



Third IEF- IGU Ministerial Gas Forum

Joint Press Release Issued by the IEF and Secretariat of the IGU

Paris, France, 16 November 2012

Natural Gas in the Global Spotlight

The 3rd IEF-IGU Ministerial Gas Forum was held in Paris, 16 November 2012 under the theme “Call for sustainable energy policies and improved cooperation – Enhancing the role of natural gas”.

Energy Ministers and CEOs of leading oil and gas companies exchanged views on the potential for sustained energy policies, long-term partnerships and enhanced cooperation to help address the complex and various challenges facing the industry.

Jérôme Ferrier, the President of the IGU, underlined the importance of such an exchange of views to ensure that the complex challenges the energy industry is facing are tackled in the best possible way. This dialogue can help shape the right framework for a sustainable energy system that makes optimal use of natural gas. Mr Ferrier was very pleased to see that the Third IEF – IGU Ministerial Gas Forum gathered such a distinguished, high-level group of participants to discuss important topics and to help in nurturing innovative and constructive initiatives. The day’s discussions clearly demonstrated that natural gas is not only a transition fuel, but should be treated as a destination fuel.

Torstein Indrebø, IGU Secretary General, asserted that natural gas is now better placed than ever to take a prominent role in climate change mitigation. There must be a major focus on energy efficiency measures and initiatives concerning energy savings, as well as on projects replacing more carbon intensive fuels. The integration of intermittent energy sources such as wind and solar into the energy system must also be accommodated. All aspects are well anchored in the core of IGU objectives. He underlined that the gas industry can offer cost-effective solutions to environmental challenges and deliver competitive and secure energy to the world without burdening governmental budgets.

IEF Secretary General Aldo Flores-Quiroga highlighted the potential for natural gas to play a significant role in enhancing global energy security, not least through contributing toward the diversity of the energy mix. However, he stressed that natural gas’s potential may only be realised if investment frameworks are structured taking a long-term view, considering the high costs and uncertainty involved in bringing gas to markets. Noting the importance of transparency for market stability, Flores-Quiroga confirmed that the IEF and its partners in the Joint Organisations Data Initiative (JODI) have -- at the behest of Energy Ministers --

already committed to the process of delivering a JODI-Gas database modelled on the same concept as the existing JODI-Oil model. The system is expected to be available to the public during the second half of 2013.

IEF and IGU noted that, as natural gas demand is increasing, “gas will play a larger role in the energy economy, NOC-IOC partnerships based on gas are expected to deepen, and innovative arrangements between the NOCs and IOCs are likely to take shape -- particularly in addressing the challenges of developing remote and difficult gas resources”.

(Background paper attached).

IEF

The IEF is the neutral facilitator of informal, open, informed and continuing global energy dialogue. Covering all six continents and accounting for around 90% of global supply and demand for oil and gas, the IEF is unique in that it comprises not only countries of the IEA and OPEC, but also key players like Brazil, China, India, Mexico, Russia and South Africa. The Forum's biennial Ministerial Meetings are the world's largest gathering of Energy Ministers. Through the Forum and its associated events, IEF Ministers, their officials, energy industry executives, and other experts engage in a dialogue of increasing importance to global energy security. The IEF and the global energy dialogue are promoted by a permanent Secretariat of international staff based in the Diplomatic Quarter of Riyadh, Saudi Arabia.

For more information visit www.ief.org

IGU

The International Gas Union (IGU) was founded in 1931 and is a worldwide non-profit organisation aimed at promoting the technical and economic progress of the gas industry. The Union has more than 120 members worldwide on all continents, representing approximately 95 % of the world gas market. The members of the IGU are national associations and corporations of the gas industry worldwide. IGU organises the World Gas Conference (WGC) every third year, with the forthcoming WGC taking place in Paris, France, in June 2015. The IGU's working organisation covers all aspects of the gas industry from exploration and production, storage, LNG, distribution and natural gas utilisation in all market segments.

For more information visit www.igu.org