

2nd Joint IEA-IEF-OPEC Technical Meeting on the Interactions between Physical and Financial Energy Markets

[Joint Press Release] The International Energy Agency (IEA), the International Energy Forum (IEF) and the Organization of the Petroleum Exporting Countries (OPEC) met today at the OPEC Secretariat in Vienna, Austria, to participate in the 2nd Joint IEA-IEF-OPEC Technical Meeting on the Interactions between Physical and Financial Energy Markets. The Joint Meeting represents the 7th event in this ongoing dialogue.

The high-level meeting was chaired by OPEC Secretary General, **HE Mr. Mohammad Sanusi Barkindo**, together with **HE Dr. Sun Xiansheng**, Secretary General of the IEF, and **Mr. Neil Atkinson**, Head of the Oil Industry and Markets Division at the IEA.

In his welcome and opening remarks, **HE Mr. Barkindo** said it was “a testament to the growing importance of this complex and evolving subject that we continue to meet and gather such a distinguished and diverse group of high-level experts.”

Addressing participants, he also noted that “each brings a different perspective of the market – from the financial side, the physical side, governments, regulatory bodies, market analysts and experts. This is a testament to the strengths of this dialogue as it allows us to exchange views and collectively present a more complete and rounded picture of the market.”

HE Dr. Sun also offered opening remarks in which he underscored the strong relationship between the IEF and oil producers and consumers like OPEC and IEA. The IEF official noted that “the relevance of inclusive dialogue cannot be overstated considering the more fluid dynamics the physical and financial energy markets are exposed to.” He further noted that “the IEF remains committed to enhancing energy market transparency through dialogue with physical and financial energy market participants from consumer and producer countries, and the Joint Organisations Data Initiative (JODI).”

Mr. Atkinson provided his own welcome remarks to help set the stage for the day. He noted that “the interaction amongst players in the oil market remains a major priority if we are to better understand each other’s interests and how common ground can be found. The IEA strongly supports the work of this meeting and looks forward to future engagement with our colleagues from OPEC and the IEF.”

Discussions during the one-day event were structured into four sessions, focused on the following key topics:

- Recent oil market volatility
- Evolving role of financial firms in the oil market
- Financial oil market regulation: Assessing the impact of Brexit and the new US administration
- Developments in market structure, including the impact on commercial and floating storage

The Joint Technical Meeting is one part of the trilateral work programme established by the three organizations and endorsed by energy ministers at the 12th International Energy Forum in Cancún, Mexico, in March 2010. Since then, the joint IEA-IEF-OPEC meetings covering the evolving inter-

linkages between physical and financial energy markets have developed into a unique, high-level technical event and bring together a diverse range of market participants to discuss issues that are not addressed in other high-level fora.

The trilateral cooperation between the three organizations was recently commended by the G20 Energy Ministers in their Beijing Communique in June 2016, which requested the organizations to continue their fruitful collaboration to further enhance understanding of the interaction between physical and financial markets. The Energy Ministers at the 15th International Energy Forum in Algeria in September 2016 further endorsed the value of this important consumer-producer dialogue.

To encourage open and informative discussion, the Joint Meeting was held under the Chatham House Rule, with participation limited to key market participants on the financial and physical sides of the market.

At the conclusion of today's meeting, the three organizers thanked participants for their engaging and frank discussions on such complex and evolving issues, and looked forward to convening the next Joint Workshop inviting high-level stakeholders from government, industry and financial markets in 2018.