

**Remarks by IEF Secretary General Joseph McMonigle  
BRICS Energy Research Cooperation Platform BRICS Russia 2020  
Ministry of Energy, Russian Federation  
Moscow, Russia  
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Thank you Deputy Minister of Energy Mr Anton Inyutsyn for your welcome. Let me first express my gratitude to the Ministry of Energy of the Russian Federation for its enduring support of the IEF Energy Dialogue and inviting me to the launch of the BRICS energy report, shortly in advance of the 12th BRICS Leaders' Summit, taking place virtually on 17 November in Saint Petersburg under the chairmanship of Russia to "strengthen partnerships on global stability, shared security, and innovative growth".

It is good to see so many important members of the IEF dialogue, represented by distinguished panelists from China, India, and Russia as well as IEF partner organisations; the Gas Exporting Countries Forum, and the Organisation of the Petroleum Exporting Countries. As joint responses to the impact of the COVID-19 pandemic show, major BRIC economies and leading international energy organisations play a vital role in global energy security.

### **Security**

The uncertainty surrounding energy outlooks remain unusually large. Assessments rest on public health and economic factors that are inherently difficult to predict. However, there is even more uncertainty surrounding the damage to supply that requires sharpened collective focus to avoid mismatches down the road.

Today global oil markets find their way towards new balances by the guardrails, consuming and producing countries set in the framework of the 2016 Declaration of Cooperation among OPEC and OPEC-plus, and through the closer collaboration between Brazil, Russia, India, and China, also as G20 and IEF member countries.

Looking ahead non-OPEC supply will not recover as swiftly as demand. Oil markets are threatened with a loss of supply resilience if there is no action to address the sharp drops in energy sector investment, rising market uncertainties, and persistent high inventory levels. Sharpening producer-consumer dialogue on investment and enhancing market transparency on stock data should help secure oil market stability on the short- and medium term.

### **Transitions**

There is an urgent need to shape cohesive policies for the effective and inclusive transformations we all seek. Investments in high-return infrastructure projects by major economies that help the world achieve universal access to affordable, clean, and reliable energy services and lower carbon dependence can further those objectives. The problem is not the direction but the speed of change. On the road to a swift, inclusive, and sustainable recovery natural gas will continue to play a leading role recently released outlooks by OPEC and the IEA show. Though the COVID-19 pandemic will accelerate a decline in global oil demand growth, data shows that decline rates in existing fields and investment in new supply

are the relevant issues to focus on. The world economy will continue to rely on hydrocarbons.

### **Silver linings**

The silver lining of the COVID-19 pandemic is that producers and consumers have strengthened dialogue and collaboration and sharpened focus on forward looking energy agendas to achieve shared aspirations. Greater cohesion on policy and technology pathways is achieved in the endorsement by G20 Ministers of the Circular Carbon Economy that enables producers and consumers to contribute in the different ways to the same aim. The IEF will strengthen concerted action to bring smart and integrated energy technologies at the speed and scale that sustainable growth requires to share prosperity across world regions and among future generations.

The moment to accelerate is now. Well-functioning open and competitive markets will push investment and trade forward. Research spending to facilitate innovation and new technology adoption—the principal drivers of long-term productivity growth and change—will amplify inclusive recovery measures for a rapid return to global growth that meets all UN goals.

### **Closing**

In closing, I want to reiterate the importance of greater collaboration between Brazil, Russia, India, and China as key IEF producers and consumers. IEF stands ready to help facilitate this collaboration among major economies, which I believe will help energy markets recover and serve a powerful antidote to the uncertainty and volatility that is being felt throughout the world.

With the support of Brazil, Russia, India, and China, the IEF will take the outcomes of the G20 Ministers Meetings forward and take the outcomes of today's meeting and the BRIC summit next month on board as well.

The **7th IEF-IGU Ministerial Gas Forum** hosted by Malaysia on 3 December 2020 and the next the **17<sup>th</sup> IEF International Energy Ministerial and Business Forum** that the Kingdom of Saudi Arabia will host in 2021 shall help to advance our dialogue and deepen our collaboration.