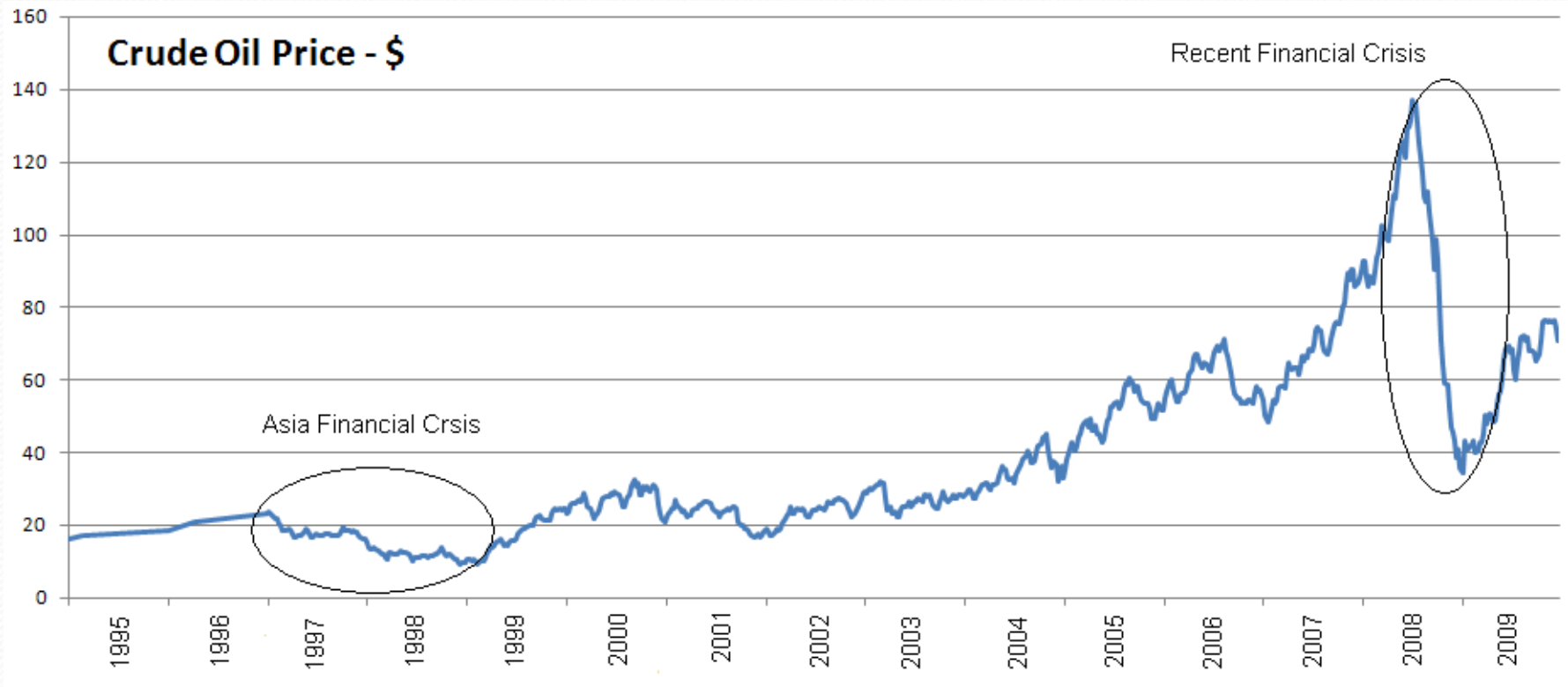


Financial Crisis and Energy Security

January 2010

Iran Chamber of Commerce, Industries and Mines
(ICCIM)

