



OPEC

**International
Seminar**

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NEWSLETTER

OF THE 7th OPEC INTERNATIONAL SEMINAR

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A SUCCESSFUL CONCLUSION TO THE 7th OPEC INTERNATIONAL SEMINAR

The 7th OPEC International Seminar officially opened on Wednesday, 20th of June of 2018, at the Imperial Hofburg Palace in Vienna, Austria. Organized under the theme of ‘Petroleum – cooperation for a sustainable future’, the two-day Seminar brought together approximately 950 delegates, representing 50 countries, to listen to 81 high-level speakers – including more than 30 energy ministers from around the world and about 30 CEOs from across the oil industry. Additionally, with the installation of 20 exhibition booths at the venue, attendees also benefitted from the availability of information and documentation from the various Ministries, IOCs and NOCs who had generously co-sponsored the event.

The Seminar aimed to provide fresh insights into key petroleum industry issues and challenges, and to enhance existing avenues of dialogue and cooperation – while stimulating new ones. The Seminar also sought to highlight the importance of continuing such efforts with all industry stakeholders – including producers and consumers, energy and oil ministries, and executives and other representatives from oil companies, financial firms and international organizations.

In gathering such a diverse group of industry stakeholders, the 7th OPEC International Seminar was roundly deemed a success. In addition, the diversity of topics covered in the various Sessions was also impressive, and participants had numerous opportunities to participate in discussions and ask questions of speakers and panellists throughout the two days. What follows is a brief summary of the Seminar, prepared by the OPEC Secretariat, highlighting some of the principal ‘take-aways’ from each of the various Sessions.



The Hofburg Palace in Vienna, Austria.

DAY ONE (JUNE 20)

Opening Ceremony

The **Opening Ceremony** began with a formal ribbon-cutting ceremony, presided over by **HE Karin Kneissl**, the Republic of Austria's Federal Minister for Europe, Integration and Foreign Affairs, joined by other officials and dignitaries from OPEC Member Countries and the OPEC Secretariat. Once all delegates and attendees filed into the main hall, a short video was shown of the history and development of the OPEC International Seminar.



The formal ribbon-cutting ceremony, presided over by HE Karin Kneissl, the Republic of Austria's Federal Minister for Europe, Integration and Foreign Affairs, joined by other OPEC officials.



A view of some of the delegates in the Main Hall before the Opening Ceremony.



Professor Meghan O'Sullivan, Director of the Geopolitics of Energy Project at Harvard University, offers some thoughts for attendees of the Seminar.

Professor Meghan O'Sullivan, Director of the Geopolitics of Energy Project at Harvard University, then took to the stage and helped set the scene for the Seminar, providing a useful, global context for the Sessions to follow, and highlighting various 'inflection points' in the realm of energy. These included a number of issues related to OPEC, including the future of the historic 'Declaration of Cooperation', the role of shale and technology (which has made, in her words, "what was only once imaginable ... now possible"), and the longer term energy transition.



The two moderators throughout the two days of the Seminar: Eithne Treanor, the principal of E-Treanor Media, and John Deferios, Emerging Markets Editor and host of Marketplace Middle East on CNN.

Throughout the two days of the Seminar, **Eithne Treanor**, the principal of E-Treanor Media, and **John Deferios**, Emerging Markets Editor and host of Marketplace Middle East on CNN, served as the two moderators. During the Opening Ceremony, they both warmly welcomed all speakers and delegates.

In his own welcoming comments, **Mr. Deferios** underlined the improvements that have been witnessed in the oil market since the last OPEC International Seminar in 2015, remarking on the “long and arduous road” to recovery led by the cooperation between OPEC and non-OPEC producers. For her part, **Ms. Treanor** also underscored the unprecedented and beneficial steps taken by these global oil producers in 2016, along a path forged by the current OPEC Secretary General, **HE Mohammad Sanusi Barkindo**. This is “a man who has tirelessly championed unity,” she said, welcoming him to the podium.



OPEC Secretary General, HE Mohammad Sanusi Barkindo, giving his Opening Remarks.

In his Opening Remarks, the **Secretary General** said the Seminar was a “who’s who of global oil and energy industry leaders.” He then underscored the importance of cooperation, noting the emphasis on dialogue and bringing people together. Displaying his command of history, he noted that the Hofburg Palace was an appropriate location for the Seminar, since it was where the famed ‘Congress of Vienna’ had met in 1814 and 1815, led by legendary Austrian statesman, Klemens von Metternich.

In addition, the Hofburg was also a fitting location to recognize the ‘Declaration of Cooperation’ between 24 OPEC and non-OPEC nations, a landmark decision which has helped return balance to the oil market and more optimism to the industry over the past 18 months. It has, he said, had an undeniably positive impact on the global economy and world trade.



OPEC Secretary General, HE Mohammad Sanusi Barkindo, greeting HE Karin Kneissl, the Republic of Austria's Federal Minister for Europe, Integration and Foreign Affairs.



HE Karin Kneissl, the Republic of Austria's Federal Minister for Europe, Integration and Foreign Affairs, offering some remarks during the start of the Seminar.

Next to speak was **HE Karin Kneissl**, the Republic of Austria’s Federal Minister for Europe, Integration and Foreign Affairs. Referring to the Seminar as a major event for the city of Vienna, she noted that it was also one of the most important energy events in the global energy calendar. She remarked on the unique opportunity that attendees would have to listen to and engage with some of the top energy experts in the world, particularly in regards to the future energy transition, and underscored the importance of ‘sustainability’ in this context.



HE Suhail Mohamed Al Mazrouei, Minister of Energy and Industry of the United Arab Emirates and President of the OPEC Conference, giving a speech at the start of the Seminar.

The Austrian Minister was followed by **HE Suhail Mohamed Al Mazrouei**, Minister of Energy and Industry of the United Arab Emirates and President of the OPEC Conference, who also highlighted the importance of the Declaration. There is now, he said, global recognition that without such collaborative action, the market would have continued to exhibit extreme volatility and future uncertainty – which would have had far-reaching negative consequences for producers, consumers, investors, the industry and the global economy at large.

Looking ahead, the UAE Minister said that the Organization sees tremendous value in institutionalizing the current cooperation between OPEC and participating non-OPEC countries into a long-term framework for continuity. He also underscored the fact that OPEC's commitment to market order and stability is unwavering.



Some of the more than 900 delegates who attended the Seminar listening to speakers. Simultaneous translations were also made available.



The UAE Minister, HE Suhail Mohamed Al Mazrouei, officially starts the opening ceremony with dancers by pressing a symbolic button.

The Minister then formally declared the OPEC Seminar open, ceremoniously pressing a symbolic button that started an on-screen timer, which culminated with a short performance by a group of dancers wielding special laser lights. The intricate whirl of colours and the pulsing sounds that accompanied the performance energized the room and almost served as a symbolic representation of the intricate and interrelated topics that would be discussed during the Sessions that followed.



