Promoting Cooperation and Transparency of Oil Data Management Through JODI

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International Energy Forum Secretariat
## Global Energy Dialogue

<table>
<thead>
<tr>
<th>Year</th>
<th>Title</th>
<th>Host</th>
<th>Co-host</th>
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</thead>
<tbody>
<tr>
<td>1991</td>
<td>Ministerial Workshop</td>
<td>France</td>
<td>Venezuela</td>
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<tr>
<td>1992</td>
<td>Ministerial Seminar</td>
<td>Norway</td>
<td>Egypt &amp; Italy</td>
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<td>1994</td>
<td>3rd Intl. Energy Conference</td>
<td>Spain</td>
<td>Algeria &amp; Mexico</td>
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<td>1995</td>
<td>4th Intl. Energy Conference</td>
<td>Venezuela</td>
<td>EC &amp; Russia</td>
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<tr>
<td>1996</td>
<td>5th Intl. Energy Conference</td>
<td>India</td>
<td>Brazil &amp; Norway</td>
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<tr>
<td>2000</td>
<td>7th Intl. Energy Forum</td>
<td>Saudi Arabia</td>
<td>Japan &amp; Netherlands</td>
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<td>2002</td>
<td>8th Intl. Energy Forum</td>
<td>Japan</td>
<td>Italy &amp; UAE</td>
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<td>2004</td>
<td>9th Intl. Energy Forum</td>
<td>Netherlands</td>
<td>Iran &amp; Norway</td>
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<tr>
<td>2006</td>
<td>10th Intl. Energy Forum</td>
<td>Qatar</td>
<td>China &amp; Italy</td>
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<td>2008</td>
<td>11th Intl. Energy Forum</td>
<td>Italy</td>
<td>India &amp; Mexico</td>
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</table>
2000 - Crown Prince Abdullah proposes establishment of a permanent Secretariat for the IEF.

2002 - The 8th IEF (Osaka) endorses the proposal.

2003 - The Secretariat begins operations.

2005 - King Abdullah of Saudi Arabia inaugurates the new HQ.
Three Pillars of Activity

- Support Host & Co-host Countries of IEF Ministerials.
- Facilitate & Enhance Transparency and the Exchange of Energy Data & Information.
- Provide Continuity & Platforms for Exchange of Policy Views.
The Joint Oil Data Initiative 1/2

- 7th IEF in Riyadh – November 2000
  - Ministers call for more transparency
- 1st JODI Conference – April 2001
  - Following call for more transparency, six organizations (APEC, Eurostat, IEA, OPEC, OLADE and UNSD) took up the challenge
  - They associated countries and oil companies in collecting monthly oil statistics
  - With the aim of improving transparency by releasing monthly oil data on global supply and demand
The Joint Oil Data Initiative 2/2

- 4th JODI Conference – October 2003
  - Focus on the Top 30 countries
  - Concentrate on three flows; production, stocks and demand

- 5th JODI Conference – October 2004
  - Decision to make the JODI World Database freely accessible to all

- 6th JODI Conference – November 2006
  - The JODI World Database: one year later
The IEFS and JODI

- Ministers at the 9th IEF Meeting in May 2004 voiced their support for the IEFS to assume a coordinating role in JODI
- Participants at the 5th JODI Conference reiterated their support to the IEFS to play a more active role in JODI
- January 2005, first inter-organizational JODI meeting hosted at the IEFS premises in Riyadh.
- The IEF Secretariat hosted the 6th JODI Conference in November 2006 in Riyadh, Saudi Arabia.
- JODI coordination is the flagship of Secretariat’s activities promoting data sharing and market transparency
Launch of the JODI World Database

- A Review Committee chaired by the IEFS was established to evaluate the quality of the data (Jan 2005)
- An independent oil analyst was hired to ensure the impartiality of the assessment (Apr-May 2005)
- A unique color cell feature with information on comparability of data with other sources was implemented (Sep 2005)
- Upgrade of the JODI website and re-launch under a new name: www.jodidata.org (Oct-Nov 2005)
What is the JODI Questionnaire?