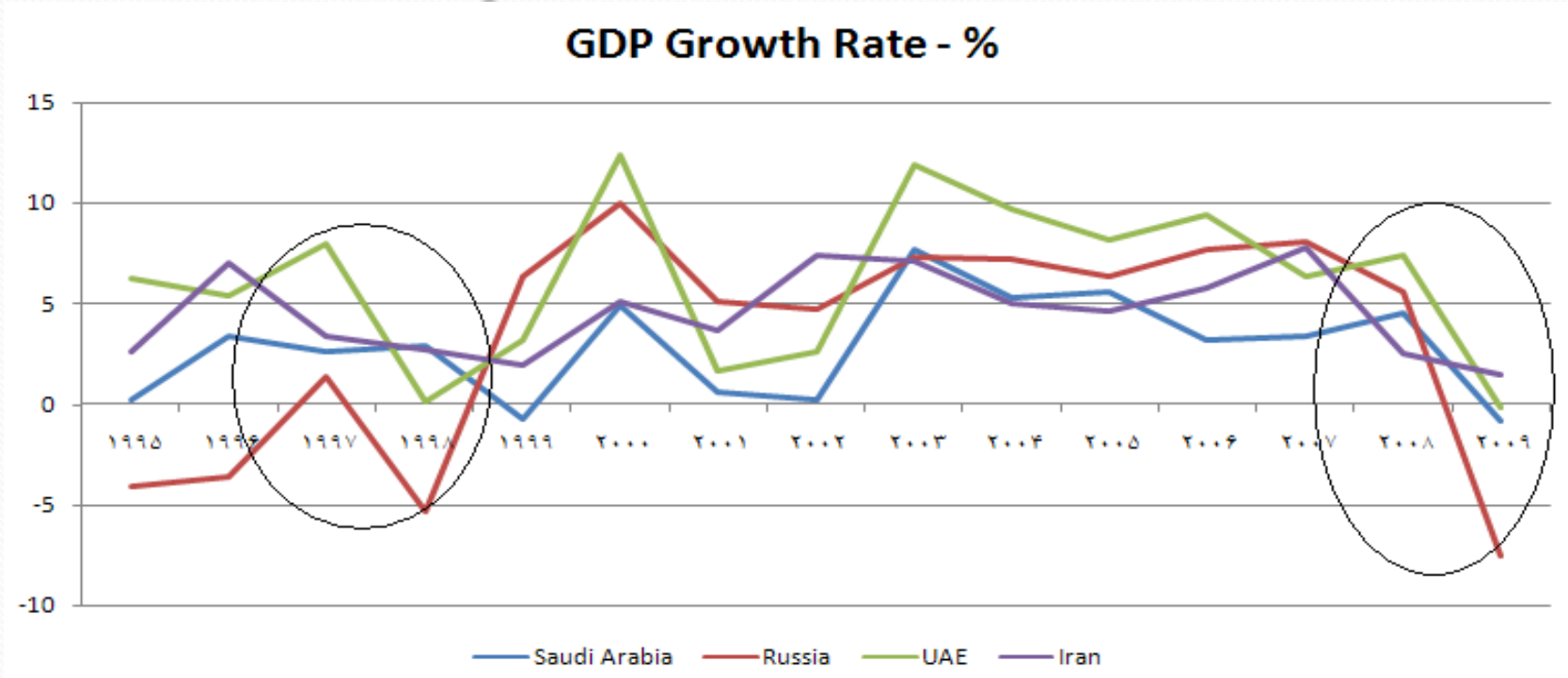
Financial Crisis impact on Oil Price



Source: Energy Information Administration

Changes in the price of oil, the most important energy factor, shows clear relationship with financial crises.

