

# **Selected IEF Observations on the IEA and OPEC Outlooks**

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**Fourth IEA-IEF-OPEC Symposium on Energy Outlooks**

22 January 2014

# Overview

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1. The Third IEA-IEF-OPEC Symposium on Energy Outlooks: Key Takeaways and Discussion Points
2. Shared Progress on the Outlooks Harmonisation Front
3. Observations Drawn from Recent IEA and OPEC Outlooks
  - a. Short-Term
  - b. Medium-Term
  - c. Long-Term
4. The Trilateral Programme of Work on Energy Outlooks: The Road Ahead

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## Third IEA-IEF-OPEC Symposium: Key Takeaways and Discussion Points

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- The Importance of **Non-OECD Inventory Data**
- A Realistic Assessment of **Tight/Shale Oil's Potential**
- The Impact of **Energy and Environmental Policies** on Future Energy Supply and Demand
- Shared Support for Progress in **Making the IEA and OPEC Outlooks More Comparable**

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## The importance of harmonisation: an example regarding regional classifications

Table 10  
Long-term Liquids Demand (mb/d)

	2035		Avg. annual growth (2012-2035)		
	IEA Current Policies Scenario	OPEC Reference Case	IEA Current Policies Scenario	OPEC Reference Case	Difference (IEA-OPEC)
Total OECD	39.7	40.4	-0.1	-0.2	0.1
OECD Americas	23.1	21.9	0.0	-0.1	0.1
OECD Europe	10.8	11.4	-0.1	-0.1	0.0
Asia Oceania	5.9	7.1	-0.1	-0.1	0.0
Total Non-OECD	66.3	68.2	1.1	1.1	0.0
Asia	36.4	37.8	0.7	0.7	0.0
China	18.2	17.5	0.4	0.3	0.0
India	8.7	9.3	0.2	0.2	0.0
Other non OECD	9.5	11.0	0.1	0.2	0.0
Middle East, Africa & Latin America	24.1	24.4	0.4	0.3	0.0
Europe & Eurasia	5.7	6.0	0.0	0.0	0.0
Bunkers	9.7	n/a	0.1	n/a	n/a
World	115.4	108.6	1.1	0.9	0.3

# Shared Progress on the Harmonisation Front

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- OPEC's WOO2013 encompasses for the first time **non-commercial use of biomass** in its total biomass demand calculation;
- As of December 2013, the IEA has started to **provide country-by-country biofuels production** in its OMR, improving the comparability of the IEA and OPEC short-term liquids supply outlooks;
- OPEC **adjusted its medium-term outlook horizon** from 4 to 5 years, so now both organisations project five years out;

# Shared Progress on the Harmonisation Front: More Work to be Done

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- Variations in Geographical Definitions
- Differences in Historical Supply and Demand (Baseline) Data
- Different Treatment of Biofuels and Bunker Fuels
- Categorisation Methods of Liquids Supply
- Different Oil Price Assumption Approaches
- Different Unit Conversion Factors