A Simple Format (42 data points)

Choice of units left to organisations

Simple Definitions

Month -1 and Month -2

Country: ____________
Month: ____________
Unit: ____________

Crude Oil

Petroleum Products

- LPG
- Gasoline
- Kerosene
- Gas/Diesel Oil
- Fuel Oil
- Total Oil

Imports
Exports
Stocks
Refinery Intake

Closing
Change
Database Structure

- **5 dimensions:**
  - Flows: production, demand, refinery intake and output, and stocks.
  - Products: all JODI products.
  - Units: tons (kmt), litres (kL), Barrels (kbl and kb/d) and conversion factors.
  - Countries: all participating countries. Currently, data for more than 90 countries in the table.
Data Collection System

Country A1 -> Country A2
Country A2 -> Country A3
Country A3 -> Country B1
Country B1 -> Country B2
Country B2 -> Country C1
Country C1 -> Country C2
Country C2 -> Country D1
Country D1 -> Country D2
Country D2 -> Country D3
Country D3 -> Country E1
Country E1 -> Country E2
Country E2 -> Country F1
Country F1 -> Eurostat
Country F2 -> Eurostat
Some key features of the JODI World Database:

- Data available:
  - Production
  - Stocks
  - Consumption
  - Refinery Intake/Output

- 62-month time-series with monthly update from Internet

- All Participating Countries (with an option to select Top 30)
## Beyond 20/20

### Built-in graph function

You can move dimensions

You can merge dimensions
Demand for Total Products

62 month time series

January 2002 to February 2007
10th IEF in Doha, Qatar, April 2006

- Participation of 59 countries and 6 international organizations
- Preceding the Ministerial, 32 companies participate in the 2nd International Energy Business Forum (IEBF)
- Presentation to the Ministers and to the press of the latest progress on JODI
The Doha Call

Oil Companies

Countries

Organisations

The JCDI Database
Participation in JODI

| Country       | Algeria | Angola | Argentina | Australia | Belgium | Brazil | Canada | Chile | China | Chinese Taipei | Colombia | Croatia | Czech Republic | Denmark | Germany | Greece | Grenada | Guatemala | Hungary | Iceland | Indonesia | Ireland | Italy | Jamaica | Japan | Kazakhstan | Kenya | Korea | Luxembourg | Malaysia | Marino | Mongolia | Netherlands | New Zealand | Nicaragua | Nigeria | Norway | Oman | Panama | Papua New Guinea | Peru | Qatar | Russia | Singapore | Slovak Republic | Slovenia | South Africa | Spain | Sweden | Switzerland | Sweden | Togo | Turkey | Uganda | United Kingdom | United States | Uruguay | Venezuela | Vietnam | Yemen |
|---------------|---------|--------|-----------|-----------|---------|--------|--------|-------|-------|----------------|----------|---------|---------------|---------|---------|---------|---------|-----------|---------|--------|-----------|---------|-------|---------|-------|-------------|--------|-------|-----------|---------|-------|---------|--------|--------------|-----------|-------|-----------|-------|-------|

A lot of efforts remain to be done although situation improved for the top 30s (producers, consumers and stockholders).

Categories of participation, as of July-December 2005. Azerbaijan started its participation after July 2005, and therefore is not graded.
Like at the previous Forum in Amsterdam in 2004, JODI was once again in the spotlight

Ministers from both producing and consuming countries, underscored the importance of transparency and exchange of energy data for market predictability and stability

Ministers reaffirmed their commitment to providing timely and accurate data to JODI

And envisaged cooperation in expanding, in due course, the initiative to include data of other sources of energy
JODI Manual 1/2

- Preparation of a methodology manual.
  - Establishment of a JODI manual team
  - More information and explanations on the definitions and methodology requested for the JODI questionnaire
- Definitions of products and flows are the heart of the manual, however it also includes chapters on:
  - Data verification methods
  - Examples of practices from participating countries
  - The JODI questionnaire and database
The JODI manual is progressively translated into other languages than English: a Spanish version is available and a French version is under preparation.