Dancers with their laser sticks during the Opening Ceremony.

Sustainable Global Energy Future

The two-day Seminar counted with five formal sessions, and three additional, unnumbered ‘special sessions’. On Day One, an **Introductory Session** on the ‘**Sustainable Global Energy Future**’ followed the official Opening Ceremony. This Introductory Session helpfully was an important one, as it ‘set the scene’ for the Sessions and discussions that followed. Prominent and high-level personalities participated in this Session, representing the wide spectrum of the industry – from producers to consumers to industry actors.



HRH Abdulaziz bin Salman bin Abdulaziz Al Saud, Minister of State for Energy Affairs of the Kingdom of Saudi Arabia, during his keynote speech.

The Session began with a well-received keynote speech by **HRH Abdulaziz bin Salman bin Abdulaziz Al Saud**, Minister of State for Energy Affairs of the Kingdom of Saudi Arabia. His comments seemed to provide the best overview of the Session and the many themes to have emerged. Speaking of both the organizational aspects of the Seminar, as well as the underlying industry-related issues that were at the core of all Sessions, HRH began by saying: “No one could have thought one and half year ago that we could have achieved what we have accomplished today. Our challenge is now to continue and be more successful and more inclusive, bringing more producers together.” He also remarked that “what we are doing is careful, sensible, supportive and attentive of world economic growth, sustainable development, and the industry in meeting the future challenges – without interruptions and the haunting element of volatility.”

He also spoke of the mix of “complex market conditions” and fast-moving events, as well as the “ongoing transformation of the world energy ecosystem”, all of which serve as

challenges to those working in the industry, be they producers or consumers. “In spite of the world moving rapidly and comprehensively into alternatives,” HRH said, “an objective assessment underscores oil and gas will continue to remain a fundamental component of any sustainable energy future.” Nevertheless, the importance of remaining vigilant continues, as “misguided energy policies continue to discourage investments in oil and gas” and are “sowing the seed for the next energy crisis.”



HRH Abdulaziz bin Salman bin Abdulaziz Al Saud, Minister of State for Energy Affairs of the Kingdom of Saudi Arabia.

HRH described in great detail various other matters worth keeping in mind during the Seminar and in the daily work of those in attendance. These included the uncertainties surrounding energy policies, attracting capital and investments, the need for broader cooperation among producing and consumer countries, the challenge of environmental security and seeking new technology-driven opportunities – particularly those designed at “lightening the environmental and carbon footprint” of the industry.

“Our common objective,” HRH said, “and [our] shared task is ... to ensure no supply shortage at any point in time, but also avoid any supply glut or stock overhang.” Recognizing the successful achievements of the ‘Declaration of Cooperation’, HRH also noted that it also calls for readiness in addressing fast-evolving current and future challenges – “particularly expanding the focus beyond the short-term to embrace longer-term perspectives and adopt a forward-looking, flexible, pro-active, and action-oriented strategy, including broader and effective engagement with non-OPEC producing countries.”

In closing, HRH said: “[W]e will do our utmost, together with a strong bond of cooperation with other producing countries, to contribute to the market stability and ensure no oil supply shortage be in place in an environment of multitude array of complex, sometimes contradictory factors affecting the market trends.”



The panel of speakers during the Introductory Session on the ‘Sustainable Global Energy Future’.

Other speakers followed with interesting and useful commentary on the shared global energy future. Speakers included: **HE Alexey Texler**, First Deputy Minister of Energy of the Russian Federation; **HE Shri Dharmendra Pradhan**, Minister of Petroleum and Natural Gas of India; and **HE Sultan Ahmed Al Jaber**, Minister of State and Group CEO of Abu Dhabi National Oil Company (ADNOC) of the United Arab Emirates.



HE Mohammed bin Hamad Al-Rumhy, Minister of Oil and Gas of the Sultanate of Oman, offers his views as a panelist during the Special Session.



An esteemed group of panelist participating in the Introductory Session on the ‘Sustainable Global Energy Future’.

They were afterwards joined by **HE Mohammed bin Hamad Al-Rumhy**, Minister of Oil and Gas of the Sultanate of Oman, who engaged in a brief discussion with the moderator, before an esteemed group of panellists joined the Session. These included Daniel Yergin, Vice Chairman of IHS Markit; **Bob Dudley**, Group Chief Executive of BP; **Patrick Pouyanné**, Chairman and CEO of French oil major, Total; **Claudio Descalzi**, CEO of Italy’s Eni; and **Scott Sheffield**, Executive Chairman of the Board of Pioneer Natural Resources.



CNN’s John Deftorios and HRH Abdulaziz bin Salman bin Abdulaziz Al Saud.



Patrick Pouyanné, Chairman and CEO of French oil major, Total, speaks while Claudio Descalzi, CEO of Italy's Eni listens on.



Global energy expert, Daniel Yergin, Vice Chairman of IHS Markit, during the Introductory Session.



A view from the back of the room of the group of panellists during the Introductory Session.

Their comments and dialogue focused on some of the larger, macro-level issues facing the oil industry and the energy landscape in general. **Mr. Yergin** spoke of the disappearance of peak demand, the desynchronization of the world economy, new decisions by the Federal Reserve Bank of the US and their impact on the markets, and recent turbulence around world trade that could eventually impact oil demand growth. Then, **Mr. Dudley** of BP spoke, noting that there is a big demand foreseen, which means the industry needs to continue investing in matching growth for every kind of energy. **Mr. Pouyanné** of Total criticized the growing trade disputes around the world, before turning his attention to market volatility, the challenge of geopolitics and instability. **Mr. Descalzi** of Eni also spoke of geopolitical

dimensions as a fact of life but then emphasized the importance of ensuring investments, particularly to fight depletion and to recover from decline rates. Above all, he said, stability is a need for everyone. Finally, **Mr. Sheffield** of Pioneer Natural Resources spoke about US production levels, focusing on the Permian as a growth centre but also recognizing the emergence of infrastructure bottlenecks. He, too, underscored the importance of market stability. The animated discussions that their comments contributed to served as an ideal primer for the remainder of the Seminar, setting up many of the important themes that would be discussed in subsequent sessions.

Session I: Energy Cooperation

After the discussions of the morning's Introductory Session, **Session I on 'Energy Cooperation'** began with several high-level speakers. These included: **HE Bijan Namdar Zanganeh**, Minister of Petroleum of IR Iran; **HE Emmanuel Ibe Kachikwu**, Minister of State for Petroleum Resources of Nigeria; **Li Ye**, Executive Director General for Regulation at the National Energy Administration in China; and **HE Sun Xiansheng**, Secretary General of the International Energy Forum (IEF).

