INTERNATIONAL ENERGY FORUM

MIT Energy Conference 2017 | Boston | 3-4 March | 2017

Opportunity, Uncertainty and Risk

Recent Trends, a Comparison of Outlooks, IEF Initiatives

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Secretary General, IEF Riyadh

Flow

1. Recent Trends
2. Short-term IEA and OPEC outlooks
3. Medium-term IEA and OPEC outlooks
4. Long-term IEA and OPEC outlooks
5. Key IEF Initiatives

2014

3 SURPLUSES

2 FALLS

2015

5 CONTROLS

4 GUARANTEES

2016

Trend → Low for longer

Certainties → Surplus supply; Lower demand

Uncertainties → Balance?; Technology?

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Seventh IEA IEF OPEC Symposium on Energy Outlooks 15 February 2017

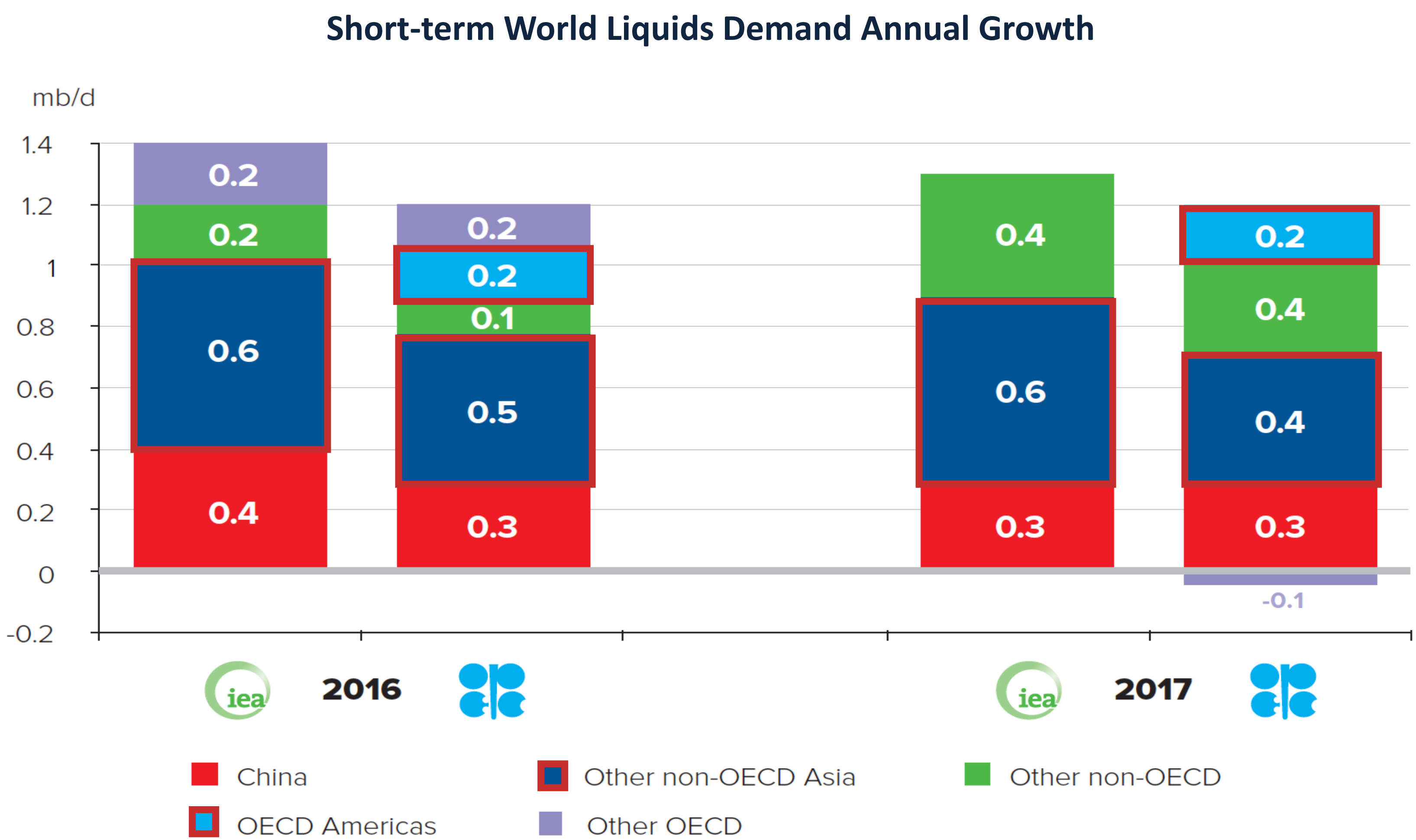
2008 Jeddah Meeting on Oil Market Volatility

