

Riyadh Declaration

The Third Summit of Heads of State and Government of OPEC Member Countries

Riyadh, Kingdom of Saudi Arabia

17–18 November 2007

We, the Heads of State and Government of Member Countries of the Organization of the Petroleum Exporting Countries (OPEC), continuing in the spirit of our First and Second Summits held in Algiers and Caracas in 1975 and 2000, respectively, have accepted the invitation extended by the Custodian of the Two Holy Mosques, King Abdullah Bin Abdulaziz, to meet for our Third Summit in Riyadh, the Kingdom of Saudi Arabia, from 17 to 18 November 2007.

Reaffirming the inalienable and permanent sovereign rights of our Countries over their natural resources;

Cognizant of our Countries' commitments to conserve, efficiently manage and prolong the exploitation of their exhaustible petroleum resources, in order to promote the sustainable development and the welfare of our future generations;

Recognizing our obligation to develop our Countries and raise the living standards of our peoples;

And emphasizing the role of our Organization and its contribution to global energy market stability and economic prosperity;

Have agreed to the following principles to guide our Organization and Member Countries' economic, energy and environmental endeavours, within the following three themes:

- Stability of global energy markets
- Energy for sustainable development
- Energy and environment

Stability of Global Energy Markets

We recognize the importance of reliable, affordable and competitive energy supplies in ensuring global prosperity and the role of petroleum in world energy consumption. We also recognize the leading role of our Organization

in meeting growing global energy needs, including those of developing economies, and our Organization's mission of securing the efficient, economic and regular supply of petroleum to consumers, with a steady and reasonable income to the petroleum resource-owning producers and a fair return on capital to those investing in the petroleum industry.

Globalization has expanded international trade and accelerated economic growth. It has also improved communications, interconnected financial markets, advanced technology and increased mobility. As a result, the world's energy trade has expanded and is projected to continue to be driven by global economic and energy demand growth. While globalization provides opportunities, it poses many challenges, such as income inequality, recurring market volatility and underlying uncertainties.

The central role that petroleum plays in the economies of our Countries, as well as the world, makes petroleum market stability essential, not only for resource conservation, but also to our economic and social development. Moreover, the role of energy, especially petroleum, in the economies of the consuming countries makes energy security essential for their sustained economic growth. While we endeavour to diversify our economies and improve the living standards of our peoples, we recognize that, with globalization, the economies of the world, as well as markets, including energy markets, are integrated and interdependent.

Our Organization is well-positioned to continue to meet a substantial share of the global petroleum need, and, while acknowledging the challenges of globalization and changing world energy market dynamics, we resolve to:

1. Reaffirm our commitment to the principles and objectives, as stated in the Organization's Statute, Algiers and Caracas Solemn Declarations of our Summits in 1975 and 2000, as well as the Long-Term Strategy of our Organization.
2. Continue providing adequate, timely, efficient, economic and reliable petroleum supplies to world markets.
3. Work with all parties to achieve balanced energy markets and stable and competitive petroleum prices.
4. Emphasize the importance of global peace in enhancing energy investment and market stability and predictability.
5. Undertake the necessary investments to increase upstream and downstream capacities in our Member Countries, and, at the same time, urge consuming nations to provide the environment conducive to petroleum investments in their countries.
6. Underscore the interrelationships between global security of petroleum supply and the security and predictability of demand.

7. Urge all parties to find ways and means to enhance the efficiency of financial petroleum markets with the aim of reducing short term price volatility that is harmful to producers and consumers.
8. Promote efficiency and sustainability of the production and consumption of petroleum resources, while recognizing the roles of technology and innovation.
9. Continue the process of coordination and consultation with other petroleum-exporting countries, in the interests of all petroleum producers.
10. Strengthen and broaden the dialogue between energy producers and consumers through the International Energy Forum and other international and regional fora, for the benefit of all, and note successful dialogues between OPEC, the European Union, the People's Republic of China, the Russian Federation, the International Energy Agency and others.
11. Reiterate that measures or legislation undermining the spirit of producer-consumer cooperation would jeopardize market stability and energy security.
12. Encourage cooperation and exchanges in the fields of technology and human resource development, among petroleum industries in OPEC Member Countries and with other stakeholders, to promote efficiency, innovation, governance and international best practices.
13. Urge consuming governments to adopt transparent, non-discriminatory and predictable trade, fiscal, environmental and energy policies and promote free access to markets and financial resources.
14. Work with other governments, international organizations and the international business community to facilitate investment in, and the transfer of technology to, our Member Countries, in order to diversify our economies and achieve social progress and sustainable development.

Energy for Sustainable Development

We recognize that energy is essential for poverty eradication, sustainable development and the achievement of the Millennium Development Goals and the Johannesburg Plan of Implementation. The world community has agreed, through different international initiatives, that access to reliable, affordable, economically viable, socially acceptable and environmentally sound energy services is crucial, particularly for developing countries. We associate our Countries with all global efforts aimed at bridging the development gap, making energy accessible to the world's poor, while protecting the environment.