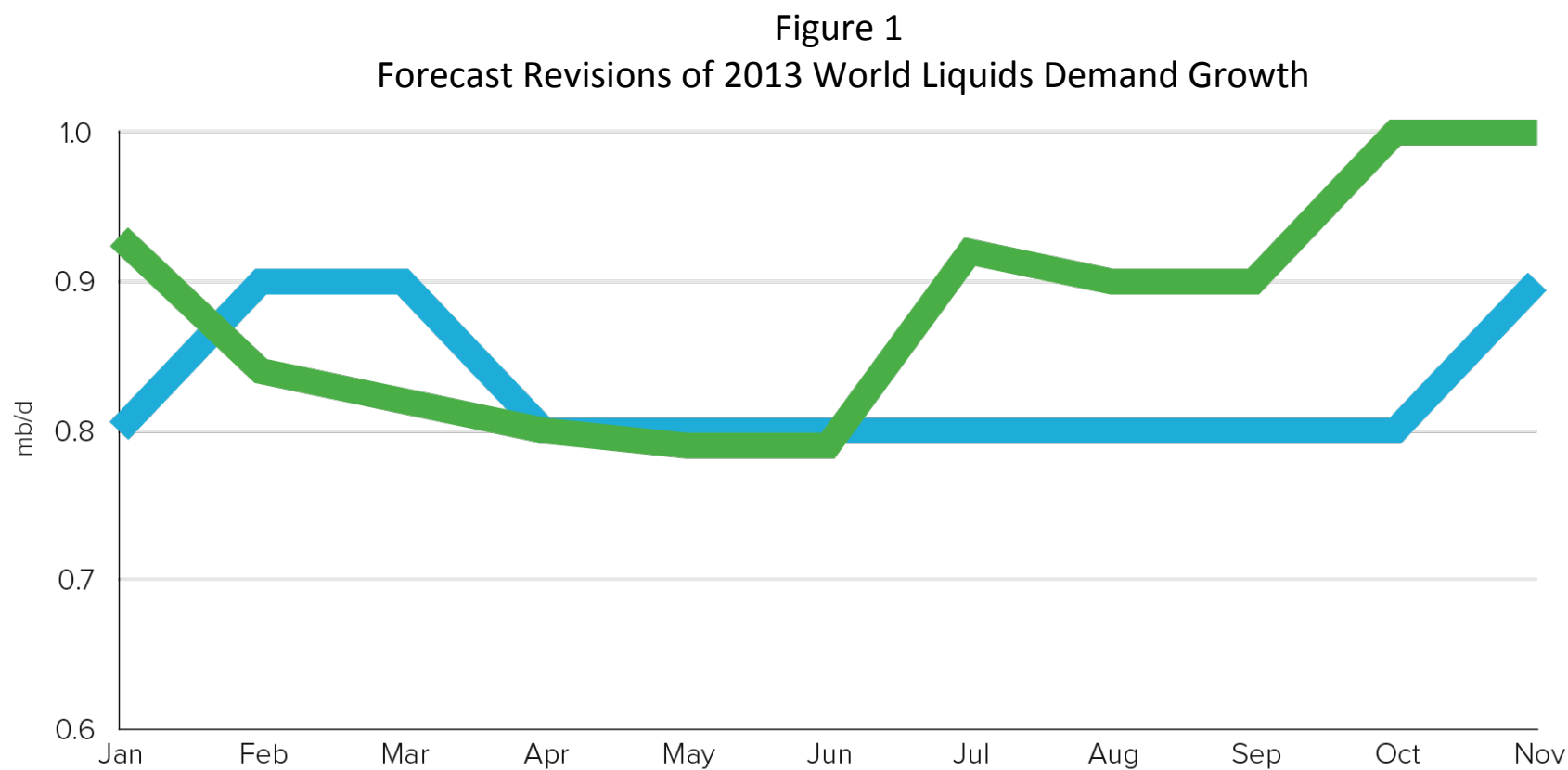
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Differences in **monthly projections for 2013 global liquids demand growth** were fairly small, staying within a range of 0.2 mb/d.

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**Medium-term annual growth assumptions** differ by ~0.5% throughout the forecast horizon.

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OPEC's WOO was published later than the IEA's MTOMR this year.

	2014	2015	2016	2017	2018
OPEC	3.5%	3.8%	3.9%	3.9%	3.9%
IEA	4.0%	4.3%	4.4%	4.5%	4.4%

As in 2013 the IMF regularly revised GDP growth forecasts downward for most world regions over the medium-term projection period, **the IEA's MTOMR likely incorporated more optimistic macroeconomic expectations.**