2010 Cancún Declaration, Attachment II IEA-IEF-OPEC Agree cooperation

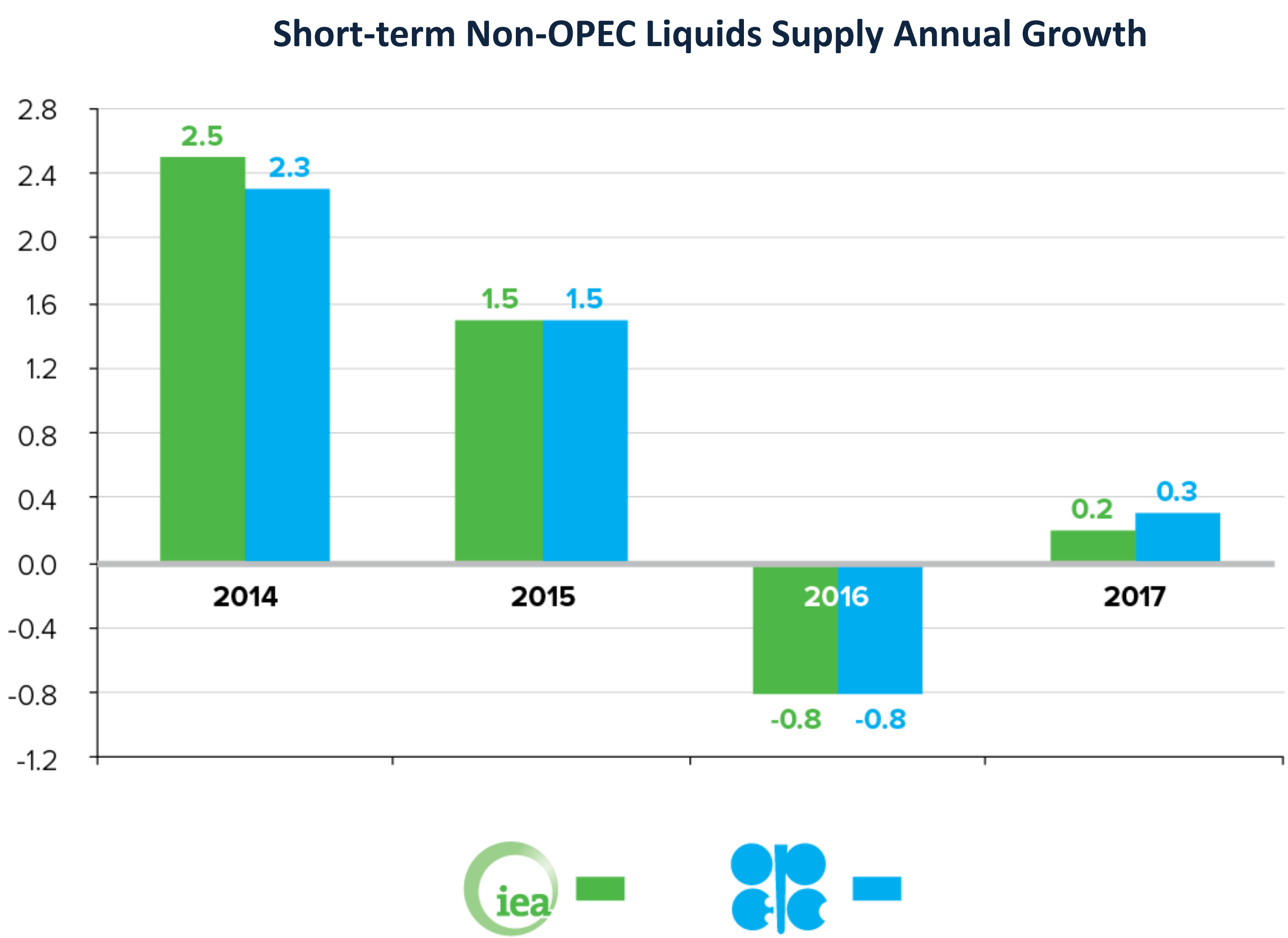
2015 Istanbul 2016 Beijing G20 Energy Ministers: Continue fruitful collaboration

2016 International Energy Forum Ministers IEF15: Build on successful model

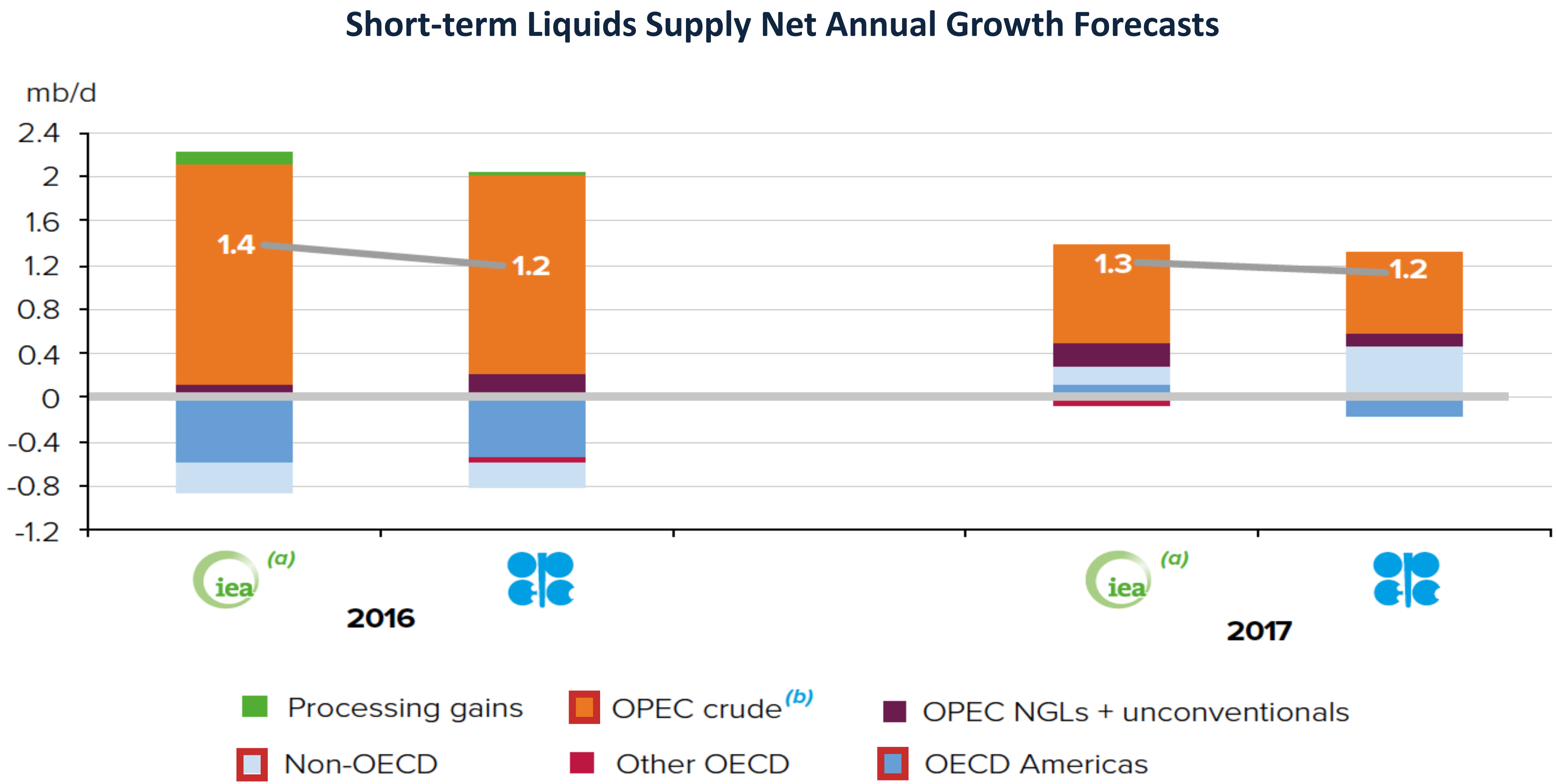
Differences in demand growth estimates relate to both Non-OECD Asia and OECD Americas



Short-term non-OPEC supply declines in 2016 followed by modest growth in 2017



2016 and 2017 supply growth is led by OPEC, OECD Americas, and non-OECD producers



