

On March 29, 2018, Prof. Rouben Indjikian was a keynote speaker in Moscow at an international scientific seminar "World Energy: Current Trends and Prospects. Prospects for cooperation between Russia and OPEC", organized by the Center for Energy Studies of IMEMO (Institute of World Economy and International Relations) and the Department of World Economy and International Energy Policy, Faculty of International Energy Business of the Gubkin University of Oil and Gas. The seminar was well attended by mainly students, professors and researchers from leading Russian universities, business schools and research centers, specializing on energy.

The event was moderated by its organizer Dr. Stanislav Zhukov, the head of above IMEMO Center and Gubkin University Department, while Dr. Tatiana Mitrova, Head of Division of the Institute of Energy Research Institute, Director of Skolkovo Center on Energy Policy and Fellow of Columbia University Center on Energy Policy, was the discussant.

In his keynote Prof. Indjikian stressed the importance of energy sector in the world economy and its role in "fueling" all industrial revolutions, as well as key characteristics of energy markets with their instability and price volatility, in particular due to the nature of fundamentals, ie low short term price elasticity of supply and demand. At the same time he highlighted the virtues of commodities as a good collateral enabling transactional financing of international trade in energy. He also introduced main findings of energy outlooks till the mid-century and discussed problems of coupling of economic and population growth with more sustainable use of energy, and addressed the issues of energy policies, including the regulations of the futures markets and commodity finance.

In particular, he suggested that as fossil fuels will still be important part of future energy consumption it would be necessary to find more sustainable methods energy production, transportation and consumption in order to achieve economic growth with lower per capita consumption of energy while at the same time ensuring access to modern energy to those who are still deprived from it.

Indjikian addressed the price regimes and formation in oil and other energy markets stressing the importance futures markets and the influence of OPEC and non-OPEC cooperation in global oil supply management on those markets. He also stressed the longer term impact of regulations and policies on market developments and categorized the main future energy trends under the following headings: electrification, digitization, decentralization, deintensification and decarbonization.

Finally Prof. Indjikian announced that Webster University Geneva will hold in cooperation with BP and Geneva based oil companies its second annual seminar on the state and future of energy on 19 June, 2018. The program and background note will be posted shortly.

Dr. Mitrova, while mainly endorsing the approaches of keynote speaker, stressed the complexity of investment decisions due to further structural changes in energy production and, in particular, the emergence of shale oil and gas producers that are able to be more flexible to adapt to price signals in shorter term by their more agile technological innovation and investments.

Dr. Zhukov while concluding drew the attention of the audience to the weakening of OPEC due to adverse developments in some of its member countries and thus necessity for them actively engage in cooperation with non-OPEC oil exporters in order to influence supply and thus prices.

The presentation of Prof. Indjikian in English containing a slide in Russian can be found at the following IMEMO webpage: https://www.imemo.ru/index.php?page_id=502&id=3964&p=14

The presentation in English can be downloaded here:
<http://www.webster.ch/news/2018/files/indjikianpresentation.pdf>