

**Statement by HE Alexander Novak, Russia's Minister of Energy  
5<sup>th</sup> JMMC Meeting, Vienna, Austria**

**[Translated from original statement delivered in Russian, 22 September 2017]**

Dear Mr. Chairman Almarzooq, Mr. Secretary General of OPEC-Mr. Barkindo, Ministers, colleagues!

With great pleasure, I would like to greet all present here at the 5th meeting of the Joint Ministerial Monitoring Committee of the OPEC and non-OPEC countries and express gratitude to the OPEC Secretariat for their traditionally warm welcome and superb organizing arrangements. Also, I would like to thank the Minister of Nigeria, Mr. Kachikwu, and the Head of the Libyan National Oil and Gas Company who are participating in the meeting of the Joint Ministerial Monitoring Committee. It is very important for us. I would also like to thank those who are not present here, the President of the OPEC Conference, Minister Al-Falih and Minister Al-Rumhy of Oman, for their commitment and efforts they put into the deal.

In less than a week, the 9th month of the joint efforts of OPEC and non-OPEC is coming to an end. We have half a year until the end of March of 2018 when the Vienna agreement expires, and we need to not only continue with coordinated joint efforts in full, without slowing down our pace, but also develop strategies for the future which we will pursue starting from April 2018.

First of all, on behalf of the leadership of Russia, I would like to thank many of the countries including both OPEC and non-OPEC members, which have been demonstrating invariably high levels of conformity and whose contributions to the overall production adjustment are not only in full conformity but sometimes greatly exceed their commitments. Such a responsible approach allows us to maintain conformity at a steadily high level.

Speaking about the current market situation, we can note that OECD stocks are continuing to go down gradually, reaching 3bn barrels in August which is 170 mb more than the 5-year average, while at the beginning of the year it was 340 mb.

Since June, we have been witnessing a drop in floating storage stocks, in July and August crude oil stocks in the USA were going down as well. We expect a strong pick up in crude demand in the second half of the year, by 2mb/d, year on year. We are seeing strong growth in global demand and global macroeconomic indicators are being revised upwards.

So, I would say that the fundamentals are coming back to normal.

Our efforts are a decisive factor in restoring a healthy balance of supply and demand in the oil market, sustaining investment attractiveness of the industry in the long-term perspective, restoring market stability and countering speculators' activities.

We are committed to serious fruitful work in the framework of our efforts in the name of this lofty goal.

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