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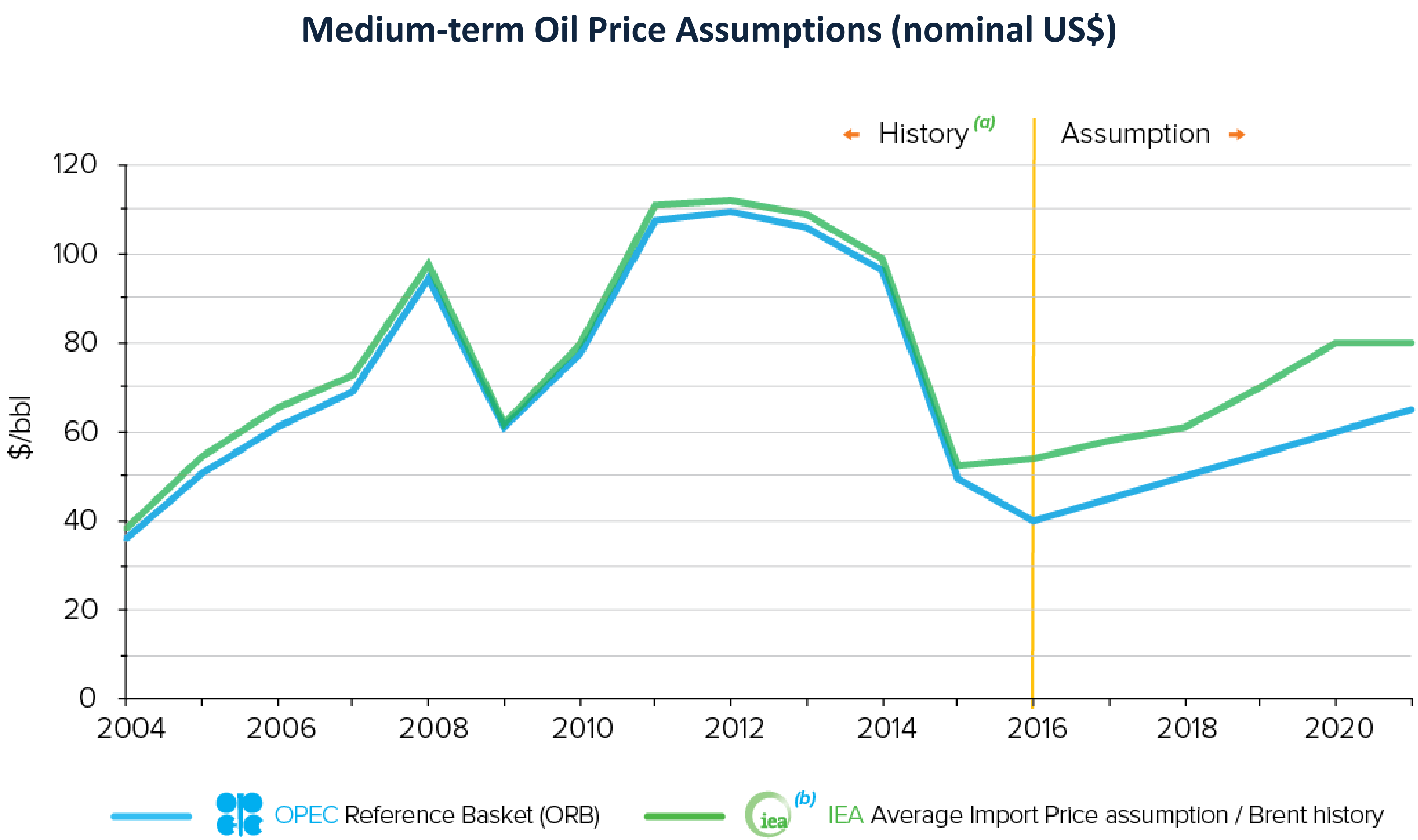
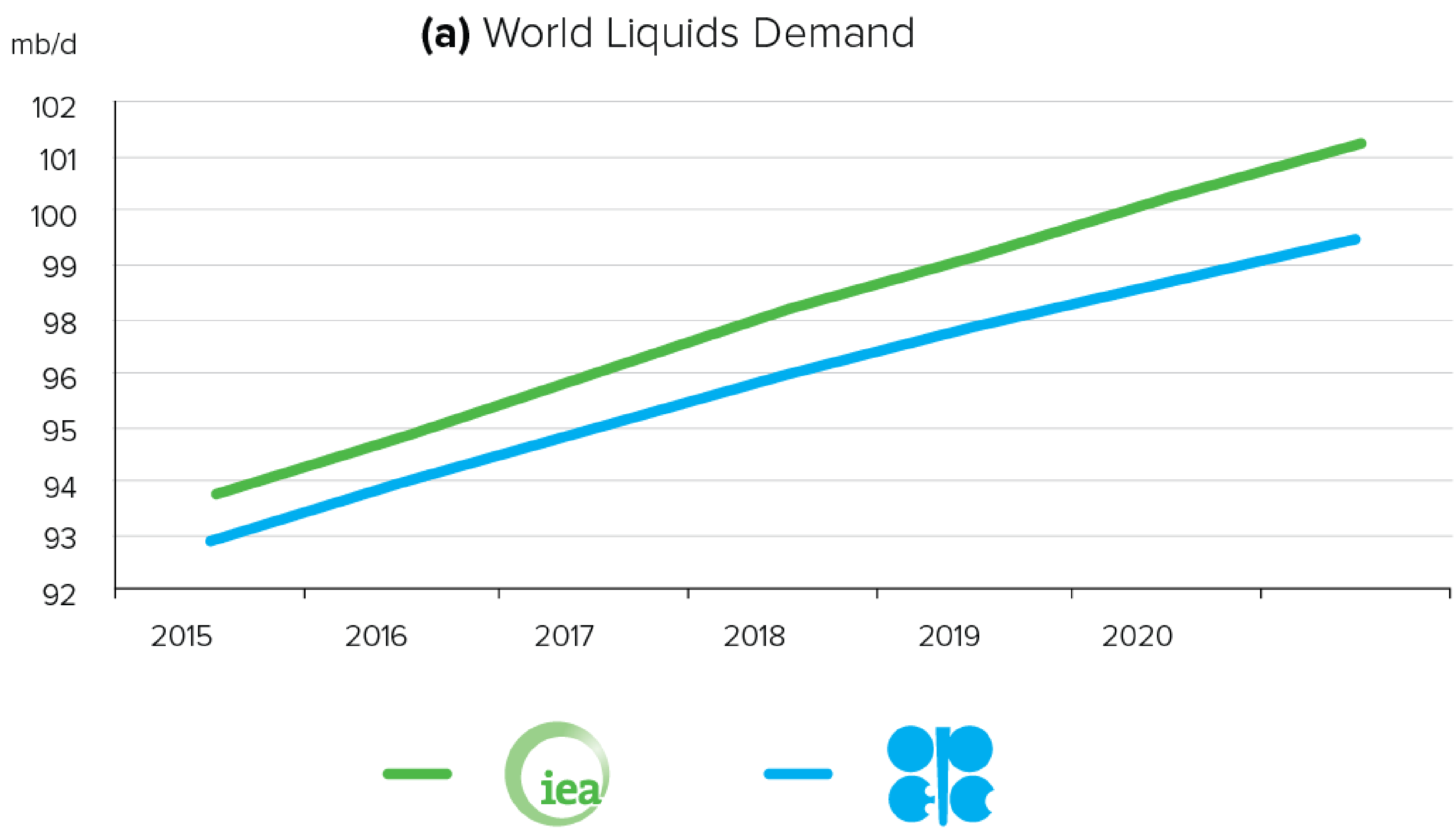
Medium-term price assumptions diverge by $11 to $20/bbl through to 2021



