve the current questionnaire and to clarify definitions. Together with the other JODI partner organizations, the IEA will work with the IEF Secretariat to optimize the collecting of essential annual capacity information.

The JODI approach (based on dialogue, trust, work, willingness and transparency) is now considered by other organizations for other fields. For instance, we have recently been contacted to talk about the origins of JODI and the development of the initiative over the years to see if such an approach could not also be used for agricultural markets.

JODI is a major international success and continues to grow with new development on gas and capacity. However, this success and the new developments should not prevent each of us to further strengthen our work in order to bring full transparency to the market. I hope that G20 countries will make the 3 smiley faces a target to achieve before the end of the year, and we welcome this development. However, and I am sure that my partners at the IEF, APEC, Eurostat, OLADE, OPEC and UNSD will join me to ask each participating country to also make three smiley faces their objective for the end of 2011. Let us all have smiley faces at the next IEF Ministerial!

Thank you.