



Conclusions and follow-up actions **9th EU-GCC Energy Experts Group meeting**

25 February 2009; Brussels

Discussed and agreed during the 9th Energy Experts Group within the framework of the co-operation agreement between the European Union and the Gulf Co-operation Council.

The two delegations, headed by Dr Majid A. Al-Moneef, (Chairman of the GCC energy delegation) and Mr Jean-Arnold Vinois (Head of Unit for Energy Policy and Security of Supply, DG Transport and Energy of the European Commission), met in Brussels, Belgium, the 25 February 2009 and examined the issues in the attached agenda.

The two delegations exchanged views on common energy issues aimed at improving co-operation between the two regions as stated in paragraph 6 of the above mentioned co-operation agreement.

In his introductory speech, Mr Vinois mentioned the damages that the global economy is facing since the beginning of last year by the extremely high and low oil and energy prices and the attempts of the international community to find durable solutions at the Jeddah and London energy summits. The need for closer cooperation was proposed by both producers and consumers. He then proposed to adopt as main objectives of the meeting to strengthen cooperation on technology and create working groups for tackling priority issues.

In his introductory speech, Dr Majid Al-Moneef referred to the development in GCC oil and gas sectors and the impact of the financial crisis on the oil market and the economies of the GCC, and reiterated the importance of the dialogue with the EU to better understand oil market situation and prospects as well as cooperation on energy related technologies.

In session 1, Dr Al-Moneef presented a brief on short term oil market outlook, in which global demand is projected to decline for the first time in decades due to the recession in the OECD and the slowdown in the emerging markets. He emphasized that price volatility which accompanied the higher prices in early 2008 is still characteristic of a lower price environment now.

Mr Al Moneef then made a presentation on medium term oil market outlook and the impact of the crisis on GCC investment on the upstream and downstream. He emphasized that upstream investment is not impacted while some downstream investment might be delayed due to the downturn and the changing project economics.

In session 2 Mr Jean Arnold Vinois presented the progress made with the Energy Policy for Europe, as a result of the two Strategic Energy reviews endorsed by the EU Member States.

A fruitful exchange of comments and questions between the two delegations followed.

Under agenda item 5 parties agreed to reinforce cooperation on the following:

- (1) Technology Research and Development. The Commission has worked with a group of independent experts to prepare the establishment of an EU-GCC clean energy network. This network will act as a facilitator, catalyst and coordinator for development of cooperation on clean energy and the related technologies among various stakeholders in the EU and GCC countries, such as energy-related research entities, universities, administration, utilities and industry. Both parties agreed to follow up on the recommendation of this project to the benefit of both parties.
- (2) It was decided to create working sub-groups of the EEG for examining well defined priority issues:
 - Natural gas trade between the two regions. Information exchange on natural gas supply and demand.
 - Energy efficiency measures.

The GCC side took note of the EU proposal to convene periodic Ministerial meetings to examine Cooperation on Energy issues.

The next EU-GCC Energy Experts Group was suggested to take place in a mutually convenient venue in one year's time at the latest.

The meeting was held in an open, friendly and co-operative atmosphere.

Brussels, 25 February 2009

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