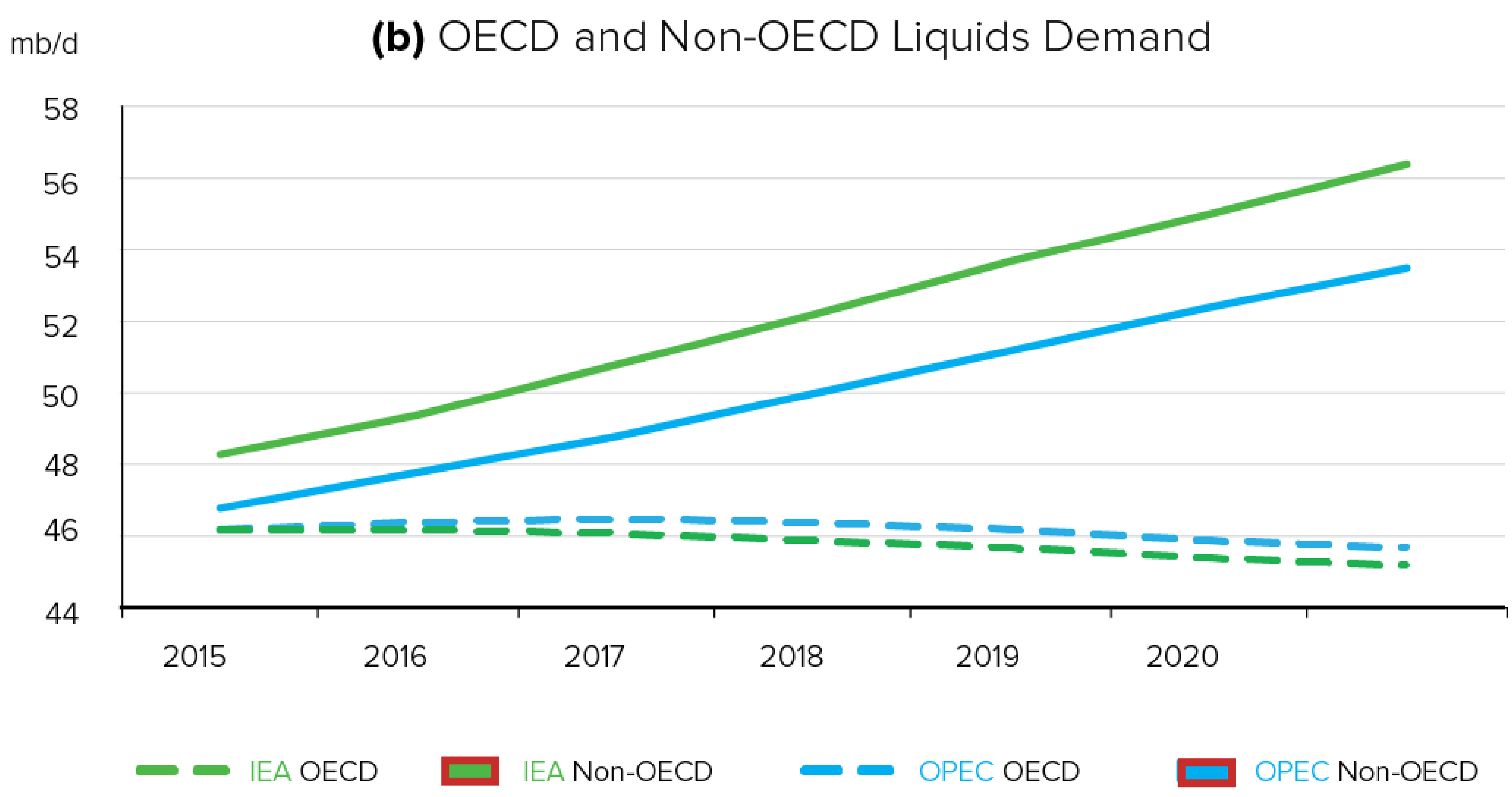
IEA projects demand growth to be slightly faster and reach higher levels than OPEC

