The IEA-IEF-OPEC Symposium on Energy Outlooks
Background, accomplishments, questions

Aldo Flores-Quiroga
Secretary General, International Energy Forum
Flow

1. Background

2. Accomplishments

3. Questions
Flow

1. Background

2. Accomplishments

3. Questions
The road toward the IEA-IEF-OPEC Outlooks Symposium

Monthly real oil price change and volatility, 1974-2015

The IEF will act as a **platform for sharing insights and exchanging views** about energy market trends and short-, medium- and long-term energy outlooks...

...The IEF will organize, in co-operation with the IEA and OPEC, an **Annual Symposium at the IEF Secretariat in Riyadh**, with participation from the main institutions that publish regular energy outlooks...

...to focus the discussion at the Symposium, **the IEF will produce an introductory paper, in consultation with IEA and OPEC**...
Flow

1. Background

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3. Questions
Meetings

5 Annual Joint IEA-IEF-OPEC Symposia held in Riyadh since 2011 to exchange perspectives on the future of world liquids demand and supply, and primary energy consumption.

3 Technical Meetings to better understand, data, methods, definitions, classifications, and assumptions.

Source: US prices are WTI from EIA (1986-2014) and WSJ (1975-1985); own calculation.
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<tr>
<th>Focus</th>
<th>Achievements</th>
<th>Opportunities</th>
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<tr>
<td>Publication date</td>
<td>Closer for short- and long-term outlooks</td>
<td>Reduce separation between publications for medium-term (still 10 months apart)</td>
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<td>Projection time frame</td>
<td>2013-2014 to 2020-2040</td>
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<td>Historical baseline data</td>
<td>Smaller differences for 2008-2013 in non-OECD (excluding China) and FSU</td>
<td>Expand harmonization to other non-OECD regions</td>
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<td>Fuel classification</td>
<td>Separation of NGL from crude</td>
<td>• Specify definition of NGLs and unconventional supplies</td>
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<td>• Specify other liquid fuel supply categories</td>
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<td>Regional classification</td>
<td>• Disaggregation of LTO</td>
<td>• Disaggregate OPEC member short- and medium term demand</td>
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<td>• Similar regional groups for biofuels in monthly- and medium-term outlooks</td>
<td>• Harmonize bunkers and biofuels classification</td>
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<td>• Disaggregation of OPEC Member Country demand in long-term energy outlooks</td>
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<td>Units and conversion factors</td>
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<td>Align volumetric vs. energy content units, and conversion factors</td>
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<td>Assumptions and methods</td>
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<td>Align policy-, oil price-, GDP growth-, supply and demand projections methods</td>
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Flow

1. Background

2. Accomplishments

3. Questions
Why do revisions to supply behave the way they do?

**IEA** and **OPEC** revisions to supply estimates, 2012-2015

- **IEA (Total Non-OPEC)**
- **OPEC (Non-OPEC)**
Why do revisions to supply behave the way they do?

IEA and OPEC revisions to supply estimates, 2012-2015
Order and size of revisions at the beginning and end of the year

IEA and OPEC revisions to supply estimates, 2012-2015
Opposite trajectories for supply revisions in 2012 and 2015
Contrasting views on downward supply adjustments at the beginning of 2015

IEA and OPEC revisions to supply estimates, 2012-2015
What about demand revisions?

IEA and OPEC revisions to demand estimates, 2012-2015
What about demand revisions?
The IEA revised demand downward faster than OPEC in 2014.
What's the relevant scenario to pay attention to?

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

- Current Policies
- 10.5
- Reference
- 34.3
- 450 ppm

Scenarios:
- IEA Current Policies
- IEA New Policies
- IEA 450 ppm
- OPEC Reference
- OPEC HEG
- OPEC LEG
What’s the relevant scenario to pay attention to?

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

- **IEA Current Policies**
- **IEA New Policies**
- **IEA 450 ppm**
- **OPEC Reference**
- **OPEC HEG**
- **OPEC LEG**