

# **Opening Remarks**

**Senator the Honourable Franklin Khan  
Minister of Energy and Energy Industries  
at the  
Trinidad and Tobago Gas Symposium**

November 13, 2018

Port of Spain, Trinidad

It is my pleasure as Host and Current President of the GECF to bring welcome remarks to this Gas Symposium, which is being held on the sidelines of the 20<sup>th</sup> Ministerial Meeting of the Gas Exporting Countries Forum (GECF). This is the second occasion that we in Trinidad and Tobago are privileged to host a GECF Ministerial Meeting, as the 5<sup>th</sup> Ministerial Meeting was held in Port of Spain, Trinidad in April 2005.

I would like to welcome all first time visitors to Trinidad and Tobago. I hope you find some time in your packed schedule to see some more of our beautiful country. It has now become customary to host energy and gas conferences alongside Ministerial Meetings of the GECF. Last year's 19<sup>th</sup> Ministerial Meeting in Moscow, Russia coincided with Russia's Energy Week, and we were privileged to have been addressed by His Excellency Mr. Vladimir Putin, the President of the Russian Federation. Today, the same privilege is being offered to us as the keynote address will be delivered by the Prime Minister of Trinidad and Tobago, and our Head of Government, the Honourable Dr. Keith Christopher Rowley.

As you are aware, the petroleum industry of Trinidad and Tobago (T&T) has had a long history dating as far back as one hundred and ten (110) years. During our time in the industry, we have forged many relationships and joined prestigious organizations such as the GECF. The GECF is an internationally recognized organization, comprising of the world's leading natural gas producers and exporters. The GECF was formed to increase coordination and to strengthen collaboration among member countries, with the aim of supporting the sovereign rights of the member countries over their natural gas resources. The GECF also seeks to promote dialogue between member countries.

Currently, there are twelve (12) member countries: Algeria, Bolivia, Egypt, Equatorial Guinea, Iran, Libya, Nigeria, Qatar, the Russian Federation, Trinidad and Tobago, United Arab Emirates and Venezuela, all of whom are represented here today. I specially, welcome all GECF representatives. There are also seven (7) observer countries: Azerbaijan, Iraq, Kazakhstan, Netherlands, Norway, Oman and Peru. Together, GECF members control 70% of the world's natural gas reserves, 45% of natural gas production, 64% of pipeline gas exports, and 54% of LNG trade, according to the GECF Secretariat, as of 2017.

Ladies and Gentlemen, the theme of this year's symposium "Energy Security and Natural Gas" is most appropriate and is aligned with the GECF Long Term Strategy (LTS) goals adopted by the 18<sup>th</sup> Ministerial Meeting in Doha, Qatar in November 2016 and refined at the 2017 Executive Board Meeting in Moscow, Russia. The challenge of sustainable development of the natural gas sector in this era of economic, political, climate and social uncertainties and the need for greater cooperation amongst member states has been recognized by all of us. The drive for greater cooperation and cohesion must be a priority, particularly when dealing with such a dynamic industry.

Traditionally, the gas export industry has been based on pipeline gas. However, the advent of LNG has opened up the market and allowed for movement into areas that traditionally could not access natural gas. Over the last two (2) decades, gas fundamentals have also changed significantly, as going into the LNG business at that time was not possible without long-term deals and fixed contracts. Today, however, LNG is traded on the spot market and marketed through short-term arrangements.

This change has attracted more traders to the market as LNG can now be traded like other commodities. We have seen more frequent LNG cargo diversions as traders try to take advantage of favourable arbitrage conditions. Traders now have a growing influence on the natural gas value chain, to the extent that they are able to circumvent regular operating procedures that would have allowed for equitable profit sharing in the past.

T&T's gas development strategy has long echoed the objective of developing projects that maximize the gas sector by deepening our participation further along the gas value chain. The Government continues to see this as a main thrust in the creation and expansion of the small and medium sized manufacturing enterprises and the development of niche sectors that employ highly skilled workers with increasing skills set and competencies.

Like most petroleum producing nations, the recent market volatility has affected us, yet we still see the sector playing a central role in the diversification of our local economy. Our CARICOM neighbours can attest to our role in regional energy integration particularly in bridging the gap with our neighbours who are heavily dependent on imported energy products. The development of CARICOM's Energy Policy is testament to the region's willingness to collaborate to achieve greater policy cohesion for sustainable development.

Today there will two panel discussions. Panel One, which consists of esteemed Ministers from GECF Member Countries, will discuss "Natural Gas and Long Term Security". Our second panel consists of industry experts who will be looking at "The Role of Natural Gas in Energy Policies of Latin America and the Caribbean". I look forward to a healthy exchange of ideas that may be used to chart the way forward

for the continued sustainable development of the sector and by extension our countries.

May I take this opportunity to thank the Honourable Prime Minister Dr Keith Christopher Rowley for accepting the invitation to be the keynote speaker of this Symposium. His passion for the energy sector is well known to all of us, and we look forward to his presentation.

Ladies and Gentlemen, as I close, I wish you a productive session and once again welcome you to Trinidad and Tobago.