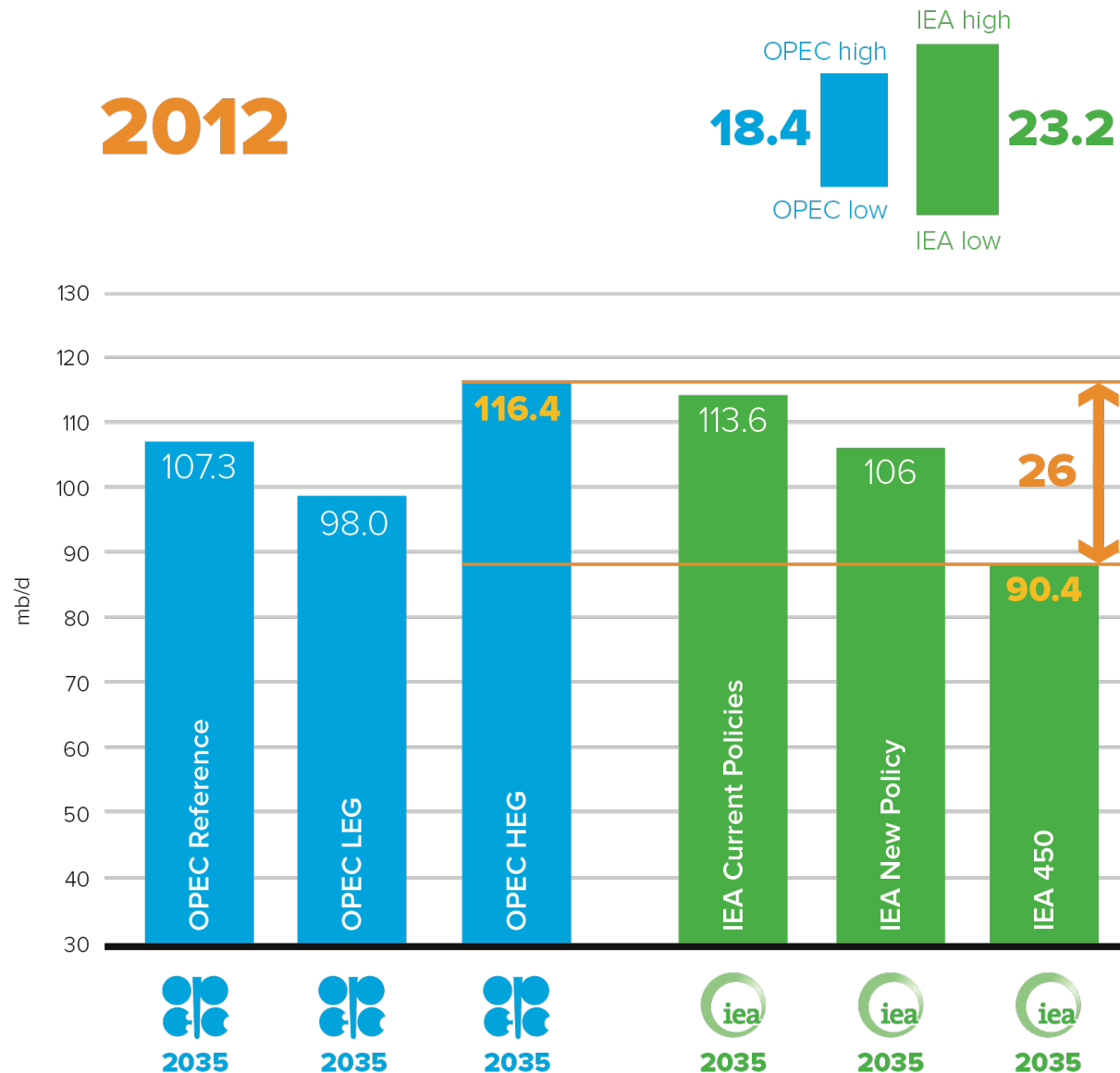
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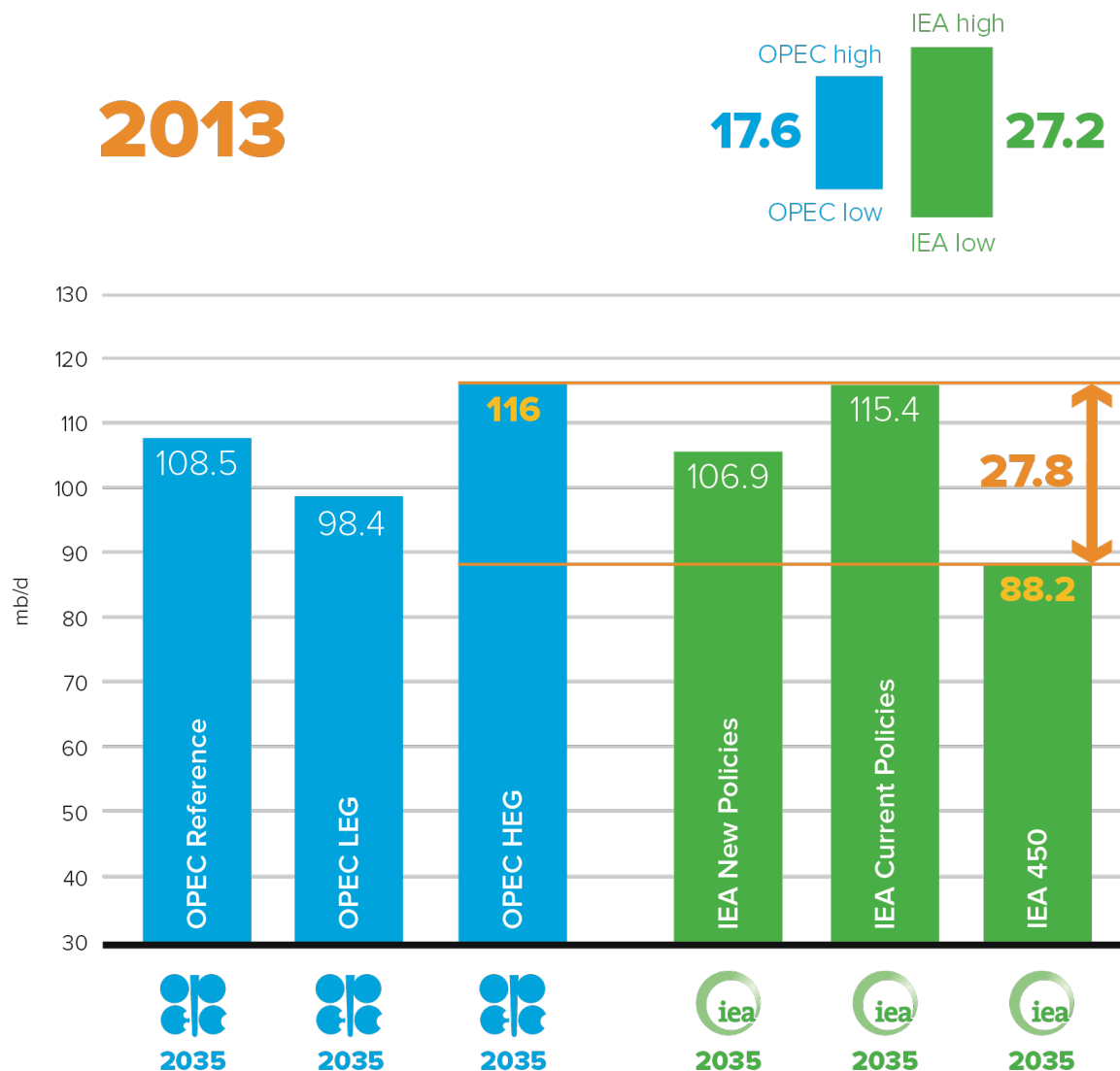
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Comparing all **long-term demand scenarios** presented in the 2012 WEO and WOO yields a wide range of possible levels in 2035.

