



MEETING FUTURE ENERGY CHALLENGES THROUGH DIALOGUE AND DISCUSSION

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As the 15th Ministerial Meeting of the International Energy Forum convenes, we also mark a quarter century since the initial producer-consumer dialogue. This milestone is an opportunity to reflect on the importance of our global conversation in shaping the future of energy — and in my opinion it could not come at a more critical time.

Much has changed since 1991: supply and demand patterns have shifted dramatically, while a new generation of infrastructure has been built and brought on-line. Innovative technologies have transformed the ways energy is produced, consumed and transacted. And most importantly, the social, economic and environmental contexts for energy have evolved considerably.

Our planet's population and its appetite for energy are both larger, as billions more people enjoy higher living standards in urban centres characterised by greater demand for energy and mobility. As a result, over the last quarter century total energy demand has grown by some 60 per cent, while the share of this consumed by the OECD nations has declined from roughly 52 to 39 per cent.

With increased energy consumption has come environmental degradation, and even as the global community strives to secure energy availability and affordability, there is also growing concern for the health of our precious natural ecosystems. The energy industry has responded by lightening the environmental footprint of its operations, developing and delivering cleaner products, enhancing safety and sustainability, and encouraging energy efficiency and conservation.

These energy shifts have taken place concurrently with a broader global economic transformation, with more nations competing globally through greater access to finance, free trade, technology and cost-effective energy. In other words, the inter-relationships between economic development, environmental protection and energy have grown closer and more complex.

So how will we overcome the current economic headwinds slowing the global economy? How can we meet the environmental commitments made last year at the UN's COP21 climate summit while still enabling individuals, communities and entire nations to achieve their full potential? How might we reduce volatility in the global energy markets in order to minimise its damaging effects on our economies and our societies? How do we leverage research and technology to simultaneously meet our energy needs and protect our planet, even as its population continues to grow?

At the same time, we must recognise that renewables and new technologies are not yet ready to shoulder a significant burden of world energy demand due to technical and economic hurdles, while the turnover of conventional energy infrastructure and capital stock will take time. So, how do we develop a carefully studied transition plan with due consideration for the needs of both industrialised and developing nations? How can we avoid energy-driven economic dislocations that may pose risks to the social fabric of our communities? And how will we ensure the adequate availability of affordable and clean energy during a transition period in which fossil fuels will continue to play a major role in the world energy mix?

Sustainability and sound stewardship

Answering such questions requires balancing our nations' individual interests with the collective good, cooperating to promote sustainability and sound stewardship, and partnering to seize the plentiful opportunities offered by the global energy sector in all its facets. Energy is vital to the entire community of nations, and all countries have a stake — and should have a say — in the global energy dialogue.

That is why I believe the need for a candid and inclusive conversation about energy is even more compelling than it was back in 1991. For effective communication and cooperation to take place, though, there must be a venue where all participants are made welcome, and where all can be heard.

The IEF provides just such a platform, and over the years the Kingdom of Saudi Arabia has found it to be an effective forum for a frank exchange of views and ideas as well as a neutral facilitator among producers, consumers and transit states. In addition, the IEF provides timely and reliable data for analysts, policy-makers and decision-takers; promotes a better understanding of the benefits of stable and transparent energy markets; and studies the inter-relationships among energy, technology, the environment and economic development.

The IEF has thus established a prominent position within the global energy landscape, and as the government of Algeria hosts the latest meeting of the group's ministers, the International Energy Forum will once again play its role as convener and point of connection for the world's most important energy dialogue. I look forward to a far-ranging and fruitful discussion and to significant progress on our pressing global energy agenda. ■