Addressing the economic, social and environmental pillars of sustainable development requires a comprehensive approach to international trade, finance, energy and technology issues. Reaffirming the principle of sovereignty, it is important to continue working towards an early conclusion of the development-oriented Doha Round of trade negotiations, as well as mobilizing development assistance and foreign direct investment to developing countries. It is equally important, in this regard, to ensure that investment and trade policies are fair and structured to promote and facilitate technology transfer to developing countries on affordable and cost-effective terms, especially of environmentally-sound technologies.

The Member Countries of our Organization, while joining the international community in the efforts to achieve the Millennium Development Goals, take the interests of fellow developing countries into full account in our petroleum production and investment decisions, as well as our development assistance programmes and initiatives. It was during our First Summit in Algiers that the OPEC Fund for International Development was established to provide development assistance to developing countries. Our Member Countries, acknowledging the strong interrelationships between energy and development and the potential for their enhancement to achieve sustainable development, resolve to:

1. Emphasize that eradicating poverty should be the first and overriding global priority guiding local, regional and international efforts.
2. Continue working with the international community towards the advancement of the interdependent and mutually supportive pillars of sustainable development, namely economic development, social progress and environmental protection.
3. Highlight the importance for the global community to achieve its development goals, including those contained in Agenda 21, the United Nations Millennium Development Goals, the Johannesburg Plan of Implementation, the Monterrey Consensus and the New Partnership for African Development (NEPAD) initiative.
4. Urge developed countries to facilitate access to modern technologies by developing countries, that are reliable, affordable, economically viable, socially acceptable and environmentally sound.
5. Reaffirm OPEC's continued commitment to development assistance through the OPEC Fund for International Development (OFID) and its Member Countries' bilateral, regional and multilateral development assistance channels.
6. Continue to align the programmes of our aid institutions, including those of the OPEC Fund for International Development, with the objective of achieving sustainable development and the eradication of energy poverty in the developing countries, and study ways and

means of enhancing this endeavour, in association with the energy industry and other financial institutions.

7. Instruct our Petroleum/Energy and Finance Ministers to study ways and means of enhancing financial cooperation among OPEC Member Countries, including proposals by some of the Heads of State and Government in their statements to the Summit.

Energy and Environment

The process of production and consumption of energy resources poses different local, regional and global environmental challenges. Human ingenuity and technological development have long played pivotal roles in addressing such challenges and providing the world with clean, affordable and competitive petroleum resources for global prosperity.

Producers of petroleum are called upon to continue their central role in providing the world with its present and future energy needs, while addressing, along with the international community, global environmental concerns associated with their use.

We share the international community's concern that climate change is a long-term challenge, and recognize the interrelationships between addressing such concerns on the one hand, and ensuring secure and stable petroleum supplies to support global economic growth and development on the other. While addressing global environmental concerns, such as climate change, it is important to emphasize the roles of governments, as well as those of innovation, markets and technological development, in any local and global undertaking.

In the run-up to the 13th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) and the Third Meeting of the Parties to the Kyoto Protocol, in our Member Country, Indonesia — and beyond — we continue to collaborate with the international community in addressing the issues and challenges in a comprehensive, equitable and effective manner. Our Member Countries, acknowledging the interrelationships between energy production and consumption, environmental protection and preservation and economic growth and social development, resolve to:

1. Continue our Member Countries' response to global environmental challenges and support international efforts to address these issues in the most cost-effective manner.
2. Promote collaboration in research and development in the petroleum field among OPEC science and technology centres, as well as collaboration with other international centres and the industry, with the

- objective of increasing the petroleum resource base, producing it more efficiently and continue introducing cleaner fuels.
3. Acknowledge that forests play a crucial role in maintaining ecological balance, as sinks, sources and reservoirs of greenhouse gases. In this regard, we are committed to the promotion of the management, conservation and sustainable development of all types of forest. To this end, global cooperation is needed to intensify collective international efforts in this field.
 4. Reaffirm the core principle of common but differentiated responsibilities and respective capabilities, in addressing climate change policies and measures, including the implementation of United Nations Framework Convention on Climate Change and the Kyoto Protocol.
 5. Ensure that all policies and measures developed to address climate change concerns are both balanced and comprehensive, taking into account their impact on developing countries, including countries heavily dependent on the production and export of fossil fuels.
 6. Emphasize the importance of a comprehensive approach to climate change that addresses all contributing greenhouse gases, their sources, sectors and sinks, and benefits from the relevant Kyoto Protocol mechanism.
 7. Stress the importance of cleaner and more efficient petroleum technologies for the protection of the local, regional and global environment, and the importance of expediting the development of technologies that address climate change, such as carbon capture and storage.
