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‘The global energy outlook’

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World energy demand in OPEC's Reference Case

Energy demand to increase by more than 52% by 2035
Renewables grow fast, but from low base
Shares of biomass and nuclear remain steady
Fossil fuels will continue to satisfy the major share of the world’s energy needs
The oil future to 2035

- Our projections see oil demand increasing by around 20 mb/d by 2035

- There will be a big shift in the balance between the OECD region and elsewhere

- The main driver of oil demand will be the developing Asia region

- The transportation sector will continue to be the main source of demand growth

- There are also requirements for significant expansion in the downstream
Remaining recoverable resources are amply sufficient

USGS estimates of World Ultimately Recoverable Resources

- USGS estimates of ultimately recoverable resources continue to rise
- There is no imminent oil supply peak
The importance of order and market stability

There is a need for a clear vision of the way ahead – linking market stability with other key global issues, such as sustainable development and the environment.

When planning for the future, we need to understand where the market is heading:
- No-one wants to waste huge amounts of capital on infrastructure that is then unused.
- And at the same time, no-one wants to find that there is not enough new capacity in place to meet rising demand.

OPEC is committed to invest, and to ensure that consumers receive oil when they need it.

Member Countries are currently undertaking or planning around 120 upstream development projects during the five-year period between 2013 and 2017.
Challenges and uncertainties

- **Global economic prospects**
  - There have been some recent positive signs, but downside risks remain
  - In OPEC’s latest MOMR, the outlook for global GDP in 2014 (3.5%) is better than for 2013 (2.9%)

- **The role of financial markets**
  - Still being debated even after the passage of new laws on financial regulation

- **Future role of nuclear?**
  - Many countries continue to debate the extent of nuclear power’s future in the global energy supply, in the wake of the tragic events at Fukushima

- **UN climate change negotiations**
  - Have been going on for two decades, but their impact on the energy sector remains unclear

- **Other factors include:**
  - Energy policies; geopolitics; technology; rising costs; and severe weather
Next week OPEC will release its 2013 issue of the *World Oil Outlook*

We hope this release will further contribute to a better understanding of some of the challenges, as well as opportunities, faced today

It is vital we all continue to consider and discuss our possible energy futures

The industry needs as much information and analysis as it can get about the outlook for oil and energy
Thank you

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