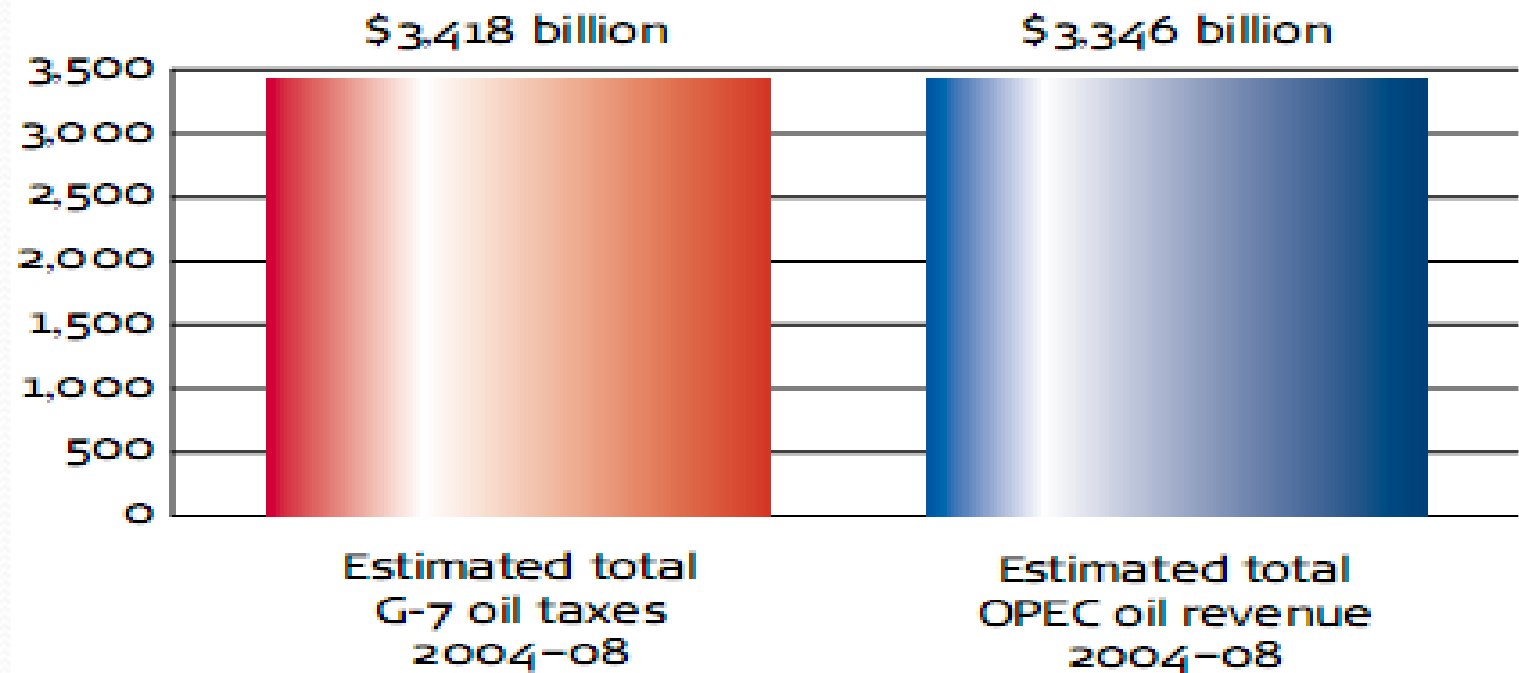
GDP growth rate of world major oil exporters 1995-2009



Source: IMF statistics

Financial crisis and energy devaluation negatively affect the economic growth of exporting countries.

Estimated total OPEC oil revenue and G7 oil taxes 2004-2008



Source: Research Division, OPEC, Austria, 2009

Note: Oil price decline is not just a loss to exporting countries, rather it is negative to oil taxes required to compensate the Crisis ` consequences.

Energy Security means:



