



DIALOGUE IS MAKING A DIFFERENCE

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In today's increasingly complex, globalised and interdependent energy industry, cooperation and dialogue have become indispensable for any stakeholder to accomplish its goals. In times such as these, it is simply not possible to go the distance alone.

The Organization of the Petroleum Exporting Countries (OPEC) has been at the forefront of international energy dialogue since the early 1990s, when Member Countries, alongside other producers, as well as consumers, joined forces to begin a platform for producer-consumer dialogue through the establishment of the International Energy Forum (IEF).

A preeminent platform for dialogue

Since its founding in July 1991 in Paris, the IEF has evolved to become the world's preeminent platform for promoting dialogue between global oil and gas producing and consuming countries.

Today, its 72 Member Countries, representing all six continents, encompass nearly 90 per cent of global supply and demand for oil and gas. The IEF is unique in that it comprises not only consuming and producing countries of the IEA and OPEC, but also other important transit states and major players, including Argentina, China, India, Mexico, Russia and South Africa.

OPEC continues to play a leading role in the IEF's activities, including the biennial Ministerial Meetings, the Joint Organisations Data Initiative and the trilateral programme of activities that were first agreed at the 12th IEF Ministerial in Cancun in 2010. This includes the annual IEA-IEF-OPEC Symposium on Energy Outlooks, the Workshop on Interactions between Physical and Financial Energy Markets, the Gas and Coal Market Outlook Symposium, as well as a number of other roundtables and workshops.

In the years since the IEF was founded, OPEC has expanded its dialogue activities to include platforms with the European Union, the Russian Federation, and more recently with India, China and a number of stakeholders in the United States.

Declaration of Cooperation

Additionally, since 2016, intensified dialogue between OPEC and non-OPEC producing countries culminated in the historic Declaration of Cooperation, in which 24 producers came together to help restore market balance and stability, in order for the oil market to emerge from

one of the worst downturns in energy history, following an oil price plummet of nearly 80 per cent between June 2014 and January 2016.

At the 3rd OPEC and non-OPEC Ministerial Meeting on the 30 November 2017, the Declaration of Cooperation was extended for the entirety of 2018.

This unprecedented act of international cooperation has been exceedingly successful in bringing us closer to our goal of achieving a more lasting and sustainable stability. These landmark cooperative efforts have been recognized and acclaimed by the wider community, in terms of the dedicated commitment and transparency of all participants and the effective and full implementation of the decisions relating to the Declaration of Cooperation. The overall conformity of OPEC and non-OPEC participating producing countries averaged 107 per cent in 2017. Moreover, we have seen conformity levels improve further in 2018, with a record 133 per cent in January 2018.

Stronger together

Despite these extraordinary achievements, it is important to realize that, in the broader context, this is not solely about voluntary production adjustments. It is about so much more. This historic cooperation has turned a new page in this industry and transformed the way things are done.

This is about what can be achieved when stakeholders come together as a team to accomplish a common goal. It is clear proof that we are stronger when we work together; the potential for success is endless. No one can be an island in this industry; everyone is an inter-connected piece of this vital and significant global sector.

These 24 OPEC and non-OPEC participating countries are unified through the common principles of equity, transparency and fairness, and this has empowered them to stay the course and overcome the many challenges that have come their way.

This transformative process has not gone unnoticed in our industry. In fact, its overwhelming success has opened the door to all stakeholders in the energy industry to join us on this road to achieving a lasting and vital stability in the global oil market in the interests of producers, consumers and the global economy.

Looking forward, I see a bright future for this industry, but this time around, our success will not be built on individual gain, but rather on our united efforts to achieve oil market stability and economic growth through dialogue and cooperation. ■