The JODI manual is a living document and feedback is an essential element in the drive for progress.
JODI Training 1/3

- To help the participating countries to report better quality data in the JODI questionnaire
- It offers participants an opportunity to get clarifications about the definitions, data quality assessment and oil data issues
- To share their experience on data validation best practices or data collection issues
1st JODI Training in Caracas, Venezuela, for Latin-American countries on 14-18 August 2006

- Organized by OLADE, the IEFS, PDVSA and the Venezuelan government
- More than 30 participants from 14 countries (including major Latin-American producer/consumer countries like Brazil, Colombia, Mexico and Venezuela)
- Participation of the IMF
JODI Training 3/3

- **2\textsuperscript{nd} JODI Training**, for Sub-Saharan African countries followed in Johannesburg, South Africa, on 30 January - 2 February 2007
  - Organized by the IEFS, with the support of its JODI partners and the South African government
  - More than 30 participants from government and industry from six Sub-Saharan Countries
  - Inaugural address by the Minister of Minerals and Energy of South Africa

- **3\textsuperscript{rd} JODI Training**, for MENA countries will be organized late 2007. Prior to that, the IEFS also envisages a workshop for Caspian and Central Asian countries before summer 2007
Organized by the IEF Secretariat in cooperation with the JODI partners

- One year later (launch of the database)?

Objectives:

- To get a better understanding of how the database is perceived by users
- To identify actions to further improve data quality
- To get guidance for further extending the Initiative
Some 100 participants from more than 30 countries, 10 international organizations and 10 oil companies and institutions attended.

Inaugural address by HE Ali Al Naimi, Minister of Petroleum and Mineral Resources of Saudi Arabia.

Release of the JODI Manual (available for download on the JODI website).

JODI World Database now includes data for refinery intake and refinery output.
6th JODI Conference
Conclusion

- Participants have identified a list of prioritized actions to be taken to further improve data quality and extend the Initiative
  - To continue to improve completeness, timeliness and reliability of the data
  - To work more closely with a wider range of both data providers and users in order to improve the usefulness of the Initiative and the entire database
  - To extend the JODI questionnaire by disaggregating the existing flows and products
Promotion of JODI

- JODI side events
  - At the 14th Session of the UNCSD in New York – May 2006
  - At the ONS Conference in Stavanger – August 2006
- Regular JODI Newsletters
- JODI section of the IEFS Newsletter
- High political support at the G8 Summit in St. Petersburg in July 2006 and more recently at the 18th APEC Ministerial and G20 Meeting in November 2006
Importance of Oil Data Transparency to Oil Market Stability

- Oil is dominant in the world energy balance
  - Oil will remain the single most important fuel by 2030
- Oil is dominant in the international energy trade
  - International oil trade is expected to grow further due to reserves depletion in major consuming countries and increasing demand in emerging economies
- Oil is important for oil exporting economies
  - Oil exports provide a large part of the revenues of those countries
- Oil is important for importing countries
  - Oil price fluctuations have a significant impact on consuming country economies
Factors Affecting the Global Oil Market

- Production, consumption, inventories (fundamentals on physical markets)
- Lack of information on market fundamentals is a source of uncertainty for market actors who tend to assess flows and inventories in order to be able to take position in the oil market
- This open a window for speculation and speculators action is magnified when external development are affecting the oil market (forces of nature, geopolitical development in producing countries, etc)
Strategic Dimension of Oil

- Oil price movement has an impact on other energy prices too
- Consuming countries are concerned about security of supply
- Producing countries are concerned about security of demand
- However, security of demand and security of supply are two sides of the same coin
Why Accurate and Transparent Oil Data is crucial?

- A clearer picture of oil market fundamentals (supply, demand, stocks, etc) can help better understand drive behind movement prices
- To support sound decision making:
  - Reduce speculation and market volatility
  - Facilitate improved short-term market assessment
  - Facilitate optimal investment decisions
Achievements of JODI

- Helped raising political awareness of the importance of oil data transparency
- Helped establishing a free sound oil data collection system worldwide
- Improved attitude toward data confidentiality
- Created a momentum for more harmonization and cooperation
  - broader cooperation on data issues, joint workshops
- Strengthened producer-consumer dialogue
## JODI: a first step towards harmonisation

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<th>Agreement on</th>
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<td>Dissemination</td>
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Doha, 2 May 2007
IEF Secretariat
What is on the Agenda for the next months

- Improving timeliness, coverage and reliability
  - A call on countries to further improve their submissions (6th JODI Conference)
- Expanding the JODI questionnaire
  - Horizontally: more products (NGLs, …)
  - Vertically: more flows (stocks, trade, …)
- Improving the speed for accessing the database
- Refreshing the whole JODI website
Conclusion

- JODI is a concrete outcome of what the producer - consumer dialogue can accomplish
- Launch of the JODI database is a starting point towards full data transparency
- Transparency will not happen overnight but we are confident that if we – organizations, countries, industry, analysts – all work together, we will improve data transparency