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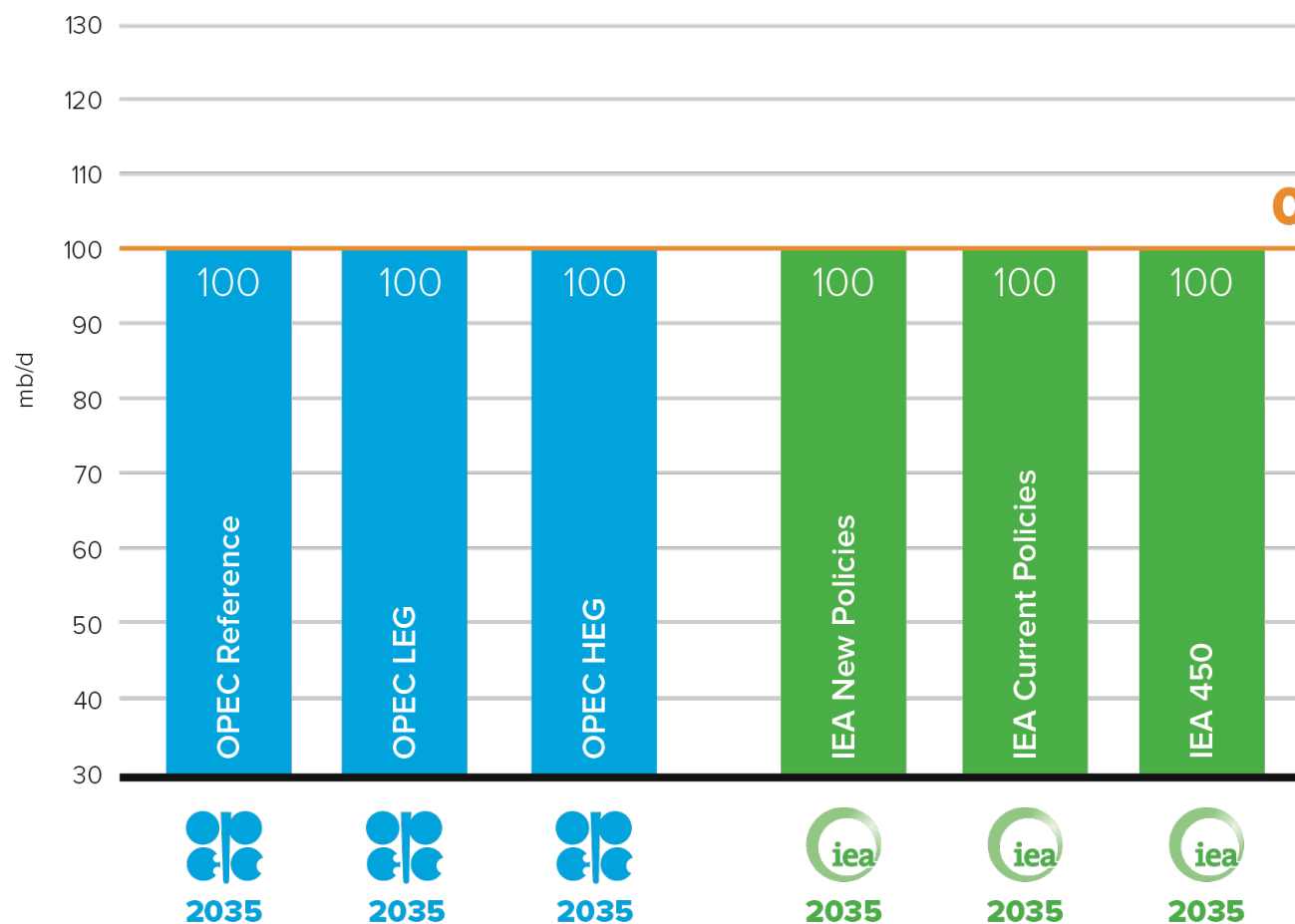
For **2013**, the long-term demand scenario range is slightly wider (+1.6 md/d) versus the prior year.



To be clear,  
this is not the objective of the conversation.

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2014





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