

Oil for Development

www.norad.no/ofd
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Petter Nore



Supply

- ◆ Rapidly growing African supply of oil and gas
 - ⊙ 3.5 mbd in 2005 , 5,5, mbd in 2015
 - ⊙ Many new petroleum producing countries
- ◆ Further upside
 - ⊙ Undiscovered 100 bn bbls\Middle East 250 bn bbls
 - ⊙ New actors?
 - ⊙ Gas\LNG
- ◆ Strategic issues\security of supply (25 % of US imports from Africa)

Demand

- ◆ Rapid expected growth p.a. until 2030: 2,4% p.a.
- ◆ 76 % of all Africans (575Mill) use charcoal\agric. waste\animal dung. High human and environmental costs
- ◆ High potential demand for
 - Electricity
 - LPG

Income

- ◆ 3,5 mbd equals approx 100 bn USD\yr
 - ⊙ Average government take 65%
 - ⊙ High figure compared to total foreign aid
- ◆ 20 times Norwegian aid budget

Questions

- ◆ The link "Energy abundance\Access to energy"
 - ⊙ Follow the money
 - ⊙ Follow the molecules
 - ◆ How much earmarked for domestic use?
- ◆ Why not more gas for power?
 - ⊙ WB policies\internal policies
 - ⊙ Gas flaring
- ◆ Pricing?\subsidies

Questions, cntd.

- ◆ Overall supply to be increased further?
- ◆ Relationship security of supply and good domestic governance\policies