Some of the Session's main points focused on the need to ensure future investments to sustain the development of the world economy, the importance of including economic development in market balancing efforts, the implications of ongoing development of clean energy and low carbon solutions, the need for cooperation, especially in new areas of information sharing and transparency, the potential impact of the long-term energy transition and the significant structural changes that have taken place in the industry since the recent market downturn.



HE Bijan Namdar Zanganeh, Minister of Petroleum of IR Iran, offering his comments.

In his comments, **HE Zanganeh** said that Iran wanted to help ensure future investments for all oil producing countries, while also ensuring sufficient supply to meet demand and sustain development for the world economy.



HE Emmanuel Ibe Kachikwu, Minister of State for Petroleum Resources of Nigeria, making his remarks during the Session.

The Iranian Minister was followed by **HE Kachikwu** who spoke more generally about energy sustainability and development, words and terms that have, he said, very different meanings for developing countries. In fact, he added, discussions about rebalancing the market should always include 'economic development' as an essential or core element. In the end, he noted, cooperation and sustainability are about humanity – and this must come into play in some of the choices that are made, especially when considering long-term challenges.



Li Ye, Executive Director General for Regulation at the National Energy Administration in China, sharing his thoughts with the audience.

HE Li Ye followed the Nigerian Minister's comments, first with praise for the Seminar, noting that it had become "a conference of global heft" for experts, academia and the media. Turning to the theme of the Session, one of China's top priorities, he said, is to develop clean energy and low carbon solutions. Chinese policies call for the share of

non-fossil fuel energy to be 20%, for which ongoing energy reforms in his country are deepening. He also noted that during the transformation from fossil fuels to a carbon-free world, oil and gas will continue to play a role, acting as a bridge and thus preserving stability in the market, rather than provoking a sudden shift. He also noted that in regards to China's data about the oil industry and their participation in it, the data have become more open and the country now wants to play a greater role in international data cooperation. It has, he noted proudly, for the fifth time published information on its oil reserves, after having joined the IEA in 2015.



HE Sun Xiansheng, Secretary General of the International Energy Forum, makes a point during the Session.

HE Sun Xiansheng spoke next, beginning with a statement that everyone in the room could agree with: No single stakeholder can go it alone; the need for cooperation has never been higher. In this, the role of the IEF has continued to evolve and now includes new areas of information sharing and transparency. Knowledge sharing and rational engagement with other 'brother organizations' – such as OPEC and the IEA – are also seen as indispensable for this work. Against this collaborative backdrop, JODI remains a supremely important initiative. "It's been a good year for JODI," he said, with its adoption of a 5-year plan, as well as enhancement of the data it uses, though non-OECD data still requires attention. Finally, he noted that collaboration between the physical and financial energy markets is still important, as are efforts to keep energy access and affordability high on the international agenda.



A view of the group of panellists that followed the speakers during the Session.

During the panel discussion that followed, several speakers with extensive experience in the industry and the financial aspects of the oil markets offered their insights. Panellists included: **Mussabbeh Al Kaabi**, CEO of Mubadala Petroleum & Petrochemicals; **Helima Croft**, Global Head of Commodity Strategy at RBC Capital Markets; **Edward Morse**, Managing Director and Global Head of Commodities Research at Citigroup; and **Sarah Ladislaw**, Director and Senior Fellow in the Energy and National Security Programme at the Center for Strategic and International Studies (CSIS). The ensuing discussions were clear, stimulating and forward-looking.

For **Mr. Al Kaabi**, long-term volatility remains a big issue. He said that while there is consensus that oil demand will grow until at least 2030, occasional bouts of volatility continue to raise concerns over whether producers can meet this. It has helped, he said, that in the past few years, efforts have been made to 'reset' the cost structure and devise a clear strategy going forward. Part of this is built on the idea of partnership, which is one of Mubadala's core values. It has thus developed "great partnerships" with numerous countries, as well as with key IOCs, leading NOCs and a variety of other institutions who work in the oil industry.

The always energetic **Ms. Croft** offered a few observations regarding the impact of policy-making on the markets, noting that while policy-makers are always under pressure to try to manage different priorities, they need to "deepen and expand" them to include energy cooperation. "The longer term [energy] transition is an issue we all have to deal with as a society," she said, underscoring the importance of keeping it at the top of the policy agenda.

As the Session wound down, **Mr. Morse** offered a few words of praise to the Organization, saying that “OPEC and non-OPEC have done a great job” with the implementation of the ‘Declaration of Cooperation’. He also added that one thing that should be done is focusing more on periods of stability and understanding the financial dynamics during such times: “We need a better understanding of how financial forces work in stability.”

Ms. Ladislav also offered some words for discussion, noting first that shale has only been around for 10 years but that in the past few years, since the downturn in the oil markets, there have been significant structural changes. Additionally, the role of the US is important and needs to be understood better. “It’s really important that signals are not mixed,” she noted, and observed that US politicians are learning in ‘real-time’ that energy independence doesn’t exist. The country will thus have to come to grips with being interdependent.

Lunch Session: Global Energy & Sustainability: Today & Tomorrow



HE Emmanuel Ibe Kachikwu, Minister of State for Petroleum Resources of Nigeria, opens the Lunch Session with a few remarks.

HE Emmanuel Ibe Kachikwu, Minister of State for Petroleum Resources of Nigeria, opened the **Lunch Session** by welcoming all attendees, speaking warmly of the successful cooperation between OPEC and non-OPEC producing countries, and thanking the OPEC Secretariat, Member Countries’ and Seminar sponsors for hosting such a successful 7th OPEC International Seminar.



Fatih Birol, Executive Director of the International Energy Agency, gives a keynote address during the Lunch Session.

Fatih Birol, Executive Director of the International Energy Agency (IEA), then gave the keynote luncheon address, which highlighted numerous important points touching on aspects across the energy spectrum. These included, inter alia, the following key points: global oil demand is set to rise by 1.4 mb/d in 2019, with China and India accounting for almost half of the increase; petrochemicals are becoming increasingly important drivers of future energy demand. He also noted that electric car sales continue to break records, with the number of passenger electric cars on the road having passed 3 million in 2017, though they still represent just 1% of global car sales.

Turning to prices and pricing reforms, Mr. Birol said that since 2014 they have helped to cut the global subsidy bill, which has made global oil demand more price-sensitive – though reform momentum is now coming under pressure. He also noted that: ageing oil fields are losing more than 3 mb/d per year despite slowing decline rates; renewables are accounting for almost half of the growth in electricity generation in 2017 and are set to meet a higher share of the growth going forward; and carbon capture, utilisation and storage remains crucial for industry, as it is one of the few solutions that exist to cut emissions in industry. In fact, he noted that global CO₂ emissions, after remaining flat for 3 years, have risen again in 2017 to an all-time high.



A bird's eye view of the Lunch Session.

