



THE IEF CANNOT REST ON ITS LAURELS

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Twenty-five years has passed since producers and consumers gathered together to initiate the establishment of a neutral platform for carrying out informed and target-oriented dialogue. Over the intervening years, positive steps have been taken aimed at strengthening energy dialogue and realisation of the International Energy Forum's objectives. In the last two or three decades, in the light of the platform created by the IEF, the level of mutual understanding of producers and consumers has improved, and the ground has been paved for effective collaboration of oil and gas producing and consuming countries. Chief among the strengths of the Forum are: gathering together producing, consuming and transit countries in order to exchange views on oil and gas markets' short and long-term development; analysing investment flows into energy; monitoring the outcome of fostering unconventional energy resources; making efforts to create more transparency in the energy realm through access to more reliable energy data; close cooperation with other energy-related bodies such as the Organisation of the Petroleum Exporting Countries, the Gas Exporting Countries Forum, and the International Energy Agency. Without a doubt, all the above-mentioned measures are endorsed by the Islamic Republic of Iran. However, we are of the opinion that the IEF has a greater potential to play a more effective role in coping with economic and geopolitical challenges in the energy sector, and that therefore this potential should be exploited in a more effective way. In other words, whilst admiring the measures taken by IEF to realise its primary objectives, we still expect the Forum to keep making more efforts to fulfill these superior objectives.

It is noteworthy that while international bodies such as OPEC and the IEA, based on their missions, mainly represent certain energy players – producers and consumers – the IEF has a broader range of mission. That is to say, the IEF covers energy issues of interest to producing, consuming and transit countries, as well as all energy industry players, even those supplying equipment and services.

Meanwhile, one can argue that transparency is one of the foundation stones of such a gathering which facilitates a more comprehensive understanding of global energy markets. Transparency could be achieved in energy markets through collecting and processing data on the energy mix, especially coal, nuclear and renewables. Using the available data, producing countries as well as energy industry players

as a whole could make the required long-term planning to significantly contribute to energy security.

Energy security is one of the core objectives of the Forum. As it has been always emphasised by producing countries, we are of the opinion that the security of supply and demand are two sides of one coin and that the IEF is expected to keep balancing security of supply and demand, because a more balanced security could prevent uncertainty in energy markets. Looking at the issue from a different angle would indicate that oil prices ought to be stable at a level which leads to a steady flow of investment into the oil industry, and could itself guarantee security of supply. At the same time, a level of oil prices that does not hurt global economic growth, coupled with the avoidance of discriminatory policies against oil and gas, could also secure demand.

Take politics out of energy

One of the important factors in this context is the free flow of capital and investment, in the context of oil and gas contractual frameworks based on win-win deals which could orient and direct global foreign investment toward more efficient and economical oil and gas fields.

I am confident that the majority of IEF countries favour de-politicised energy markets. However, it should be noted that energy sector de-politicisation requires collective efforts on the part of all IEF countries. It is part of the solution to energy sector challenges, especially those impediments facing producing countries, and ought to be among the major concerns of the global community. There is no doubt that imposing unilateral sanctions on major energy producers jeopardises energy security. Thus, the Forum is expected to take seriously this challenge of preventing further disturbances in energy markets.

While removing barriers to producing countries' access to the required financial resources for development of their oil and gas fields, de-politicisation would also remove barriers to their access to consumer markets. This could prevent instability and illogical price volatility in global energy markets through enhancing hydrocarbon production capacity proportionate to reserves.

In conclusion, while reaffirming the need for persistence in strengthening the producer-consumer dialogue, I would like to offer my sincere thanks to the government of Algeria, for hosting the 15th IEF Ministerial Meeting. I am looking forward to a fruitful discussion in Algiers and hope that the meeting will be a significant and effective step toward the realisation of the IEF's objectives. ■