



Press Release

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International Energy Forum (IEF)

Transparency, Trade & Trust

Addressing an audience at the Headquarters of the International Energy Forum in Riyadh on 25 January 2009 **Gertjan Lankhorst, CEO of Dutch gas major GasTerra** delivered an upbeat outlook on the European gas market and spoke with enthusiasm about the potential for development of global gas markets. Lankhorst praised the role of liquid hubs in the successful development of the European gas market. Facilitating liquidity and delivering a fair market price, they encourage trade and improve the sector's attractiveness to investors.

Questioned on the effects of the recent dispute between Russia and the Ukraine Lankhorst described the situation as "unfortunate and unnecessary". Describing the complexity of the European marketplace, he noted the increasing interdependencies that exist along the gas supply chain and emphasized the need for long-term vision and trust between market participants – especially as any move towards global markets will entail further complications as supply routes lengthen and cross more borders. Stressing the importance of the IEF role in fostering understanding and trust between market players Lankhorst suggested the possibility that a future role for the IEF may lie in facilitating dispute settlement.

Adding a caveat to his positive view on the development of gas markets Lankhorst warned of the pivotal role to be played by transparency along the length of the supply chain. Welcoming the proposal to extend the Joint Oil Data Initiative (JODI) to cover gas markets he highlighted the necessity for every element of the market mechanism, from regulatory and contract frameworks to market pricing to be open, transparent and dependable.

In his own intervention, **IEF Secretary General, Noé van Hulst** reflected the sentiments expressed by Mr. Lankhorst, and called for all market participants to acknowledge the reality of their growing interdependencies and through an ongoing dialogue at all levels across and between government and industry to reach a better understanding of each others' needs and concerns with a view to establishing the trust necessary to foster sustainable solutions. The IEF Secretary

General provided an outlook on IEF Secretariat activities in 2009 which will focus on achieving concrete recommendations on how to improve investment, transparency and sustainability to be presented to the IEF Ministerial in Mexico in 2010. Concluding his presentation van Hulst stated that **“better transparency of both the physical and paper oil market is the most important way to combat the extreme oil price volatility which is so damaging to investment.”**

Paolo Scaroni, CEO of ENI was also due to speak at the IEF on Sunday, but due to unforeseen events was unable to deliver the presentation in person. However, his hard-hitting presentation which addresses the need for better quality and transparency of oil market data and calls for a step-change in the producer – consumer relationship is available online at www.iefs.org.sa along with those of **GasTerra CEO, Gertjan Lankhorst** and **IEF Secretary General, Noé van Hulst**.

The International Energy Forum (IEF) is the world’s largest recurring gathering of Energy Ministers. Unique in that participants include not only IEA and OPEC countries, but also Russia, and the emerging giants China and India. The IEF countries also account for more than 90% of global oil and gas supply and demand. Through the Forum and its associated events Ministers and Energy Industry Executives participate in a dialogue which is of increasing importance to **global energy security**. The IEF and the **global energy dialogue** are promoted by a permanent Secretariat based in the Diplomatic Quarter of Riyadh, Saudi Arabia.

The IEF also co-ordinates the **Joint Oil Data Initiative (JODI)** in co-operation with APEC, Eurostat, IEA, OLADE, OPEC and the UNSD. For more information visit the JODI web site www.jodidata.org

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