Mr. Birol's candid discussion of these cross-cutting issues was appreciated by all those in attendance. They also served as reminders of some of the recurring topics that lay behind many of the presentations during the Seminar.



The OPEC Bulletin's Maureen MacNeill interviews HE Sun Xiansheng, Secretary General of the International Energy Forum.

Session II: Technology Breakthroughs

The next **Session II** focused on **'Technology Breakthroughs'**. This Session was an occasion for some innovative thinking about some of the most promising technologies in the industry. Moderated by Eithne Treanor, the Session counted with the active participation of representatives and officials from various important companies and firms: **Daniel Yergin**, Vice Chairman of IHS Markit; **Lorenzo Simonelli**, CEO Baker Hughes, a GE Company; **Pacelli Zitha**, Faculty of Civil Engineering and Geosciences, Delft University of Technology; **Ihsan Ismaeel Al-Saade**, Basrah Oil Company, Iraq; **Al Cook**, Executive Vice President Equinor ASA; **Duco Drenth**, Director New Technologies, Dietsmann.



A view of all the speakers during Session II on 'Technology Breakthroughs'.



Daniel Yergin, Vice Chairman of IHS Markit, makes an important point during the Session.

The transformative role that technology has had on the industry was reviewed. In this context, the emergence of shale was described as one of the clearest manifestations of such a transformation. However, it was noted that this in fact took a long time to transpire. Fracking as a drilling method had been considered for several decades, yet it took years before the technology had its significant impact on the industry.

Discussions then turned to the pace of application of new technologies and whether NOCs have succeeded in ensuring this happens quickly enough. It was noted that some NOCs are at the forefront of applying new technologies. Carbon capture and storage was discussed and what measures can be taken to accelerate carbon utilization. Panellists stressed that although carbon utilization technology exists, this can be delayed by bureaucratic process, policy alignment and the fact that application of the technology needs to be economic. However, technology was recognized as a key means of achieving targets under the Paris Agreement. It was emphasized that Iraq had been successful in reducing flaring.

The importance of using technology to improve health and safety standards in the industry was a major topic of discussion. Many employees in the industry work in extremely adverse conditions, indeed, in some of the most remote places on earth. This is a major driver for technological innovation, especially with regard to robotics.

A vital component of technological innovation, which resonates strongly with the theme of the 7th OPEC International Seminar, was ‘collaboration’. A collaborative approach across the entire supply chain in advancing technological innovation and sharing best practices was stressed. It was also noted that technology is very important given some of the image problems associated with the industry. In some ways, the industry has lost control of the narrative. Others have portrayed the industry as carbon intensive and environmentally unfriendly. Technology can be used as a means of improving public perceptions of petroleum and encourage young people to consider careers in the energy sector.

Panellists concluded by emphasizing the need for the ‘right research’, the importance of being bold in the application of technology and the need to spread technology geographically. Researchers also need to be assured about continuity in their careers, especially through enhanced funding for R&D in technology, and noted the pivotal importance of having stability in the market to attract adequate investments.

Special Session: Global Oil Market Balance Metrics

A **Special Session** on the ‘**Global Oil Market Metrics Balance**’ followed. Moderated by **Harry Tchilinguirian** from BNP Paribas, the Session included the participation of **HE Mohammad Sanusi Barkindo**, OPEC Secretary General; and expert contributions from **Dr. Aziz Yahyai** of the Research Division at the OPEC Secretariat; **Adam Sieminski**, President of King Abdullah Petroleum Studies and Research Center (KAPSARC); **Dr Bassam Fattouh**, Director of the Oxford Institute for Energy Studies (and a member of the Editorial Board of the OPEC Energy Review); **Amrita Sen**, Chief Oil Analyst at Energy Aspects Ltd; **Edward L. Morse**, Managing Director and Global Head of Commodities Research at Citigroup; **Johannes Benigni**, the founder of JBC Energy; **Roger Diwan**, Vice President of IHS Markit; and **Douglas Thyne**, Research Director for Oil Supply at Wood Mackenzie.

OPEC’s **Secretary General** opened the session and expressed his belief that it is important to make sure that what has been achieved thus far, through the implementation of the ‘Declaration of Cooperation’, is not a temporary matter. It has to last and endure, he said. He also emphasized the importance of evolving stability on a sustainable basis, through further improvements in current oil stocks metrics, and through an exploration of the possibility of having additional metrics to help monitor and measure market stability and its sustainability going forward.



Dr. Aziz Yahyai of the Research Division at the OPEC Secretariat offers his perspective.

The ensuing discussion focused on exploring what some of these additional metrics might be. They include: the structure of the price curve and the influencing role of different market participants and their position taking in trading activities; investments across the supply chain, through a more granular approach, in terms of differentiating the short- and long-term cycle upstream investments in various regions; financial strategy and the performance of different types of oil companies in terms of their investment portfolio; the refinery structure and the ability to adopt and absorb to changing volumes (e.g. crude and non-crude feedstocks), as well as the quality of crude oil in accommodating more stringent products demand slate; and improvements in data (in terms of coverage and quality), as well as improvements in assumptions, and better analytical depth in decline rates with a bottom-up approach to better gauge the reserve replacement and growth in supply, among others.



A view of the panellists during the Special Session on 'Global Oil Market Metrics Balance'.

The general consensus after extensive discussion was that, despite the challenges that may be involved, it remains important to look at a variety of different indicators and metrics going forward, particularly those considered 'forward-looking indicators'. Such additional quantitative figures will help the industry as well as the countries participating in the Declaration to better understand the conditions of the markets and the requirements for adjustments in the future.

Session III: Energy Transition

Session III on the 'Energy Transition' began in the mid-afternoon of Day One. This well-attended session covered the highly debated issue of the energy transition – a topic that has been at the top of the agenda of most energy industry events in recent months. An impressive array of keynote speakers, including OPEC and non-OPEC oil ministers, as well as high-level representatives from international organizations and academic figures, provided their insights on the prospects of an energy industry in transition from a carbon and fossil fuels-based economy to a lower-carbon industry in which the increasing use of alternative energies changes the entire energy landscape.



HE Jabbar Ali Hussein Al-luiebi, Minister of Oil of Iraq.



HE Karin Kneissl, Minister for Europe, Integration and Foreign Affairs for the Republic of Austria.



HE Carlos Pérez, Minister of Hydrocarbons of Ecuador.



HE Pascal Houangnoi Ambouroue, Minister of Petroleum and Hydrocarbons of Gabon.

