

The International Energy Agency: An Overview

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What is the IEA?

- **IEA ≠ IAEA**
- **Autonomous agency linked with the OECD**
- **Founded in 1974 (oil crisis)**
- **Acts as energy policy advisor**
- **Staff of around 200**

International Energy Agency Members



Australia (1979)



Austria



Belgium



Canada



Czech Republic
(2001)



Denmark



Finland (1992)



France (1992)



Germany



Greece (1977)



Hungary (1997)



Ireland



Italy (1978)



Japan



Korea (2002)



Luxembourg



The Netherlands



New Zealand (1977)



Norway participates in the
Agency under a special Agreement



Poland (2008)



Portugal (1981)



Slovak Republic
(2007)



Spain



Sweden



Switzerland



Turkey (1981)



United Kingdom



United States



A Variety of Challenges for Oil Markets: Global Energy Security Threats







Total Response Measures

Total Oil

Overall Results
(Million Barrels)

<i>Industry Stocks</i>	22.5
<i>Public Stocks (including 9.9 mb of SPR loans)</i>	28.6
Total Stocks	51.1
Indigenous Production	6.4
Total	57.5 +

Demand Restraint *1.7 pledged*

Total of 57 ½ million barrels from all forms of stock release and increased indigenous production



Emergency Response Measures Available to IEA Member Countries

- **Oil stocks and plans for coordinated stockdraw actions**
- **Demand restraint measures**
- **Short-term fuel-switching**
- **Increased indigenous production, and**
- **As a last resort, oil allocation amongst Member countries (Emergency Sharing System)**



US and IEA collectively decide not to release stocks – 19 September 2008

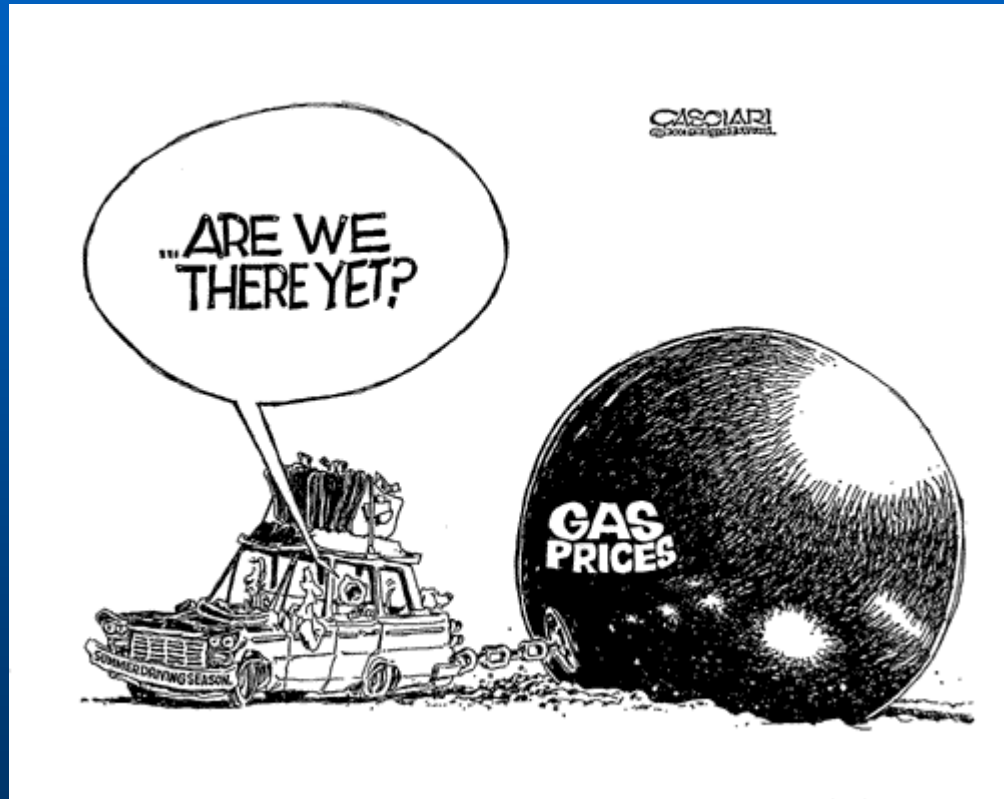
After a thorough joint assessment of the impact of Hurricanes Gustav and Ike, the International Energy Agency (IEA) and the US government have decided that a collective action to release oil to the market from strategic reserves is not necessary at this time. The IEA and the US government were in close co-ordination throughout the week, monitoring possible damage to the oil and gas complex in the Gulf of Mexico. Producing platforms in the Gulf now seem generally to have fared well, as did other infrastructure. The majority of production facilities and refineries in the region had stopped producing ahead of the storms as a precautionary measure. Damage assessment and notably the restoration of power supplies have delayed the restart of the refineries. Not all refiners are ready to produce yet, but the assessment of the US government and the IEA on balance is that, despite a significant loss of crude oil and product due to the shut-ins, there remains adequate flexibility in the system to offset this supply disruption.

The IEA welcomes ongoing efforts by producers and refiners outside the US Gulf to help ensure adequate supplies of crude and products are available for both prompt and upcoming winter fuel requirements.

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IEA Emergency Stocks Are to Offset Supply Shortfalls, Not Lower Prices





Ukraine-Russia Gas Dispute 2009





IEA deeply concerned by ongoing dispute on gas supplies to Europe

- The IEA is deeply concerned about the lack of ability of both Gazprom and Naftogaz of Ukraine to resume delivery of gas to Europe, despite an agreement to do so brokered by the European Union and signed by all parties last Monday.
- The apparent lack of proper communication between the parties involved to solve the technical issues blocking a resumption of gas flows demonstrates that both parties attach more importance to asserting their own negotiating positions than to their obligation to resume gas to their European consumers. Many of those consumers are without gas now for two weeks and many more will follow soon if this dispute is not to be concluded promptly. Industries are being closed at a time of already poor economic conditions; domestic and other consumers are suffering real hardship.
- The way both parties have acted over the last weeks and notably this week is unacceptable. This casts a shadow over the reputation of Russia as a reliable supplying country for Europe. It leaves consuming countries no other option than to speed up moves to find alternative suppliers, fuels and transit routes in the future.
- The IEA again urges both Gazprom and Naftogaz of Ukraine to take all steps necessary to resume gas supplies to Europe immediately.



Goals:

- energy security
- environmental protection
- economic growth



Activities:

- co-ordinates efforts to ensure energy security
- conducts policy analysis
- links research activities and governmental directives
- compiles energy statistics
- reviews energy policies & programs
- convenes, mobilizes science & technology experts





IEA Shared Goals

- Diversity, efficiency, flexibility within the energy sector
- Ability to respond promptly and flexibly to energy emergencies
- Environmentally sustainable provision & use of energy
- More environmentally acceptable energy sources
- Improved energy efficiency
- Continued R&D and deployment of new and improved energy technologies
- Undistorted energy prices
- Free and open trade and a secure framework for investment
- Co-operation among all energy market participants



www.iea.org