

Press Release



JODI: a success which comes at a price

Cancun, 29 March 2010 – Ahead of the 12th International Energy Forum, the Heads of JODI organisations (APEC, Eurostat, IEA, IEF, OLADE, OPEC, UNSD) met in Cancun to review the progress made since the 11th IEF Ministerial in Rome in April 2008, and to discuss the development of the Initiative going forward.

The global energy situation has witnessed dramatic changes since the last IEF Ministerial two years ago. The global financial crisis and subsequent macroeconomic slowdown reduced energy demand in general, but impacted oil in particular. Oil prices, after reaching a high of nearly \$150 per barrel in July 2008, collapsed to below \$40 in January 2009 in the wake of the economic crisis before beginning a recovery to today's range between \$70 and \$80 per barrel.

The dramatic, rapid price changes and particularly the intraday volatility that characterized both the ascent and decline of the oil price highlight the need for better oil market information. The Joint Oil Data Initiative (JODI), as a unique global source of statistics on oil production, trade, consumption and storage, can help mitigate volatility by providing transparency to the market. Energy Ministers recognize this potential and have championed JODI and the global energy dialogue as avenues to reduce volatility and uncertainty. The Heads of JODI organisations appreciate the support that Energy Ministers around the world have offered the Initiative.

JODI organisations have worked hard to provide the market with better data. Comparisons of data submissions since the 11th IEF in 2008 show substantial improvements in completeness, timeliness and consistency of JODI data submission, demonstrating that the Initiative is already delivering on its promise to provide greater market transparency. Improvement in the timeliness of submissions is a great success story of the Initiative, with an average of over 70 countries submitting the most up-to-date data, up from 60 in 2008 and almost none at the launch of the Initiative. Through the soundness of its data and the promotion of its added value, JODI has attracted a broader set of users; a recent survey found that more than half of JODI users are market analysts, compared to less than a quarter two years prior.

Timeliness, accuracy and completeness must all receive equal weight if the data are to yield their full potential, but for some countries, there is still room for improvement in the latter two criteria. As the Initiative moves to collect more data points, JODI participating countries will have to rise to the challenge of maintaining the quality of



their performance. Support from and co-operation among the JODI partners and an increased focus on capacity building will be key determinants of success for the next stage of JODI's development.

JODI partner organisations are of course vital to the health of the Initiative, but data collection begins with their member states. **The Heads of JODI organisations call on participating countries to further improve the completeness and quality of the data they submit to JODI and urge greater clarity on oil stocks and demand data.**

JODI data can only be as good as the support it is offered by National Administrations. **Statisticians of participating countries must be given the resources necessary to achieve timely and complete data submissions. It is incumbent upon Ministers to provide these resources within supportive regulatory frameworks that favour transparency and facilitate industry participation in JODI.** Heads of JODI organisations discussed various options to increase resources and strengthen capacity building.

In response to a call from IEF Ministers to extend JODI to other data, as well as other sources of energy, JODI partners, in cooperation with other relevant organisations, have begun assessing the capacity to submit monthly natural gas data among their members and early results are promising.

The seven organisations have also discussed the possibility of expanding JODI to include data on capacity in the upstream and downstream sectors.

Heads of JODI organisations reiterated their commitment to the success of JODI, an Initiative which stands out as a major outcome of the producer – consumer dialogue.

The Joint Oil Data Initiative (JODI) is a concrete outcome of the producer-consumer dialogue. Ministers at the 7th International Energy Forum, 2000, Riyadh, called for an action to address the apparent lack of data transparency in oil markets, seen as a causal factor in excessive price fluctuations. Six pioneer organizations (APEC, Eurostat, IEA, OLADE, OPEC and UNSD) collaborated to launch the initial Joint Oil Data Exercise (JODE) in 2001. JODI was established as a permanent mechanism in 2003. The IEF Secretariat assumed the role and responsibility of JODI coordinator in January 2005.

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