The Session began with keynote speeches from **HE Jabbar Ali Hussein Al-luiebi**, Minister of Oil of Iraq; **HE Karin Kneissl**, Minister for Europe, Integration and Foreign Affairs for the Republic of Austria; **HE Carlos Pérez**, Minister of Hydrocarbons of Ecuador; **HE Pascal Houangnoi Ambouroue**, Minister of Petroleum and Hydrocarbons of Gabon; **HE Suleiman Jasir Al-Herbish**, Director General of OFID; **HE Gabriel Mbaga Obiang Lima**, Minister of Industry, Mines & Energy of Equatorial Guinea; **Patricia Espinosa**, Executive Secretary of the UNFCCC; **HE Yury Sentyurin**, Secretary General of the Gas Exporting Countries Forum (GECF); and **Václav Smil**, Distinguished Professor Emeritus at the University of Manitoba.

Some of the main points made by the keynote speakers included the continued role that fossil fuels will play in the long-term, despite the growing use of alternative fuels, whose costs have been decreasing significantly. A continued rise in demand growth is forecast, especially in developing Asia, which will be mainly fuelled by the transportation and petrochemical industries. It was agreed that carbon capture and storage and other innovative technologies need to be created to ensure the necessary efficiencies in the decades to come.



HE Suleiman Jasir Al-Herbish, Director General of OFID, describes the challenges of energy poverty and the work of OFID.

OFID's **Director General** spoke to the issue of energy poverty around the world, and the overreliance on the burning of biomass among poor communities in developing countries. Speaking as a development practitioner, he reminding the audience that 1.1 billion people don't have access to electricity, while 3 billion people still cook with polluting fuels. "These people ... must not be left behind by the profound changes that oil is witnessing in the ways energy is produced transported and consumed," he urged. While offering various suggestions on how to approach the issue, HE Al-Herbish reiterated the importance of trying to overcome challenges through strategic partnerships, and underlined the active and pivotal role played by OFID and other development agencies in alleviating energy poverty.



HE Gabriel Mbaga Obiang Lima, Minister of Industry, Mines & Energy of Equatorial Guinea.



Patricia Espinosa, Executive Secretary of the UNFCCC.



Václav Smil, Distinguished Professor Emeritus at the University of Manitoba.



HE Yury Sentyurin, Secretary General of the Gas Exporting Countries Forum (GECF).



A view of the panellists during Session III on the 'Energy Transition'.



HE Yury Sentyurin, Secretary General of the Gas Exporting Countries Forum (GECF), while moderator Eithne Treanor watches from another podium.



Adnan Shihab-Eldin, Director General of the Kuwait Foundation for Advancement of Sciences (KFAS) makes a point during the Session.

Afterwards, an esteemed panel of experts from national oil companies, media organizations, international organizations and research institutes engaged in a lively and thought-provoking debate on the future of the international energy industry. The group of panellists included **Adnan Shihab-Eldin**, Director General Director of the Kuwait Foundation for Advancement of Sciences (KFAS); Courtney Fingar, Editor-in-Chief of fDi Magazine; **Amrita Sen**, Chief Oil Analyst at Energy Aspects Ltd; **Carlos Saturnino**, CEO of Sonangol; **Megan Richards**, Director of Energy Policy in the DG Energy (ENER) of the European Commission; **Christyan F. N. Malek**, Managing Director and Head of EMEA Oil & Gas Research in the Global Energy Team of JP Morgan Ltd.

Among the main insights gleaned from the panel discussion during the Session were that there is a generally optimistic future ahead that will entail balancing the need to secure future investment in conventional energy sources with maintaining respect for the need to embrace efforts to mitigate climate change. Additionally, investment in research and development will need to be prioritized to ensure future efforts in efficiency, and stability and predictability are required to instil confidence among investors.

In closing, it was noted that while there are significant hurdles that remain, the panel pointed out the essential factor of continued dialogue and cooperation, between all industry stakeholders, as a means to ensure a smooth energy transition in the decades ahead.

Gala Dinner & Awards Ceremony

In the evening of Day One of the Seminar, a Gala Dinner and Awards Ceremony was held at Vienna City Hall. With the participation of academics, ministers, officials and representatives from organizations and companies from across the energy world, the evening, which began with a formal reception, was marked by fellowship, a bit of musical and artistic entertainment, and heart-felt tributes to various distinguished guests.



The opening reception before the start of the Gala Dinner and Awards Ceremony.



A view of the main room in Vienna City Hall in which the Gala Dinner and Awards Ceremony.



Another view of the main room in Vienna City Hall during the Gala Dinner and Awards Ceremony.



HE Suhail Mohamed Al Mazrouei, Minister of Energy and Industry of the UAE and President of the OPEC Conference, offering some welcome remarks.



HRH Abdulaziz bin Salman bin Abdulaziz Al Saud gives a speech during the Gala Dinner.

After a short introduction from the Master of Ceremonies, the Minister of Energy and Industry of the UAE, **HE Suhail Mohamed Al Mazrouei**, gave an award to **HRH Abdulaziz bin Salman bin Abdulaziz Al Saud** for his tireless efforts in support of OPEC's work. HRH then graciously offered some words of appreciation for the honour.



Omar Al Rawi, a member of the Vienna City Council and who is originally from Iraq, offers some words of welcome to attendees at the Gala Dinner.

Mr. Omar Al Rawi, a member of the Vienna City Council, also offered a few remarks as the representative of the Mayor and Governor of Vienna.



HE Dr. Mana Saeed Otaiba, Former Minister of Petroleum and Mineral Resources of the UAE, thanks those present for the award he received.

Afterwards, a short video tribute to **HE Dr. Mana Saeed Otaiba**, Former Minister of Petroleum and Mineral Resources of the UAE, was shown, before **HE Al Mazrouei** honoured him with a special award. A prolific poet, Dr. Otaiba gave a short speech to thank those who had worked with him in the past and those who paid him tribute at the dinner.



Musical accompaniment during the sand drawings projected on the screen behind.



The creative 'sand drawings' of a young artist that were projected onto a large screen.

There was then some entertainment, in the form of music, which accompanied a young artist's creative 'sand drawings' that were projected onto a large screen.



OPEC Secretary General, HE Mohammad Sanusi Barkindo, makes a short speech about the history of the 'OPEC Awards', before this year's two recipients are named.

After a short interlude, the floor was turned over to OPEC Secretary General, **HE Mohammad Sanusi Barkindo**, who paid tribute to those in attendance, before introducing the two 'OPEC Awards', describing their history and importance. The two recipients of this year's 'OPEC Awards' were then recognized.



The recipient of this year's 'OPEC Award for Research', Professor Bassam Fattouh, a Professor at the School of Oriental and African Studies at the University of London and the Director of the Oxford Institute for Energy Studies.

First, tribute was paid to the recipient of the 'OPEC Award for Research', **Professor Bassam Fattouh**, a Professor at the School of Oriental and African Studies at the University of London and the Director of the Oxford Institute for Energy Studies. His work specializing on international oil pricing systems, oil price dynamics and supply security, particularly in the Middle East, has been cited often by scholars around the world.