Medium-term Liquids Demand

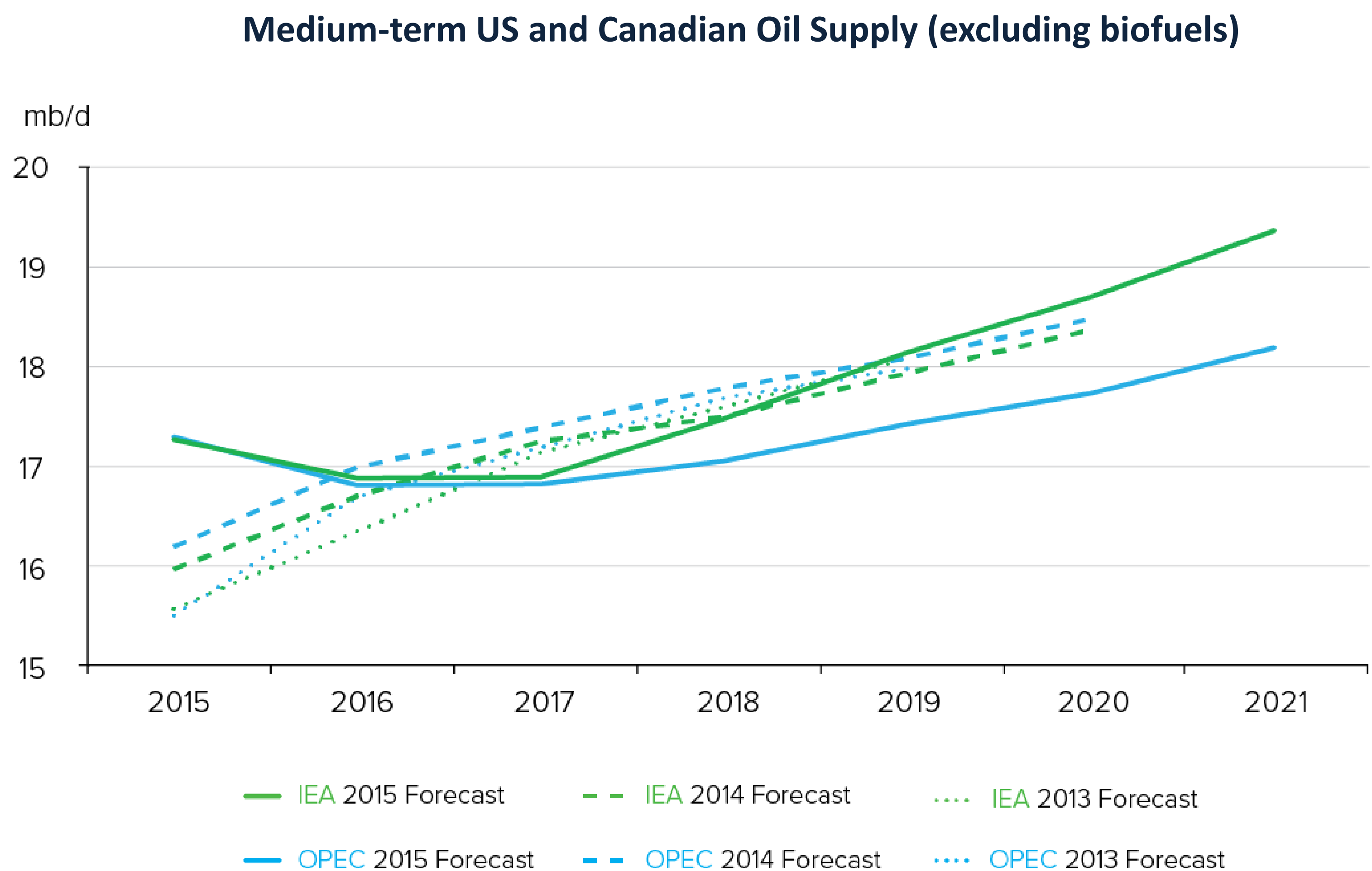


Medium-term demand projection difference mainly comes from Non-OECD regions

Medium-term Liquids Demand



IEA and OPEC differ on US and Canadian supply growth outlooks underscoring uncertainty



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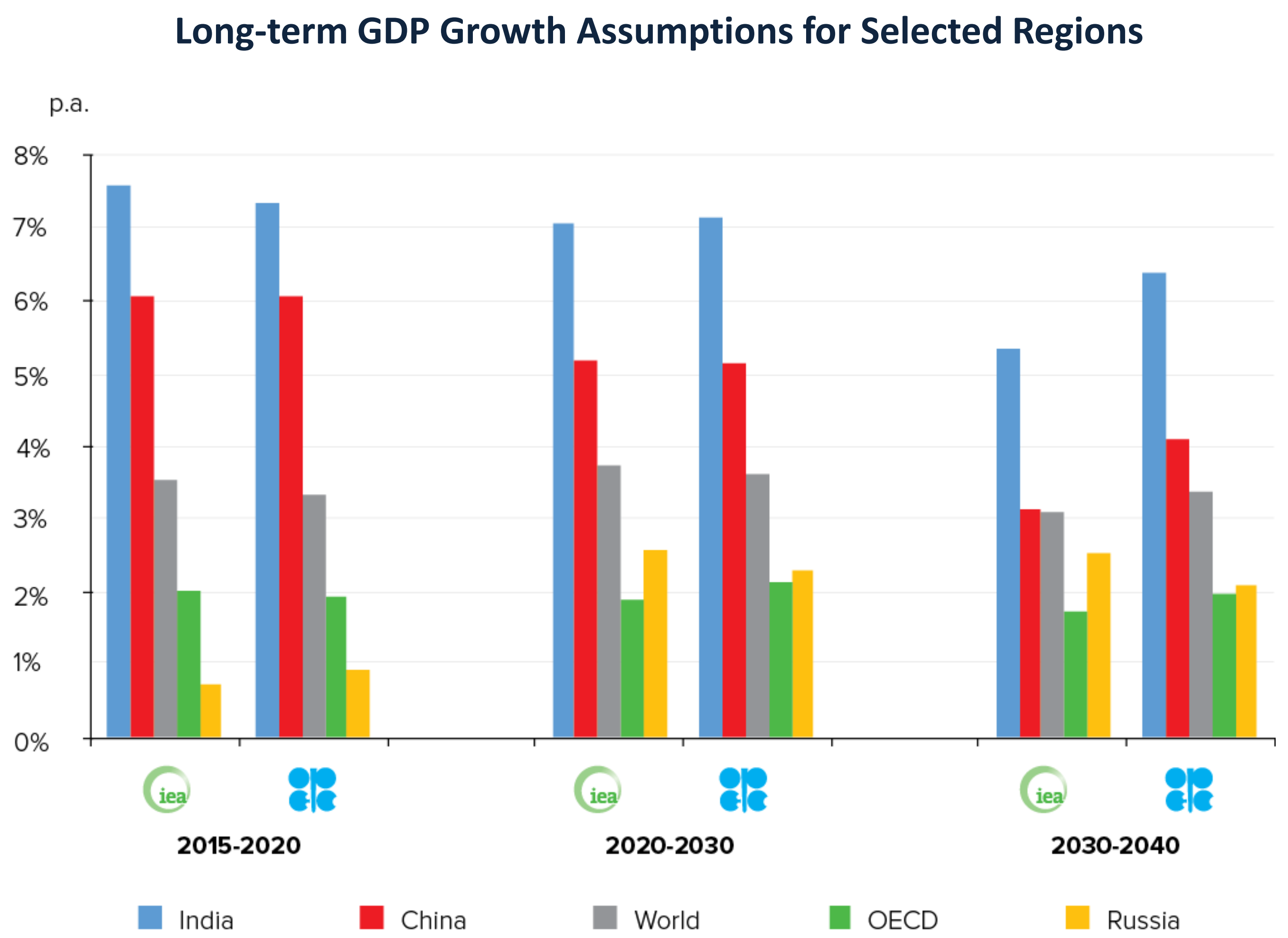
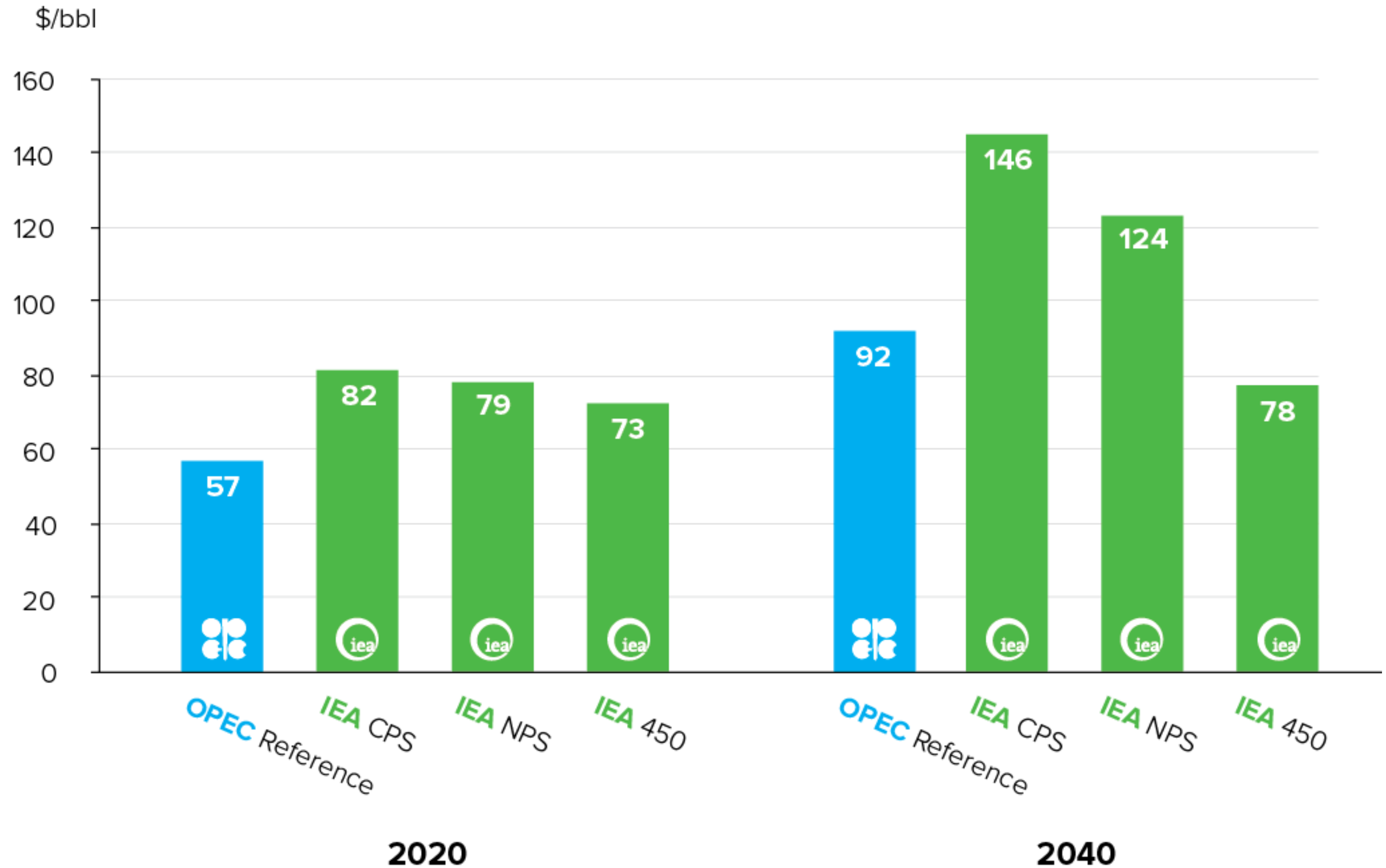
Global GDP projections show large differences for China and Russia

