

Asian Energy Outlook up to 2030

Noé van Hulst, Secretary General, International Energy Forum (IEF)

Fresh IEF Charter



- ④ **Signed by 86 countries at Extraordinary IEF Ministerial Meeting (22 February 2011)**
- ④ **28 of the 86 IEF Member Countries from Asia (33%)**
- ④ **Includes all major energy producers and consumers**
- ④ **Reinforces commitment (producers / consumers / transit)**
- ④ **Procedure for Extraordinary Ministerial Meeting**

IEA / IEF / OPEC cooperation

Shared Analysis of Energy Market Trends and Outlook

- **Projections are not forecasts, but outlook users may see them differently**
- **Differences in projections and diversity of views are understandable, but should not lead to confusion, add to uncertainties or fuel market anxiety**
- **IEA and OPEC outlooks are more influential than outlooks produced by other entities**
- **Publishing regular reconciliation of IEA and OPEC outlooks could provide better understanding of projections made by the two Organisations**
- **IEA, IEF and OPEC jointly hosted a Symposium on Energy Outlooks on 24 January 2011 in Riyadh, Saudi Arabia, to share insights and exchange views about the short-, medium- and long-term energy outlooks**

Long-term Outlook Oil Demand (mb/d)

	2009	2015	2020	2025	2030	Growth ² p.a.	Increment 2009/2030
OPEC	84.5	91.0	96.2	100.9	105.5	1.1	21.0
IEA³	85.6	92.6	96.7	101.6	107.1	1.0	21.4

1. Includes biofuels (volumetric basis) and international marine and aviation fuels.
2. Compound average annual growth.
3. Current Policies Scenario.

Long-term Outlook Oil Supply (mb/d)

	IEA ¹			OPEC		
	2009	2015	2030	2009	2015	2030
OECD	18.7	17.4	18.0	18.7	17.8	17.3
North America	13.6	13.2	14.9	13.6	13.6	14.1
US & Canada	10.6	10.7	12.4	10.6	10.9	12.1
Mexico	3.0	2.5	2.6	3.0	2.6	2.0
Western Europe	4.5	3.5	2.5	4.5	3.6	2.6
OECD Pacific	0.7	0.7	0.5	0.6	0.7	0.7
China	3.8	3.8	3.3	3.8	3.9	3.8
Other Asia	3.6	3.5	2.9	3.6	3.9	3.4
Latin America	3.9	5.3	7.0	3.9	4.8	5.7
Middle East & Africa	4.2	4.0	3.3	4.3	4.4	3.8
Russia	10.2	10.2	9.7	9.9	10.4	10.7
Other FSU	3.2	3.9	6.0	3.2	3.9	5.0
Non-OPEC Supply² of which	47.7	48.2	50.2	47.6	49.1	49.6
Crude Oil	39.6	38.4	36.8	40.0	39.9	36.2
NGLs	6.2	6.7	7.0	5.7	6.4	7.1
Non-conventional	1.8	3.1	6.4	1.8	2.8	6.3
Biofuels ³	1.6	2.5	4.4	1.6	2.4	5.1
Processing gains	2.3	2.5	3.1	2.0	2.3	2.9
Total Non-OPEC Supply	51.6	53.2	57.7	51.1	53.9	57.5
OPEC NGLs and other Liquids	4.6	7.4	11.7	4.3	6.5	9.5
NGLs	4.6	7.2	11.2	4.2	6.2	8.9
Non-conventional	0.0	0.2	0.5	0.1	0.3	0.6
OPEC Crude⁴	28.7	31.9	37.5	28.7	30.8	38.7
World Supply	85.0	92.6	107.1	84.2	91.2	105.7

1. Current Policies Scenario.
2. Includes non-conventional and excludes biofuels.
3. Volumetric basis.
4. Includes Venezuelan extra heavy oil.

Shared Analysis of Energy Market Trends and Outlook

Summary of discussions (1/2):

- Global primary energy demand will continue to grow in short-, medium and long term
- Oil to remain primary fuel in satisfying the world's energy needs for the foreseeable future, but considerable uncertainties concerning future demand in particular due to energy and environmental policies
- Consensus that oil resources, both conventional and non-conventional, are sufficient to meet future demand
- Common recognition and emphasis that uncertainties complicate / hinder investment decisions, in an industry with long lead times, huge upfront capital requirements and long pay back periods

Shared Analysis of Energy Market Trends and Outlook

Summary of discussions (2/2):

- Security of demand and security of supply are mutually supportive
- Gradual shift in energy demand toward emerging economies (non-OECD region)
- Impact of energy and environmental policies on energy outlooks and energy market
- Implications of outlooks and associated challenges for downstream sector, where surplus capacity is emerging, particularly in the Atlantic basin. Underscores the increasing potential for refinery closures
- Important to explore and better understand the effect of policy implementation on the results of the outlooks
- Difference of views on domestic prices for energy and on fossil fuel subsidies and taxes

Shared Analysis of Energy Market Trends and Outlook

Main Outcomes:

2011 Oil Markets: Consensus on comfortable demand / supply balance / high spare capacity

Medium-term: Reduce uncertainty to facilitate investment

Long-term: Consensus on ample availability of oil resources

Need for: Harmonisation of definitions and better explanation of divergences to market → **Annual Symposium on Outlooks**

NOC – IOC Cooperation

② **2nd IEF NOC – IOC Forum (Total / Saudi Aramco, April 2011)**

② **Easternization of Energy Demand**

② **Huge investment challenge**
(nearly \$33 trillion up to 2035)



② **Innovative long-term partnerships based on trust**

② **General principles or best practices as a tool – role for IEF Industry Advisory Committee**



IEEF



PRODUCER - CONSUMER DIALOGUE

ENERGY SECURITY THROUGH DIALOGUE

WWW.IEF.ORG



WWW.IEF.ORG

WWW.JODIDATA.ORG