

8th International Oil Summit

Paris, April 5, 2007



Closing Comments

by

Nordine Ait-Laoussine

It is difficult to summarize in a few minutes what has been said throughout the day. I will, therefore, only highlight what I consider to be the main points of our debate.

1. IOCs are prepared to meet their responsibilities provided all of the other actors in the industry and all stakeholders meet theirs.
2. IOCs admit they are not needed for conventional petroleum operations and easy oil. They realize that they must do more research to develop new solutions as new production will largely come from complex, high-cost and high-tech projects.
3. OPEC has reminded us that member countries are committing large investments (\$ 120 billion between now and 2010) to increase upstream capacity and also all along the value chain to meet oil and gas demand in an

environmentally friendly way in spite of increasing costs and human resource shortages.

4. Exporting countries continue to be concerned with security of demand in spite of the consumers' promise that the demand will be there. For the IEA, what is certain is the need for investments worldwide.
5. The biggest uncertainties on the demand side in the long term are not in OECD. They are related to the pace and nature of China's economic growth, the lack of reliable data on field production declining rates, and the evolution of price elasticities.
6. Price volatility is a problem for all. To reduce it requires more stocks, more capacity, more transparency and more dialogue.
7. New NOC/IOC relationships are needed. There is no single model. "One size does not fit all". Each NOC is unique and must find its own way and the most suitable partner, depending on its strengths and weaknesses and the nature of the challenges it faces.

* * * * *