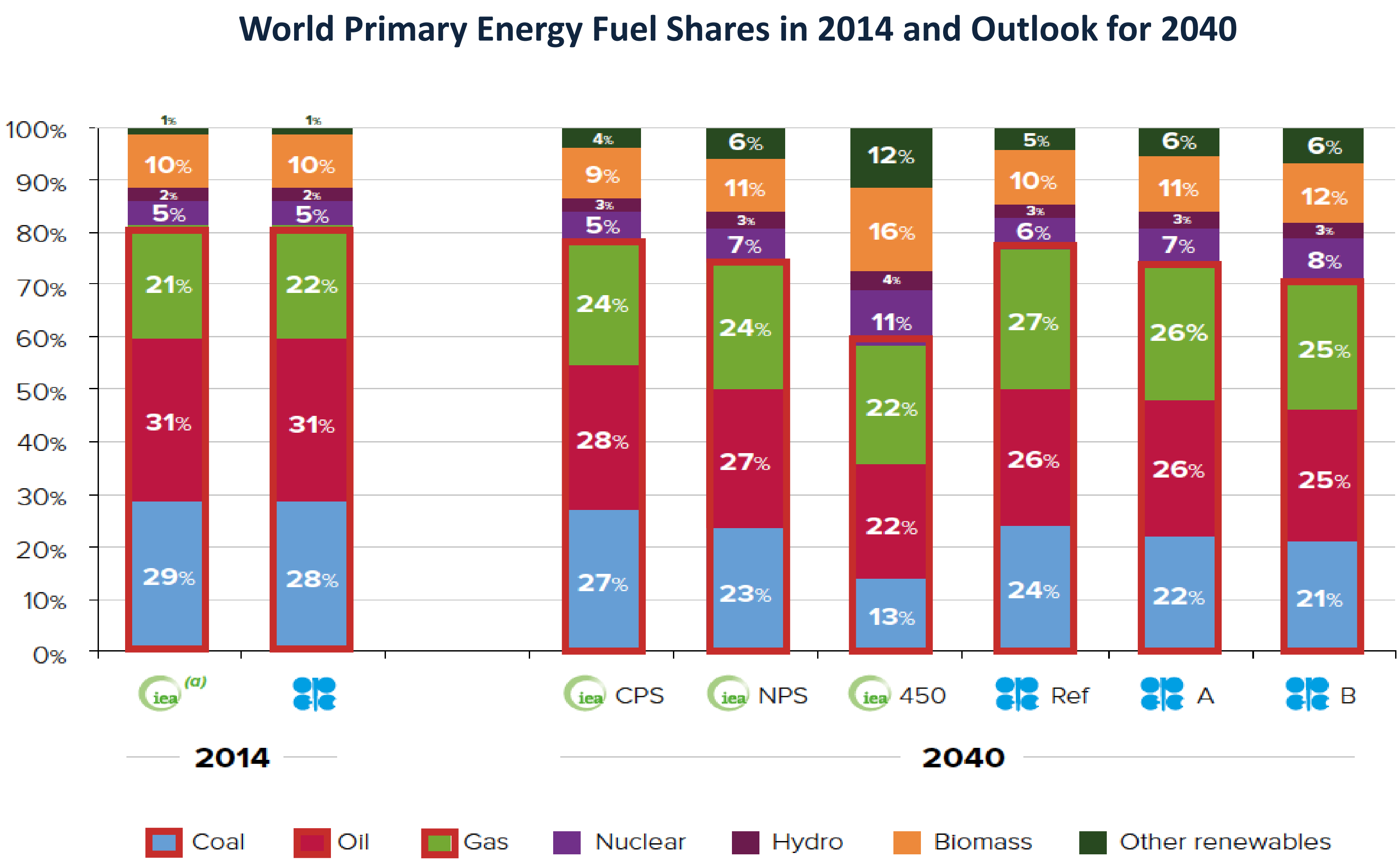


IEA's long-term oil price assumptions are substantially higher than those of OPEC