Adequate Supply of Energy



Affordable Supply of Energy



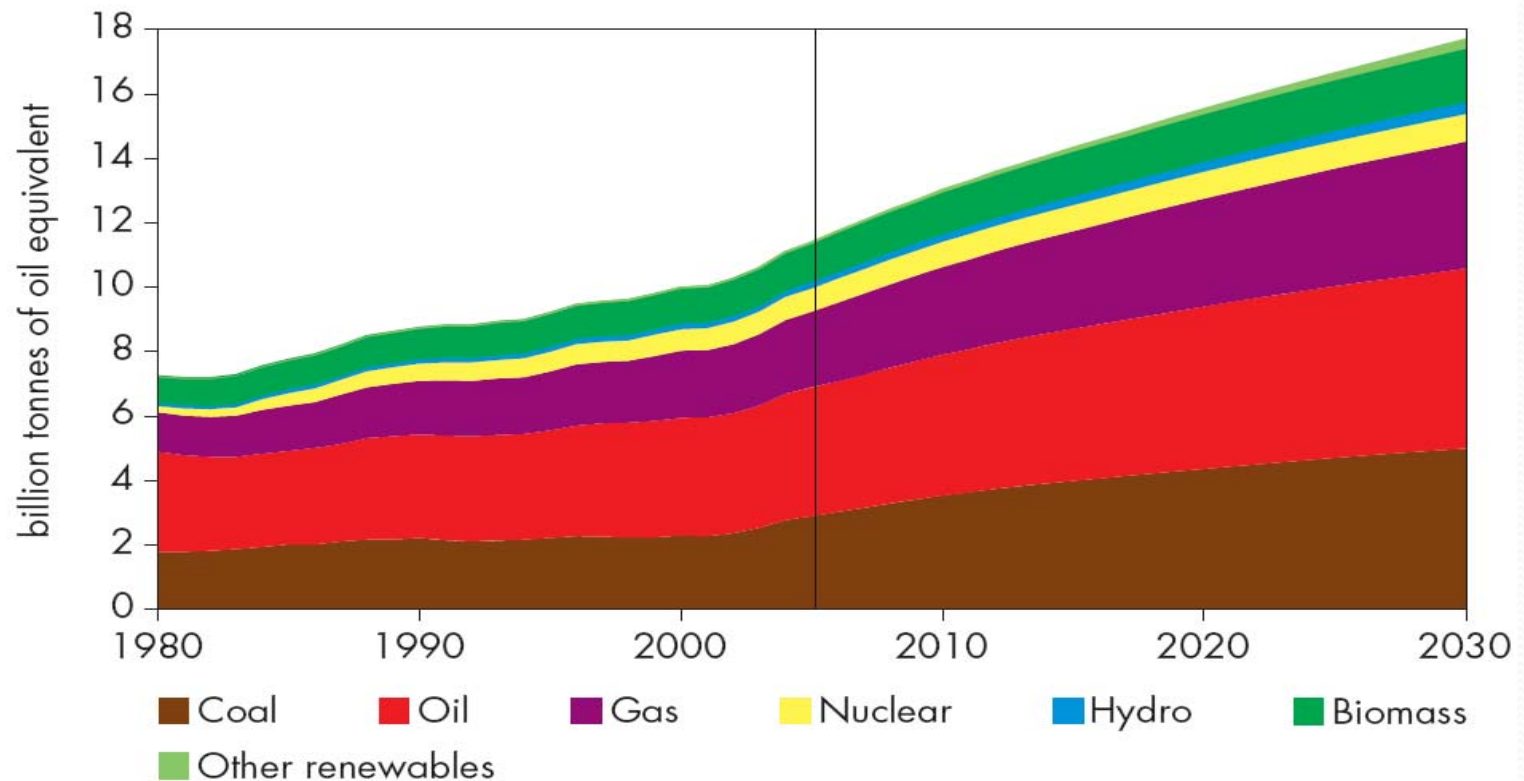
Reliable Supply of Energy



Sustainable Supply of Energy

World Primary Energy Demand Outlook

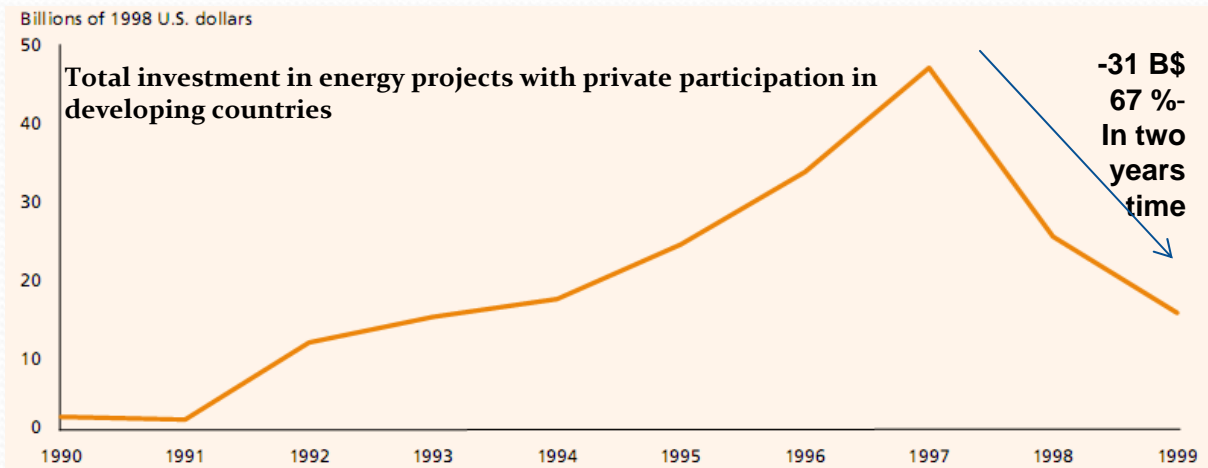
World Primary Energy Demand 1980-2030



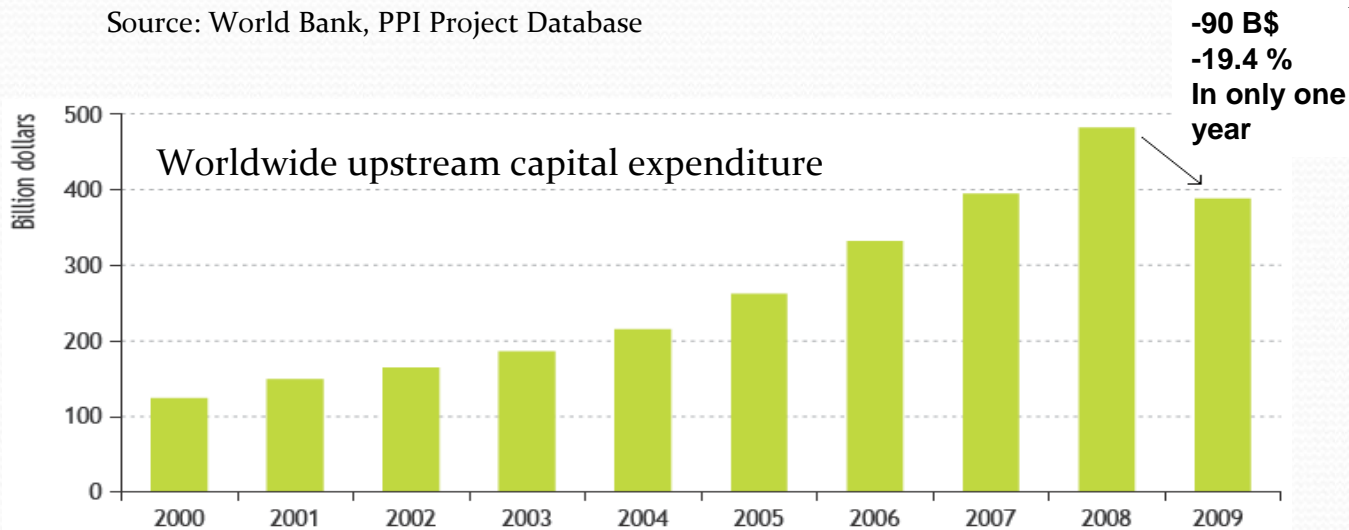
Required energy investment for fulfilling future demand

- A cumulative investment of over \$26000 Billion (in year-2007 dollars) is need between 2007-2030
- \$4300 billion is needed to meet the global oil demand over 2005-2030 period; this is a flat annual investment of \$164 billion
- \$3900 billion of investment in global gas-supply infrastructure is needed over 2005-2030 period; \$151 billion annually

Energy investment decline through financial crises



Source: World Bank, PPI Project Database



Source: IEA databases and analysis.