The recipient of this year's 'OPEC Award for Journalism, Barbara Shook, who serves as Houston Bureau Chief, and Senior Reporter-at-Large and Analyst, at Energy Intelligence Group.

Then, **Barbara Shook** took to the stage to be recognized as the recipient of the 'OPEC Award for Journalism'. Currently the Houston Bureau Chief, and Senior Reporter-at-Large and Analyst, at Energy Intelligence Group, her work as a journalist and writer over nearly four decades has consistently been characterized by insightful reporting, rigorous analysis and a profound understanding of the economics of the industry.

The evening ended after several hours of wonderful food and hospitality. Special **commemorative gifts** – custom-made decorative silver vases, courtesy of Iraq – were also presented to each of the 24 Ministers representing the 14 OPEC Member Countries and the 10 non-OPEC countries that participated in the ‘Declaration of Cooperation’. The gifts were both emblematic of the Organization, and reflective of the history and culture of Iraq. Decorated on two sides with the ‘OPEC logo’, its other two sides evoked the history of Ancient Mesopotamia through a ‘relief’ depicting the famed ‘Ishtar Gate’, which was originally the 8th gate of the city of Babylon, and a ‘relief’ depicting the ‘Golden Lyre of Ur’, a famed musical instrument dating back more than 4,000 years.

Those who attended the Gala Dinner and Awards Ceremony agreed that it was a magnificent way to pay tribute to outstanding leaders and thinkers, while also recognizing all those who are part of OPEC’s extended worldwide family.

DAY TWO (JUNE 21)

Global Oil Future Challenges

On Day Two of the OPEC International Seminar, a special **Introductory Session** took place dedicated to ‘Global Oil Future Challenges’. Co-moderated once again by **John Deferios** and **Eithne Treanor**, the session brought together various high-level speakers for a stimulating morning discussion of some of the most salient issues of the day.

After a cordial welcome and introduction by the two moderators, a panel of six leading figures in the global oil industry – from chief executives of national and international oil companies to leading officials from oil service companies – were invited to participate in a wide-ranging discussion on the outlook for the industry, and to share their unique viewpoints on the global oil industry in the decades to come. They also took turns to present their predications and forecasts on a range of future challenges that the global energy industry will need to address in the years and decades ahead.



A view of the entire panel at the Introductory Session dedicated to ‘Global Oil Future Challenges’.



Amin Nasser, President and CEO of Saudi Aramco, listens intently during the Introductory Session.

These speakers included **Amin Nasser**, President and CEO of Saudi Aramco; **John Hess**, CEO, Hess Corp.; **Sergey Vakulenko**, Head of Strategy & Innovations, Gazprom Neft; **Jubril Adewale Tinubu**, Group Chief Executive, Oando PLC; **Andrew Gould**, former CEO, Schlumberger; and **Jay R. Pryor**, Vice President, Business Development, Chevron.



Sergey Vakulenko, Head of Strategy & Innovations, Gazprom Neft, makes a point during the Introductory Session.

Given that the energy industry is cyclical by nature and constantly changing, participants noted that one can expect to see unexpected “bumps” and occasional “roadblocks” as the industry navigates its way “into the coming era” of energy transition, as it has in previous decades. But certainly the market downturn of 2014-2016 was rather unprecedented. The conditions leading to the market downturn of a few years ago was “a perfect storm, if you will”, according to **Mr. Vakulenko**.

A recurring theme during the panel centred on the urgent issue of investment and the need to rebuild confidence among investors for robust funding of major long-term projects to help meet rapidly rising demand needs. “While financial discipline is healthy, it does act as a break for some of the long-term investment”, noted **Mr. Hess**.

In the meantime, there has been a broad shake-up of the industry and the “last man standing is [he with] the lowest cost of production”, said **Mr. Gould**. Additionally, too many companies, it was noted, are taking profits now. As **Mr. Hess** said, “It’s gone from ‘drill baby drill’ to ‘show me the money’”. “[S]ome ... projects are actually sacrificing long-term growth for short-term gain”, added Gould, thus putting at risk ultimate recovery. It was also noted that short-term investment in downstream projects has been relatively stable, but a significant boost in upstream projects is still required.

Discussants also spoke of shale oil production, predominantly in the US, which continues to rise rapidly. However, it was noted that it is expected to plateau by around 2025. The shale industry has been very successful in implementing technological efficiencies, enabling it to produce more barrels at the same or decreased costs. Shale, it was also noted, is not expected to expand significantly outside North America due to factors such as geology, infrastructure, as well as fiscal and regulatory considerations. “[T]he issue really is sustainability”, said **Mr. Pryor**.

The panel also underlined the importance of technology and innovation for the industry to remain competitive in the overall energy mix during the energy transition. On the subject of disruptive technologies and the electrification of the transport industry, it was emphasized that electric vehicles would increase substantially – but they are not expected to “make a dent” in overall demand for oil. Although it was recognized that “transportation is not really the largest use for oil”, according to **Mr. Pryor**.

It was also pointed out that technology costs have traditionally dropped after previous industry downturns – such as the one that hit the industry in 2014. This can be expected to have positive ‘knock-on effects’ for the industry in the years ahead. At the same time, it was noted that the issue of “human development and economic development” remains one of the most important factors to consider when looking ahead to the future and at the possible drivers of demand worldwide, according to **Mr. Tinubu**. “After you [acquire] your fridge, freezer, and home is your car!” he said.

Special Session: A Conversation with HE Khalid A. Al-Falih & Daniel Yergin

One very special moment during the OPEC International Seminar came on the morning of Day Two, when a surprise **Special Session** with **HE Khalid A. Al-Falih**, Minister of Energy, Industry and Natural Resources for the Kingdom of Saudi Arabia. Joined by **Daniel Yergin**, Vice Chairman, IHS Markit, and moderated by CNN’s **John Deferios**, the Minister graciously replied to a series of questions and comments.



Daniel Yergin, Vice Chairman, IHS Markit, HE Khalid A. Al-Falih, Minister of Energy, Industry and Natural Resources for the Kingdom of Saudi Arabia, and moderator John Deferios of CNN, during the surprise Special Session.

Apologizing for arriving late to the Seminar, the Minister began with some words of appreciation for the work done by the OPEC Secretariat under the leadership of the Secretary General. “[He’s] really worked hard to make this Organization what it is”, he said, acknowledging the “the bigger tent” that has been created through OPEC and non-OPEC collaboration. Reflecting on his two years serving as Minister, HE Al-Falih said that what has most struck him is the emergence of a “very strong alignment between producers and consumers ... of petroleum”. When he started, the industry was “going through one of the longest and most severe downturns” and there was a “cloudiness about the future”. All that has changed.

