

**Welcoming Remarks to EU/OPEC Roundtable on Carbon
Dioxide Capture and Storage (CCS)**

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Ladies and Gentlemen

On behalf of HE Ali Al-Naimi, Minister of Petroleum and Mineral Resources I would like to welcome you to Riyadh and wish you a pleasant stay in Saudi Arabia. I also wish this Roundtable fruitful dialogue and outcome. Saudi Arabia is pleased to host the "EU-OPEC Roundtable on Carbon Dioxide Capture and Storage" as part of the 2006 Work Programme of the EU-OPEC Energy Dialogue which Saudi Arabia has supported in the political as well as technical levels.

Fossil fuels which fuelled socio-economic development throughout the past century will continue such role as the main source of supply of primary energy. Oil and gas alone will account for two thirds of energy until at least the middle of this century. The outlook for the continued role for fossil fuels in the energy mix, require among other things, finding acceptable global solutions to global environmental issues such as stabilization and reduction of atmospheric CO₂ emissions. Carbon Capture technologies from stationary sources, which account for over half of CO₂ emissions, and Carbon Storage technologies, especially in geologic formations, stand as the most promising technologies to reduce CO₂ emissions while allowing the continued use of fossil fuels.

The EU and OPEC being the two most important producing and consuming regions of oil and gas world wide have entered into political and technical dialogue and cooperation covering wide range of energy issue. Both parties consider that it is both realistic and beneficial to promote cleaner fossil fuel technologies for sustained economic growth. Such technologies also provide a powerful illustration of actions that could result in dual benefits: reduce carbon dioxide emissions into the atmosphere while enhancing oil recovery. In addition, their application is compatible with current energy infrastructures and would not lead to costly and disruptive changes.

Ladies and Gentlemen

While the world still needs hydrocarbons to fuel economic progress, it needs actions to curb CO₂ emissions as well. Carbon Capture and Storage could play an important role in the range of mitigation actions for CO₂ stabilization and reduction as well as injection in producing oil fields for EOR to add to recoverable oil reserves, thus contributing to the shared objective of enhancing energy security.

The 2005 Special Report on Carbon Dioxide Capture and Storage from the Intergovernmental Panel on Climate Change (IPCC) gives an estimated range of the economic potential for CCS in this century between 200-2000 Giga tons of CO₂; this is compared to the current 2 Giga tons per year EU Emissions Trading Scheme. Needless to say that CCS will depend on a wide range of factors including costs, technological development, private and government partnerships as well as public acceptance.

This Roundtable aims to explore the latest developments in technologies, their costs and benefits, as well as the local and international initiatives and policies related to carbon capture and storage (CCS). We hope the Roundtable to identify potential role for the EU-OPEC Dialogue and cooperation within the industry and government and between them in promoting CCS R & D programs, including through large demonstration projects.

This EU/OPEC Roundtable on CCS technologies has been organized back-to-back with the International Conference on Clean Development Mechanism which was held here in Riyadh during the last two days and brought together renowned experts in the field from all over the world. I hope that those of you, who had the opportunity to participate in the conference, will continue to share with us in this Roundtable their knowledge and expertise. The CDM Conference and this Roundtable are other testaments of Saudi Arabia's endeavor to address and contribute to the understanding of and finding proper solutions to global environmental and energy concerns.

I hope the sessions here will be as lively as the sessions of the International CDM Conference and again I welcome you to Riyadh and wish you a pleasant stay and fruitful discussions.

Thank You.