Outlook 2005-2030

- 3 % = GDP growth
- 1.01 % = Population growth
- 1.6% = Energy demand growth

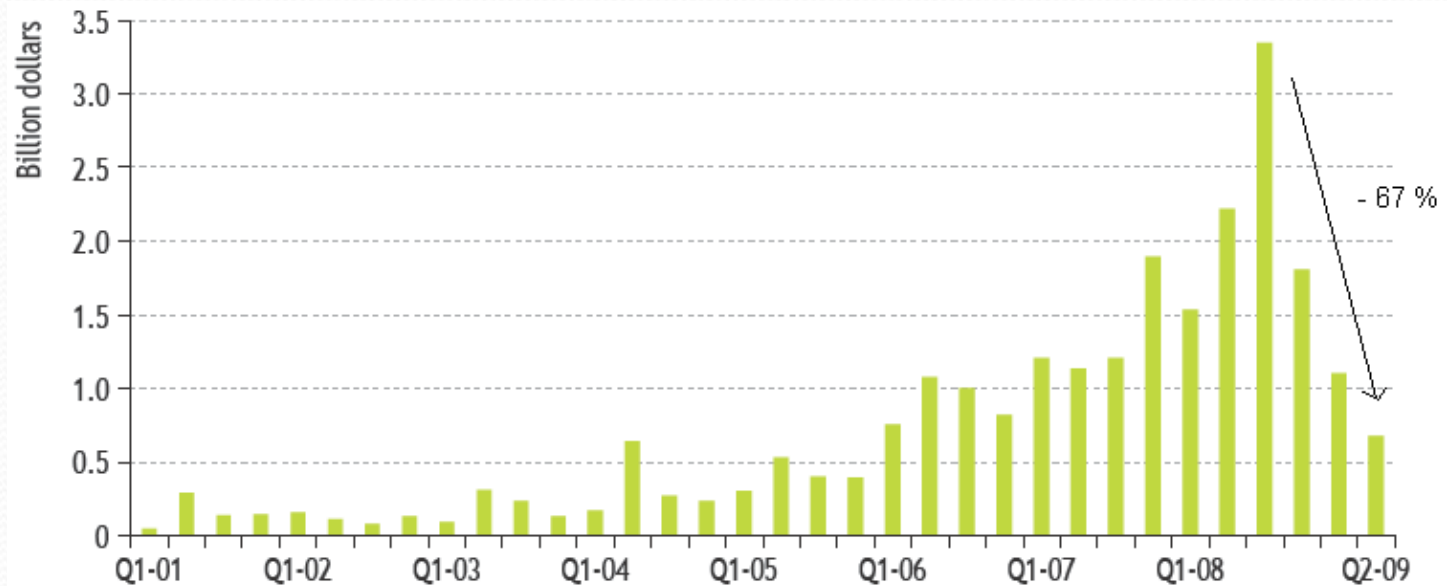


Energy investment
and Production
capacity decline



Unfulfilled energy
demand and price
increase

Venture capital and private equity new investment in clean energy companies



Source: New Energy Finance databases.

Result: less use of clean energy, more pollution and global warming

So, world energy regime should:

- be reciprocal. *Security of demand* is as important to producers as *security of supply* is to consumers
- cover all foreseeable time-horizons. Security tomorrow is as important as security today, and provision must be made for this at all times through *sound investment strategies*.
- be openly *receptive to dialogue* and cooperation among the leading players in the market - *private and public alike* - to facilitate the market's sound evolution in a balanced and equitable manner both now and in the future.



JANUARY 2010

**IRAN CHAMBER OF COMMERCE, INDUSTRIES AND MINES
(ICCIM)**