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OPEC Secretary General**

**Executive Plenary Session  
Kuwait Oil & Gas Conference 2013**

**‘The Power of Collaboration, People and Technology  
in the Oil and Gas Industry’**

**Kuwait  
7th October 2013**



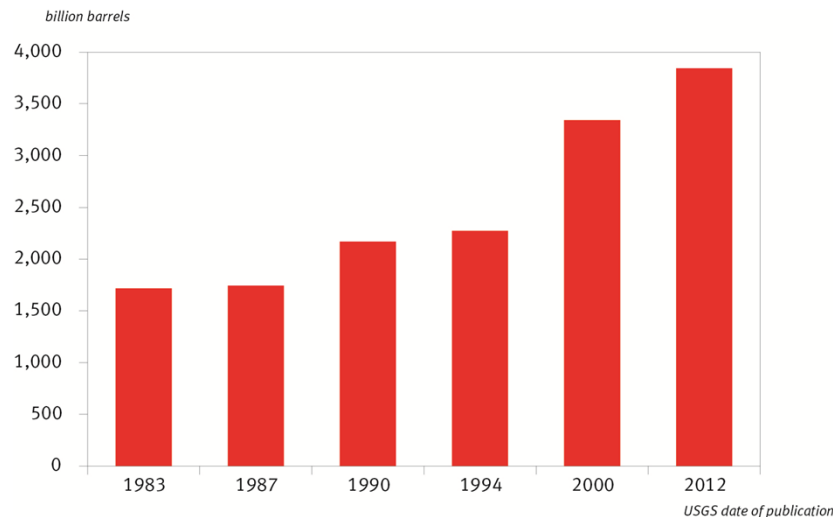
- **Collaboration, People and Technology entwined:**
  - Technology could only have been developed through the ingenuity of people
  - People have used that technology to push the limits of the industry
  - Collaboration has been – and remains – at the heart of everything
  
- **The history of Kuwait's oil industry provides an example:**
  - The Burgan oil field started producing commercially in 1946 and is still pumping today
  - People and technology have come together – to tap into the reservoir, expand its recoverable resource base and apply improved recovery techniques, so that more of the oil in place can be produced
  
- **Technology and people will continue to transform and revolutionize the industry**

# Technological advancements move the industry forward



- **Technological advancements continue to increase the estimates of what oil and gas can be found, and what can be recovered**
- **USGS estimates of ultimately recoverable oil resources continue to rise. The same is true for ultimately recoverable gas resources**

*USGS estimates of World Ultimately Recoverable Oil Resources*



- **Recovery rates have increased hugely**
- **In terms of drilling, the industry progressed from drilling tens of metres to many kilometres below the surface, both vertically and horizontally**
- **The industry as has evolved from basic geological sciences to state-of-the-art IT**

# Energy remains central to a growing world

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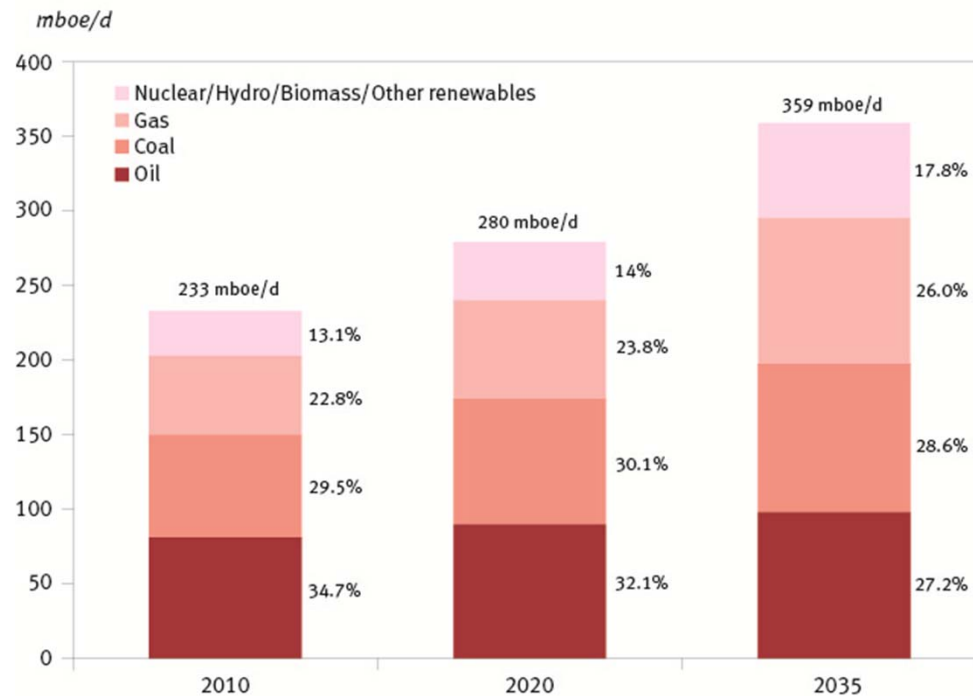


- **The global economy will undoubtedly rebound**
- **World population is expected to be more than 8.6 billion by 2035, an increase of over 1.5 billion from today**
- **Huge potential for socio-economic development in providing light, power and mobility**
- **Around 1.4 billion people still have no access to electricity and some 2.7 billion continue to rely on biomass for their basic needs**
- **Car ownership levels in developing countries are far lower than in OECD countries**

# World energy demand in OPEC's Reference Case



*World supply of primary energy by fuel type*



- Energy demand increases by over 50% by 2035
- Fossil fuels will continue to satisfy the major share of energy needs
- Of all fossil fuels, gas sees fastest growth rate
- Oil share falls, but demand still increases by more than 20 mb/d

# Meeting future human resource needs

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- **The industry needs more people to drive its expansion, however, there are many challenges facing the industry in terms of meeting future human resource needs:**
  - The large scale downsizing in the 1980s and 1990s that led to a lack of recruitment and many universities cutting back on energy-related courses
  - The fierce competition for talent from other industry sectors
  - A significant percentage of the workforce approaching retirement
- **What can the industry do to meet this human resource challenge?**
  - It will not happen overnight – there is a need to look long-term
  - Make sure the industry is well presented as a prime employment choice
- **The oil industry is a creative, dynamic and expanding sector; there are tremendous opportunities**

# The importance of market stability

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- **The current market is balanced – market stability is something OPEC continually strives for**
- **Collaboration, people and technology are key factors in helping make sure the world has enough supply to meet demand**
- **Without new people, new technologies and continued collaboration the industry would go backwards**
- **These three entwined issues are essential to the short- and long-term market stability that we all desire**



**Thank you**

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