Long-Term Oil Price Assumptions (real 2015 US$/bbl)



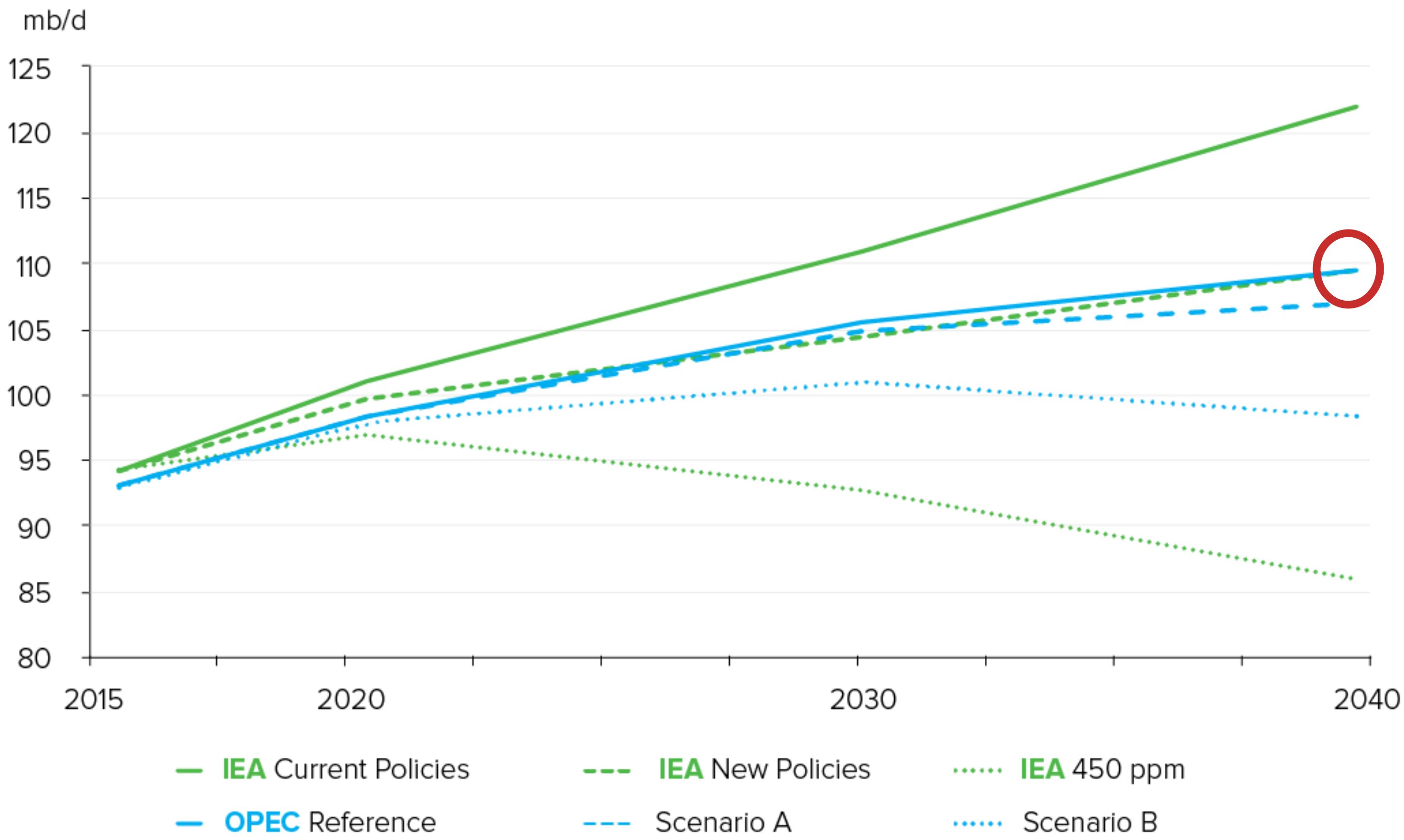
The IEA and OPEC shows that fossil fuel shares will range between 57% and 79% in 2040



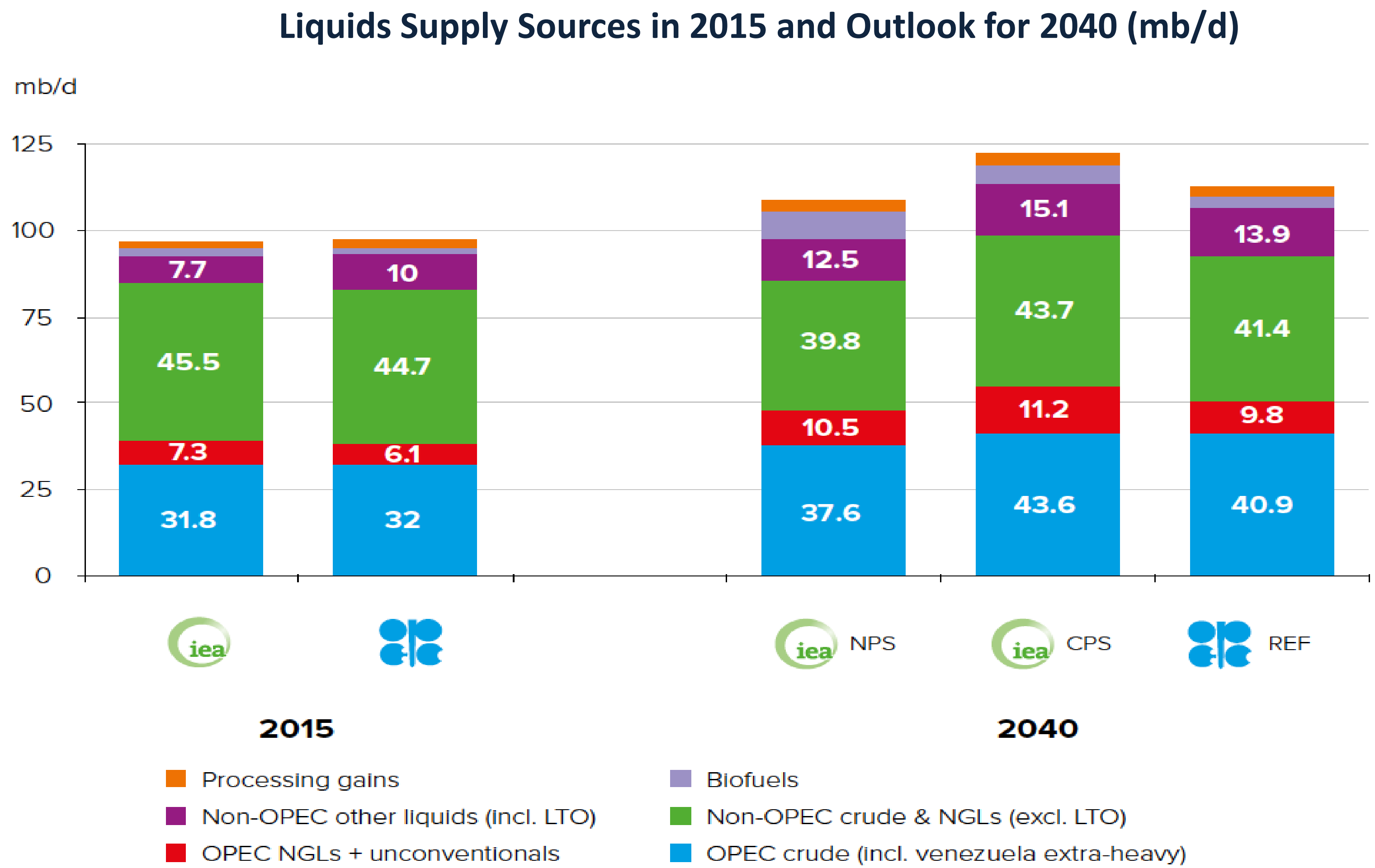
Scenarios show growing uncertainty post 2020

