

Excellencies, ladies and gentlemen,

Welcome to the Third OPEC International Seminar, here at the Congress Centre of the Hofburg Palace in Vienna. This magnificent palace has strong associations with landmark events in European history over many centuries, and thus provides an ideal setting for an event that addresses the major challenge of providing mankind with energy.

The theme of the seminar is “OPEC in a New Energy Era: Challenges and Opportunities”. This theme has been chosen after careful deliberation, to reflect the fact that there have been fundamental changes to both the character and the dynamics of the world energy industry since the turn of the century, and that this may, in turn, affect the way the industry addresses the challenges that lie before it.

This has been especially apparent in the oil sector — OPEC's principal field of activity — and, indeed, this trend has accelerated over the past two and a half years. The persistent price volatility during this period has been a symptom of this, and clearly this is not in the interest of any stakeholder in the industry, whether producer or consumer.

We shall, in fact, be assessing the extent to which this really is a new energy era. We shall also be cognizant of the fact that challenges, if mastered wisely, create new opportunities from which the world at large can — and should — benefit.

In the light of all this, perceptions about the true state of the industry have come under scrutiny, to the extent that analysts and decision-makers have been able to keep up with the changing tide of events — which has not always been easy. Thus, there has been greater intensity in their efforts to examine the way ahead, and this has resulted in some familiar perennial debates being pursued with renewed vigour in such key areas as energy security, global resources, the supply and demand balance, and price stability.

During this seminar, we shall be looking at these and many other topical issues that relate to the day-to-day running of the industry, as well as its orderly development in the years ahead.

At the same time, we shall accommodate broader-based issues affecting the harmonious evolution of mankind generally, such as the environment, sustainable development and the eradication of poverty, and how the provision of modern energy services meshes in with these. In OPEC, we attach a great deal of importance to this.

We shall benefit from the great strides that have been made in dialogue and cooperation since the late 20th century and which have supported the development of the industry as we know it today. Indeed, we expect such collaboration to continue in the future, fully utilising the latest advances in technology to ensure the continued steady supply of energy at reasonable prices to consumers the world over, in rich and poor nations alike.

In order to tackle this vast subject-matter, the seminar has been divided into six sessions: Global Energy Outlook — What are the Challenges Ahead?; Oil Production Capacity Expansion; Downstream Challenges and Opportunities; the Role of Petroleum Technology Advances; Petroleum and Sustainable Development; and the Role of OPEC in a New Energy Era.

We are privileged to have among us experts from across the international energy spectrum. They include Ministers from OPEC's 11 Member Countries and other oil-producing and oil-consuming nations, top officials from intergovernmental bodies, chief executives of national and international oil companies, and renowned academics. We are deeply appreciative of their breaking away from their busy day-to-day schedules to participate in this seminar. At the same time, however, we are confident that, as well as benefiting us with their knowledge and experience, they themselves will gain from the wealth of expertise gathered together within the Congress Centre today.

We welcome full, free and frank exchanges in all our discussions, regardless of whether the expressed views are at variance with those of our Organization. It is only with an open,

wholehearted approach that a meeting like this will be truly effective in enabling us to improve our knowledge and understanding.

On behalf of the participants, I should like to thank CWC Associates Ltd for organising the seminar, as well as the Staff Members of the OPEC Secretariat with whom they have worked closely over the past year. Similar appreciation is due to the sponsors, who have provided financial support and other assistance — Kuwait Petroleum Corporation, Nigerian National Petroleum Corporation, OPEC Fund for International Development, Pertamina, Qatar Petroleum, Saudi Aramco and Sonatrach.

We are also indebted to all the speakers, panellists and other participants, who have spent a great deal of time preparing for this event, and we eagerly await their contributions.

Finally, since I know that all of you are as keen as I am to proceed with the seminar, let me now declare it open.

Thank you.