The Minister spoke about the many uncertainties that face the industry – such as those surrounding the technological revolution, those stemming from international pressures, and those related to reductions in financing options for companies. But it was with the dramatic downturn of a few years ago that “many consumers were actually complaining about the state of the ... industry” – which served as further impetus to OPEC and other producers to do something to try to rebalance the market. However, the OPEC Seminar and other ongoing meetings underscore the growing cooperation among producers. It all helps in “ensuring that we remain cohesive as a group”, he said.

Mr. Yergin echoed many of these sentiments, while also offering his own take on what lies ahead. There is “a lot of uncertainty about what happens at end of year because of the end of the synchronized boom” among major economies, he noted. This “makes the demand picture more complicated for the second half” of the year.”

Mr. Deferios interjected at one point to ask about the impact and importance of what he called “trade angst” among major industrialized and oil consuming countries, which he noted has been growing. **Mr. Yergin** acknowledged this “angst”, and added that longer term, “it’s going to be a dampening effect on global growth and on investment, and that, of course, comes back and affects demand for oil.” His comments were supported by **HE Al-Falih**, who agreed that “in the mid- to long-term, we are concerned about global trade”. This has a “cascading effect” on oil, he said, though in the short-term, “demand growth is baked in” to economic forecasts. Thus, he added, “it’s difficult for me to see that there’s going to be a significant drop in demand.”



HE Khalid A. Al-Falih, Minister of Energy, Industry and Natural Resources for the Kingdom of Saudi Arabia, during the Special Session.

Overall, Minister **Al-Falih** continued, everyone should be celebrating the success of the industry. Then, hinting at the outcomes of the OPEC Ministerial Meeting and the OPEC and non-OPEC Ministerial Meeting, he said: “I still remain optimistic and hopeful that in the next couple of days [we shall move from] from restricted supply to released supply.” Elaborating a bit more, he said: “The course of action that producers take always has to be a ‘two-way’ street. ... We have to be able to put in reins when we feel there’s going to be an oversupply.” Regardless of the outcome of the meetings or of what the future may hold in store in the coming weeks and months, there is no doubt, he said, that “[w]e are maintaining our credibility with all consumers.”

In his closing comments, the Minister underscored the importance of the communication and dialogue that has supported the achievements of the past several years – and which has undergirded the cohesion and unity of producers participating in the ‘Declaration of Cooperation’. If this cohesion disappears, he noted, consumers lose confidence and trust in us as producers.

Session IV: Investment in the Oil Industry



HE Jabbar Ali Hussein Al-Luiebi, Oil Minister of Iraq.



HE Mustapha Guitouni, Minister of Energy of Algeria.



HE Bakheet S. Al-Rashidi, Minister of Oil and Minister of Electricity and Water of Kuwait, and Chairman of KPC.



HE Mustafa Sanalla, Chairman of the Board of Directors of the NOC of Libya.



Majid Jafar, CEO of Crescent Petroleum, listening to a response by one of the other speakers.

During **Session IV**, focusing on ‘Investment in the Oil Industry’, a lively discussion was had with the participation of the following speakers: **HE Jabbar Ali Hussein Al-Luiebi**, Oil Minister of Iraq; **HE Mustapha Guitouni**, Minister of Energy of Algeria; **HE Bakheet S. Al-Rashidi**, Minister of Oil and Minister of Electricity and Water of Kuwait, and Chairman of KPC; **HE Shaikh Mohammed bin Khalifa Al Khalifa**, Minister of Oil of the Kingdom of Bahrain; **HE Aldo Flores-Quiroga**, Deputy Secretary of Energy for Hydrocarbons of Mexico; and **HE Mustafa Sanalla**, Chairman of the Board of Directors of the NOC of Libya.



The main conference room, with panellists and audience, during Session IV.



A view of all the panellists during Session IV on ‘Investments in the Oil Industry’.

Additionally, panellists who spoke after the keynote speakers included: **M.K. Baru**, Group Managing Director of the Nigerian National Petroleum Corporation (NNPC); **Rainer Seele**, CEO of Austria’s OMV; **Majid Jafar**, CEO of Crescent Petroleum; **Helima Croft**, Global Head of Commodity Strategy at RBC Capital Markets; and **Christof Ruehl**, Global Head of Research at the Abu Dhabi Investment Authority.

The various speakers provided detailed overviews of the kinds of measures being taken to improve the investment climates in their respective countries or by their respective oil or investment firms. Before the Session had started, a poll had been taken of those in attendance, which indicated that 71.4 % of people polled think there’s a lack of investment in the industry.

The ‘Declaration of Cooperation’ was praised by several of the speakers, who noted that by encouraging a greater level of stability in the market, the landmark Declaration has improved the pace of investments. Nevertheless, as was pointed out, substantial investment is still required to meet the expected demand increases in the future and to account for natural decline rates.

There are also numerous factors that have been affecting the pace of investment, including geopolitical uncertainty, trade-related tensions between major countries and, too often, the uncertainty surrounding the emerging regulatory frameworks in various consumer countries.

Several speakers addressed the continuing negative image of the industry, which they said continues to be an important factor which needs to be improved – not only to encourage more investment but also to entice young people to work in the industry.

Session V: World Economy & the Future of Oil

Session V, which focused on the ‘**World Economy and the Future of Oil**’, was a welcomed discussion on the macroeconomic conditions within which the oil industry and the markets have to operate. **HE Mohammed Bin Saleh Al-Sada**, Minister of Energy and Industry of Qatar; **HE Manuel Salvador Quevedo Fernández**, Minister of Petroleum of Venezuela; **HE Emmanuel Ibe Kachikwu**, Minister of State for Petroleum Resources of Nigeria; and **HE Parviz Shahbazov**, Minister of Energy of Azerbaijan, all participated as keynote speakers in this Session.



HE Mohammed Bin Saleh Al-Sada, Minister of Energy and Industry of Qatar, offers some opening remarks during Session V on the ‘World Economy and the Future of Oil’.



HE Mohammed Bin Saleh Al-Sada, Minister of Energy and Industry of Qatar.

While the discussion was wide-ranging and took in many topics and themes, various specific issues were recurring. In his opening remarks, **HE Al-Sada** noted that “[oil is currently] contributing about 80% of global energy requirements.” He also noted that even though “a quarter century from now, ... global energy demand is expected to grow by 25% to 50% and fossil fuels will still contribute up to three-quarters of ... requirements.” Thus, as others (including OPEC) have echoed, “oil will continue to be the leading fossil fuel.” This will be “driven mainly by transport needs and petrochemical industries, especially in Asia,” he added.



HE Manuel Salvador Quevedo Fernández, Minister of Petroleum of Venezuela, during his speech.

HE Quevedo Fernández also offered some general comments. He said that given the changing economic conditions around the world, his country was “taking a close look at future plans and projects.” Against a dynamic economic and financial backdrop that includes the emergence of alternative forms of payment, he also noted that “one of the innovative things we have done is explore the creation

of a new cryptocurrency.” Finally, he also underscored the importance of OPEC unity and the undeniable fact that the world is one of interdependence, saying that “the future of Venezuela is OPEC.”



