

*Your excellencies, ladies and gentlemen,*

When I was asked to co-chair today's session I only needed a split-second to accept the invitation. The theme '*NOC-IOC cooperation: guidelines for successful partnerships*' fits me very well. In a minute, I'll explain why.

Let me start with commenting on the concluding remark of Per Rune: *The success regarding Statoil does not hold all the answers for successful partnership in today's world*. I fully agree. A one-fits-all approach does not work in the global energy business. Nevertheless, there is something that characterizes all good partnerships. I believe it is *mutual trust* and *fairness*. If two or more parties know that they can rely on each other, even in the hardest times, that under all circumstances they are committed to find a solution for whatever issue that may be on the table, they will succeed.

Does the global energy industry still need successful NOC-IOC partnerships? I am sure it does. Let me briefly elaborate on that. As you know, the world is finding increasing difficulties in acquiring new oil and natural gas reserves. This new reality is translated into low reserve replacement ratios. So NOCs and IOCs face the same giant challenge: producing more and more energy whilst the investments and technology challenges that are needed to explore and extract energy resources are greater than ever. And although NOCs have increased their financial muscle considerably in the past decades, they still need capital and innovative technology to – so to speak – 'get the stuff to the market'. The ones who can provide the extra money and new technology, the IOC's, are most willing to provide these – after all, it is their *raison d'être* – but in each individual case they need to be sure that the partnership is based on reliability and respect for each other's fundamental interest. In the case of the IOCs this means primarily that they can put their stake in the reserves on the balance sheet and that they will get a fair share of the proceeds.

The same is true of course for the NOCs. They serve their country's rightful interests. Private companies that do not understand that should find themselves another occupation. If there is any.

Co-operation, I'd like to stress, requires more than pooling economic interests and sharing technology, it requires *skills* which means talented and motivated people. How will our industry be able to recruit the right human resources and how can we contribute to the education and training of young talents? The answer is, again, cooperation. In this case cooperation of general universities, universities of applied sciences and schools that provide vocational training. In that context, we've started with a unique and promising initiative in the north of the Netherlands, where my company

GasTerra is located. It is the *Energy Academy Europe*. This institution brings together under one roof all locally available energy education and energy research . The University of Groningen, the Hanze University of Applied Sciences and the Energy College, which specializes in technical training, have joined forces to bring this about. International students are invited to study there and participate in research programs. Local and national authorities support the initiative.

I believe that the Energy Academy Europe is a good example of what our industry needs: a coordinated effort to train young professionals who will determine our energy future.

Back to NOC-IOC partnerships. I told you that the theme of today fits me very well . The reason is that my company and country, the Netherlands, have over 50 years experience with producing, supplying and trading natural gas in a 50/50 public-private partnership. Both the state and the private investors involved, ExxonMobil and Shell, have benefited considerably from this construction. The key success factors were and are, indeed, reliability and fairness. The parties know that they can trust each other. This trust is rooted in the fact that they *respect* each other's interests, *know* that each stakeholder is entitled to a fair piece of the cake and are willing to *compromise* on every important issue they might face, also in hard times.

Is this model applicable in other countries, specifically in areas with huge reserves but small markets? I am convinced it is. Of course, I agree with Per Rune that a single approach doesn't fit all. But whatever model is chosen, public-private partnership will provide parties with state-of-the-art, safe and reliable upstream operations, high returns on investment and for the countries involved an opportunity to invest in the future wealth and wellbeing of their local communities. Finally, it helps the world to meet one of the largest challenges it faces today: how to provide an ever growing and wealthier population with the energy it needs.

*Thank you.*