but OPEC Reference case and IEA New Policies Scenarios are very similar

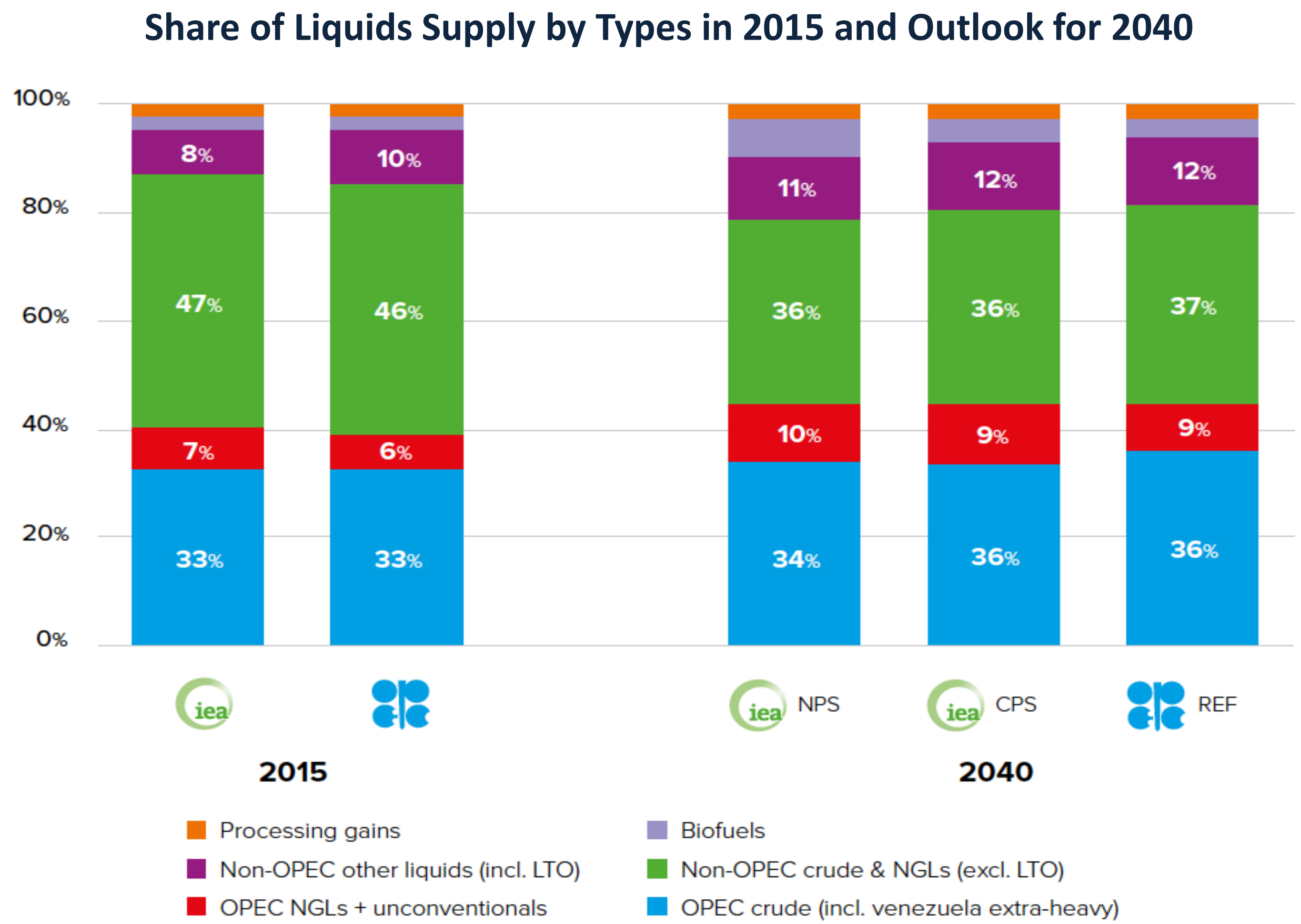
World Liquids Demand Projections in Various Scenarios (mb/d)



Non-OPEC conventional supply declines but unconventional supply grows



The share of OPEC crude grows in all scenarios



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2017

Proposals:

Strengthen JODI	→	Transparency + Information
Full use of IEF Platform	→	Dialogue & Cooperation
Action on new trend	→	Green, Low Carbon, Efficient, Sustainable

3 Key upcoming IEF Initiatives

1. IEA-IEF-OPEC **Meeting on Physical and Financial Energy Market Interactions**, 16 March 2017 | Vienna, Austria

2. 15th Regional **JODI Training Workshop for Africa** and the **3rd IEF-OFID Symposium on Energy Poverty** 11-13 April 2017 | Tunis, Tunesia

3. 2nd IEF **Symposium on Human Resource Management in the Energy Industry:** Implications of a New Market Environment and Energy Transition 17-18 May 2017 | Manama, Bahrain

2 IEF supported Ministerial Meetings

ASIAN ENERGY EFFICIENCY CONFERENCE and EXPO

30 October - 2 November 2017 | Riyadh, Saudi Arabia

HOSTED BY SAUDI ARABIA

Kingdom of Saudi Arabia
Ministry of Energy, Industry & Mineral Resources

CO-CHAIRED BY JAPAN
SUPPORTED BY IEF

SAVE THE DATE
1-3
NOVEMBER 2017

SEVENTH ASIAN MINISTERIAL ENERGY ROUNDTABLE

Global Energy Markets in Transition: From Vision to Action

1 - 3 November 2017 | Bangkok, Thailand

HOSTED BY THAILAND

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