HE Emmanuel Ibe Kachikwu, Minister of State for Petroleum Resources of Nigeria, offers some remarks.

One of the final Member Country speakers was the good-natured **HE Kachikwu**, who usefully summarized some of the points made earlier and in other sessions. “Clearly oil will be around for a very long time,” he said. That remains without a doubt, despite renewables and the recent production constraints in some countries. Additionally, countries like Nigeria have been focusing more on ensuring a stable and sound investment and business environment. “In Nigeria, we have been working on a Petroleum Energy Governance Bill, to help the sector,” he said, then adding that the government is continually exploring ways in which they can better “compete for investment.”



A view of all the panellists during Session V.

The high-level speakers were then followed by a group of panellists: **Dr. Ayed S. Al-Qahtani**, Director of the Research

Division at OPEC; **Urban Rusnák**, Secretary General of the Energy Charter Secretariat; **Darcy Spady**, 2018 SPE President; **Pratima Rangarajan**, CEO of OGCI Climate Investments; **Adam Sieminski**, President of KAPSARC; **Dr. Bassam Fattouh**, Director, Oxford Institute for Energy Studies; and **Tope Shonubi**, Executive Director of the Sahara Group.

The various interventions were concise, focused and illuminating. **Dr. Al-Qahtani** commented that there is always a “need to look at economic situation to see if prices are reasonable or not.” Despite the incessant attempts by the media to get oil producers, whether OPEC or non-OPEC alike, to specify what a ‘good’ price may be, it remains elusive. “It’s very hard to pinpoint... or decide on a range in absence of the whole economic picture,” he noted.

The need for more data and an understanding of the whole picture was a recurring theme, with **Ms. Rangarajan** noting that the same could be said about climate change and investments. There are “[m]any pieces to the issue [the environment and carbon emissions] ... but it is capturing minds and imagination of young innovators”, and this holds promise for the development of financing and technical solutions in the future.

Dr. Fattouh soon chimed in, adding several important points. “One thing we’ve noticed is that relationship between economic growth and oil prices has weakened over time,” he said. This is an interesting development, he said, noting that the nature of the shocks that have been driving the market in recent years and decades has changed. “Before they were generally geopolitical shocks, but more recently they are shocks driven by rapid growth in demand, and other factors.” What this means for people in the room and for those working in the industry is that “it shows that you can have higher prices and still have higher demand.” This was an especially interesting theme, and discussions around it continued afterwards, during the break.

Closing Session

Although the presentations, speeches, comments and discussions during the formal Sessions on Day One and Day Two were thorough, rich and edifying, the task of summarizing the main themes that emerged, and extracting the most important elements from the many hours of discussions, fell to the famed academic who had also helped to open the Seminar, **Professor Meghan O’Sullivan**. Saying that she would attempt to summarize the “lessons for the future”

while also “deriving lessons from the past”, she noted that what was clear to her was that everyone at the Seminar shared a fundamental understanding of key issues. “Something [that] we all know deep down [is] that to understand the world we need to know the complex interaction of three things: technology and markets, policy, and geopolitics.” These three elements had emerged in nearly every Session of the Seminar.



Professor Meghan O'Sullivan, Director of the Geopolitics of Energy Project at Harvard University, makes her closing remarks and offers a summary of the key take-aways of the OPEC International Seminar.



Professor Meghan O'Sullivan.

She also noted that many of the main ‘take-aways’ from the Seminar, flow from two fundamental assumptions: First, that “we are in an energy transition”; and Second, that the transition “will be long, uncertain and will have setbacks.” Still, she noted, “oil has a home in the global energy mix for the foreseeable future.” In the coming years, however, the oil price “is likely to be very, very volatile unless there are efforts [to help strive] for stability”, as OPEC and non-OPEC producers have done. This, of course, is good news for OPEC as it will continue to have a role in global energy matters.

At the same time, Professor O'Sullivan noted several challenges that OPEC may face in the near future. First, there is the future of shale. “We heard from Hess how that will unfold”, she said. “It is here to stay.” This means that shale “has new dynamics that are going to influence OPEC’s ability to manage market.” Second, because the energy transition is so uncertain, it is going to be more difficult to get a sense of what to do and how best to do it, she said. Thirdly, “there will be a need for cooperation – and cooperation that extends beyond the countries of OPEC.” This means, she summarized, that there will be a bigger “role for greater communication, if not cooperation.”

Communication was certainly one of the recurring themes of the Seminar, both in terms of the image of the industry and oil producers, as well as in terms of the importance of oil. “Many of your consumers don’t know that the production of your product is good for them,” she said. “So communicating to consumers, financial markets and other producing countries what OPEC’s ... intention is going to be ever more important.” To this end, the attendance of a range of media representatives – from journalists to photographers and analysts – was supportive, with about 170 attendees during the two days of the Seminar.

In her conclusion, Professor O'Sullivan pointed out that OPEC has a broad range of interests and interrelated concerns. “OPEC’s interests are not just energy,” she noted, recalling the Organization’s multifaceted work programme. She then praised the Seminar and closed by saying: “I hope that this conference will be the beginning of an even greater outreach that has been started by the Secretary General.”



OPEC Secretary General, HE Mohammad Sanusi Barkindo, making his final, closing remarks.



OPEC Secretary General, HE Mohammad Barkindo.

OPEC Secretary General, **HE Mohammad Barkindo**, then took the floor for the closing statement. It was an eloquent, erudite statement, opening with a quotation from famed British philosopher Bertrand Russell which seemed to summarize the source of the Seminar's success – as well as the source of the strength of the 'Declaration of Cooperation': "The only thing that will redeem mankind is cooperation."

The Secretary General then went on to reiterate a fundamental message of optimism. "The future of our industry [has] three seeds: One is cooperation. Two is cooperation. Three is cooperation." He then warmly acknowledged the many people who had helped to make the Seminar possible, adding: "OPEC is about people, OPEC is about community, and most important it is a family." And it is in this spirit that so many leaders from the industry gathered at the Hofburg Palace for the 7th OPEC International Seminar. The event thus demonstrated OPEC's long-standing commitment to enhanced international dialogue, cooperation and engagement with stakeholders from around the world – something it will continue to pursue in the years to come.



A group photo of all the Ministers, officials and other high-level delegates in attendance at the 7th OPEC International Seminar, taken on Day One.

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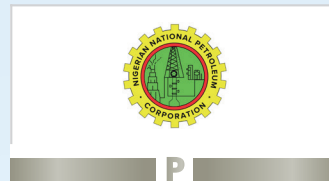


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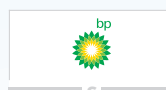
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