

Mitigating Energy Market Volatility

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International Energy Forum

Neutral Facilitator of Global Energy Dialogue

Covers key producing, consuming and transit countries including those outside IEA and OPEC

International Energy Forum



Around 90% of Global Oil & Gas Supply and Demand...

Fresh IEF Charter



- ③ **Signed by 86 countries at Extraordinary IEF Ministerial Meeting (22 February 2011)**
- ③ **Includes all major energy producers and consumers**
- ③ **Reinforces commitment (producers / consumers / transit)**
- ③ **Procedure for Extraordinary Ministerial Meeting**

Mitigating Energy Market Volatility

- ④ **IEA / IEF / OPEC cooperation**
- ④ **Shared analysis of future trends**
- ④ **Linkages - physical and financial markets**
- ④ **Enhancing data transparency (oil, gas, investment)**
- ④ **Strong support from G20**



Shared Analysis of Energy Market Trends and Outlook

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

Medium-term: Reduce uncertainty to facilitate investment

Long-term: Consensus ample availability of oil resources

Need for: Harmonisation of definitions and better explanation of divergences to market 

Annual Symposium on Outlooks

(2nd will take place on 23 January 2012)

Linkages between Physical and Financial Markets

- ③ **Emergence of oil as an asset class;**
- ③ **Wide divergence of views: Fundamentals vs financials**
- ③ **Consensus: Greater transparency (oil inventories, OTC)**
Need for strong international co-ordination of regulation
Continue “horizontal” dialogue between physical / financial oil markets

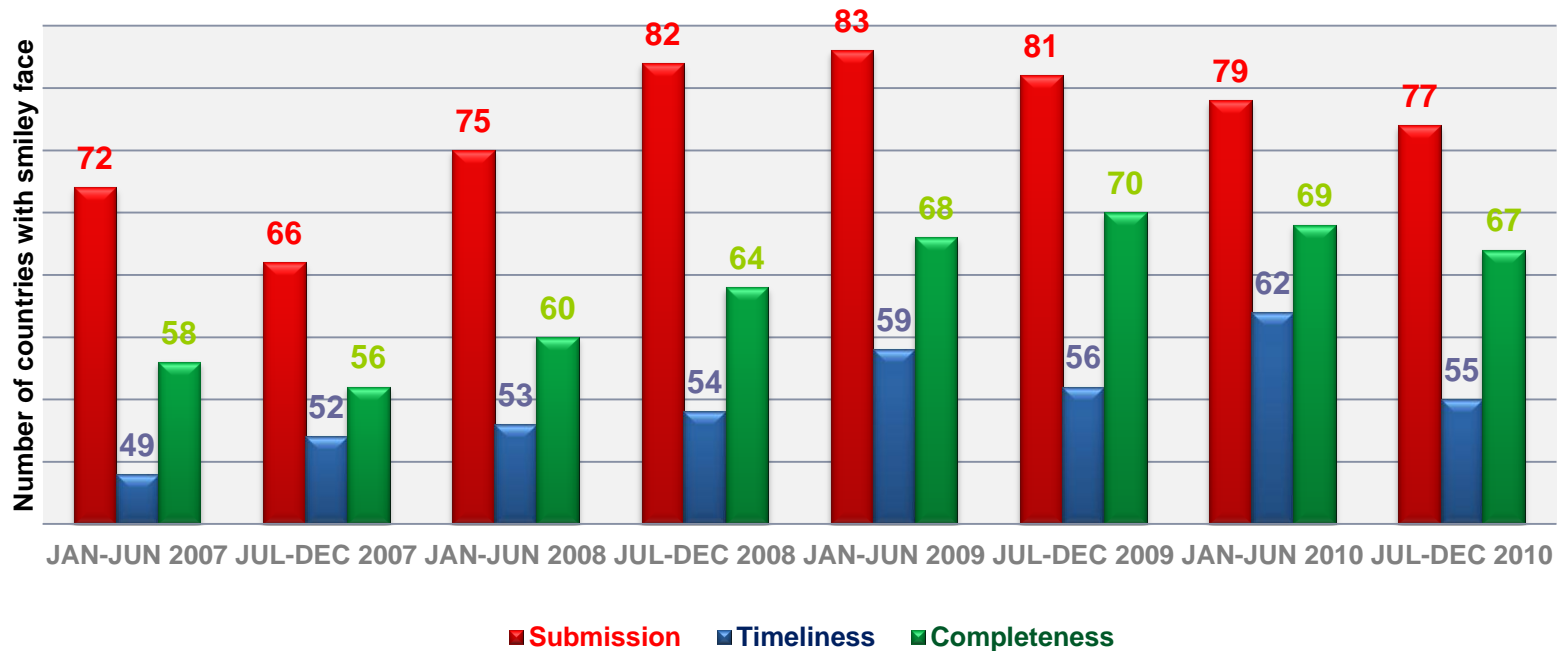


2nd IEA / IEF / OPEC Workshop
29 November 2011

Enhancing Data Transparency

- Report to G20 Finance Ministers (April 2011)
- Report to G20 Finance Ministers (October 2011)
Oil spot market prices - assessment by oil price reporting agencies
Price volatility of oil / gas / coal
- Joint Organisations Data Initiative (Jodi)

JodiOil Performance



Improving the Quality of **JodiOil**

Report to IEF Ministers & G20 Finance Ministers (April 2011)

Jodi Organisations:

- ✓ **New tools / practices, enhance interaction with data users**
- ✓ **Training Statisticians, upgrade website / database**

Countries:

- ✓ **Energy data offices better equipped / staffed**
- ✓ **Appropriate regulation and tackle confidentiality**
- ✓ **Target: 3 “Smiley Faces” before year-end 2011**

Extension of JodiData to Gas and Annual Investment Data

Monthly gas data JodiGas  Launch before end 2011
supply, demand, stocks

Cooperation with all relevant organisations
(including GECF)

Annual data, start with JodiOil  First results in 2012
capacity expansion, upstream / downstream
critical for demand / supply balance medium - term

The Way Forward



- ③ **Strengthen IEF's neutral facilitator role**
- ③ **Deliver results for IEF13 (Kuwait 12 -14 March 2012) & G20 on:**
 - ③ **Transparency(Jodi-Oil/Gas/Investment)**
 - ③ **Investment (NOC-IOC, Jodi Investment)**
 - ③ **Sustainability (Energy Efficiency, Energy Poverty)**



IEEF



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