

# Extraordinary Virtual Meeting of G20 Energy Ministers

## Statement by the Secretary General of the International Energy Forum H.E. Dr Sun Xiansheng

10 April 2020

Your Royal Highness, Mr Chairman,

1. Your Excellencies ladies and gentlemen, I highly commend Saudi Arabia as President of the G20 and the host country of the International Energy Forum, for the swift organising of this extraordinary virtual meeting of G20 Energy Ministers and invited guest countries.
2. The IEF stands ready to work together with producers and consumers to respond to excessive energy market volatility and assert all efforts to stabilise energy markets, in the wake of the Coronavirus (COVID-19) Pandemic.
3. The duration and impact of COVID-19 on world energy markets, and cascading effects throughout the global economy still remain largely unknown. A swift and sustainable recovery to new and more enduring market balances depends on how producers and consumers work together collectively now.
4. Best available assessments show that:
  - *On the demand side* COVID-19 creates a shock to energy market balances. Oil consumption may fall by as much 20 mb/d over 2020 according to initial assessments. COVID-19 also impacts downstream profits due the fall out of demand in both producing and consuming countries.

- *In respect of inventories* COVID-19 creates a structural oversupply of oil and gas. This causes global inventories to rise to capacity over the short-term. Even with a swift recovery it will take time to work away the overhang.
5. To overcome the unparalleled risks that the COVID-19 pandemic presents to global energy security and market stability the following can be considered:
- Improve global energy data transparency, especially on commercial inventories and strategic stocks through the JODI Data Initiative.
  - The IEF17 International Energy Forum Ministerial Meetings scheduled to take place on 25-26 September 2020, prior to the G20 Energy Ministers Meeting will provide the next opportunity for Ministers, International Business Leaders and Heads of International Organisations to cushion the impact and facilitate recovery from COVID-19 impacts on global energy security and market stability.
6. We are the waves of the same sea, we are a member of the global family, this is not the time for social distancing in producer and consumer relations. Any further delays in taking actions may lead to the need for extreme measures in the future. IEF will continue to work together with all G20 member countries and other brother international organisations.

Thank you Chair.