



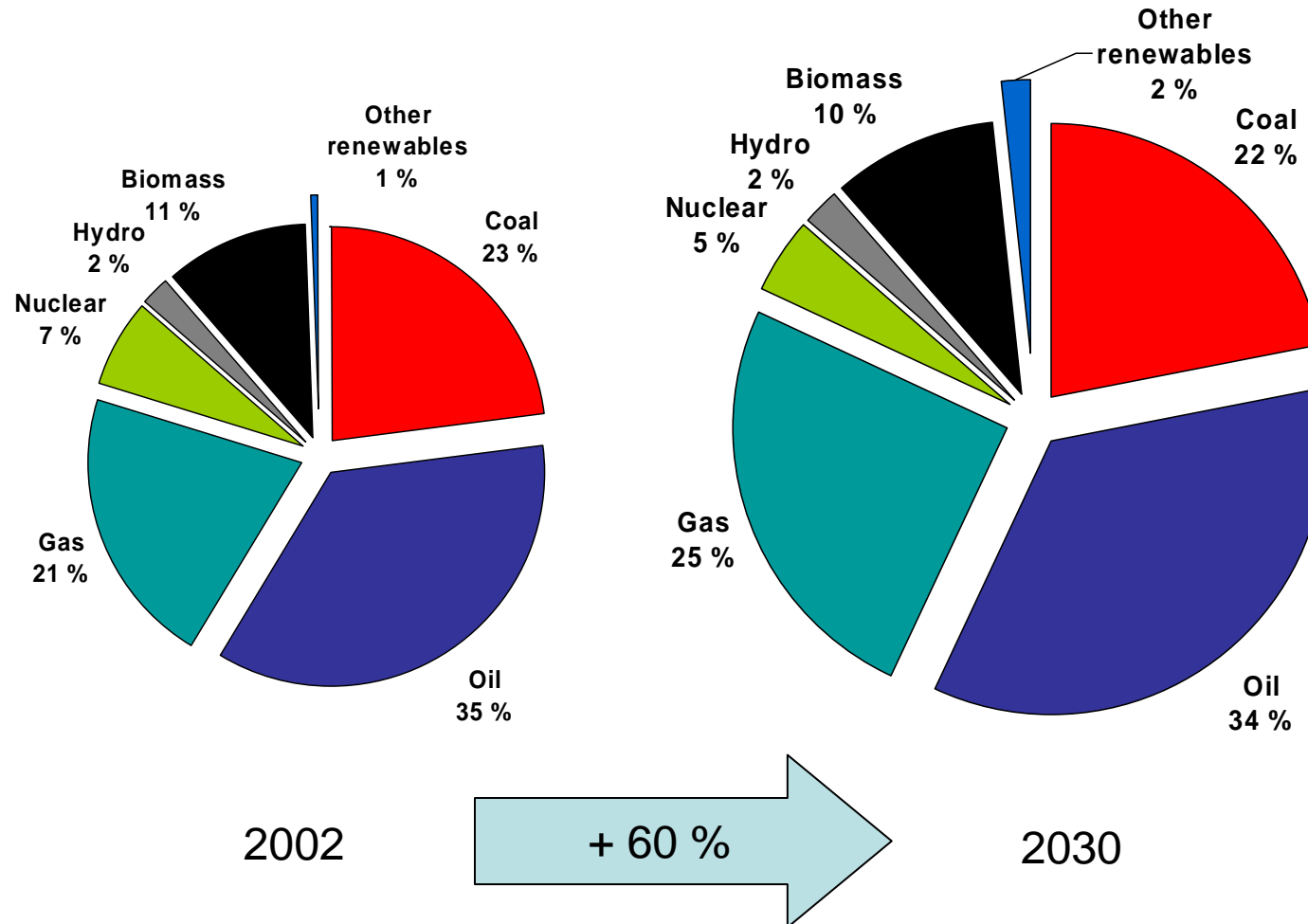
OLJE- OG ENERGIDEPARTEMENTET

Norwegian Petroleum Policies

**State Secretary
Anita Utseth**

The 16th International Petroleum Tax Conference
Hotel Bristol, Oslo 03.11.2005

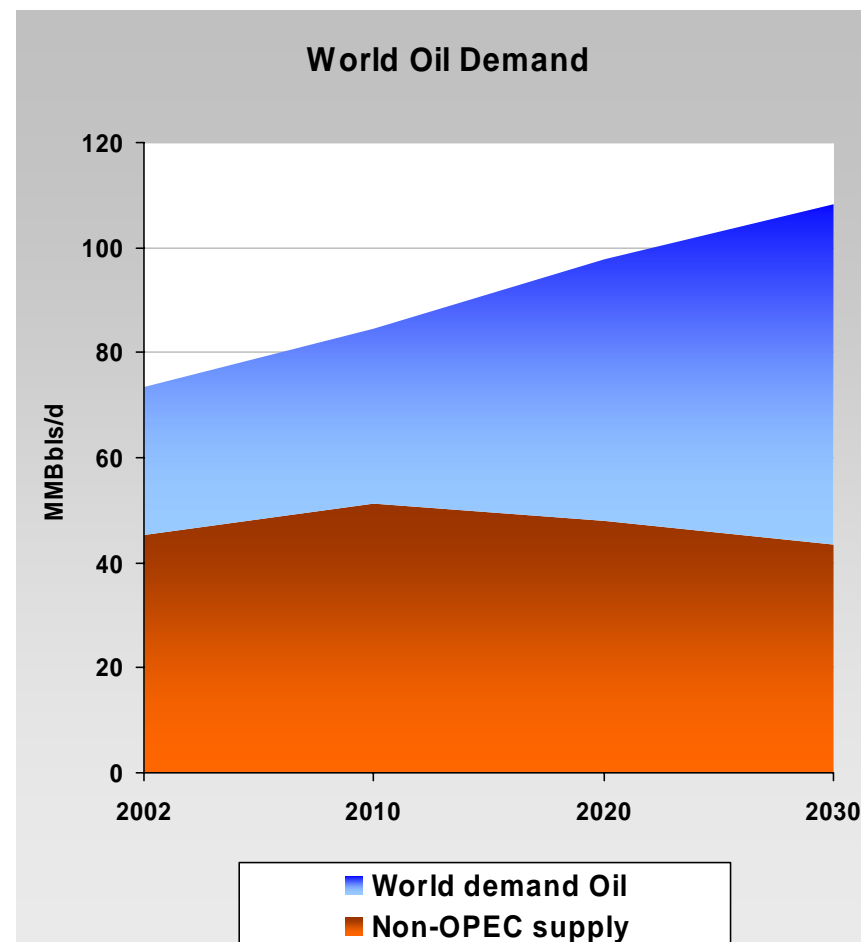
Global energy demand 2002-2030



Source: The International Energy Agency

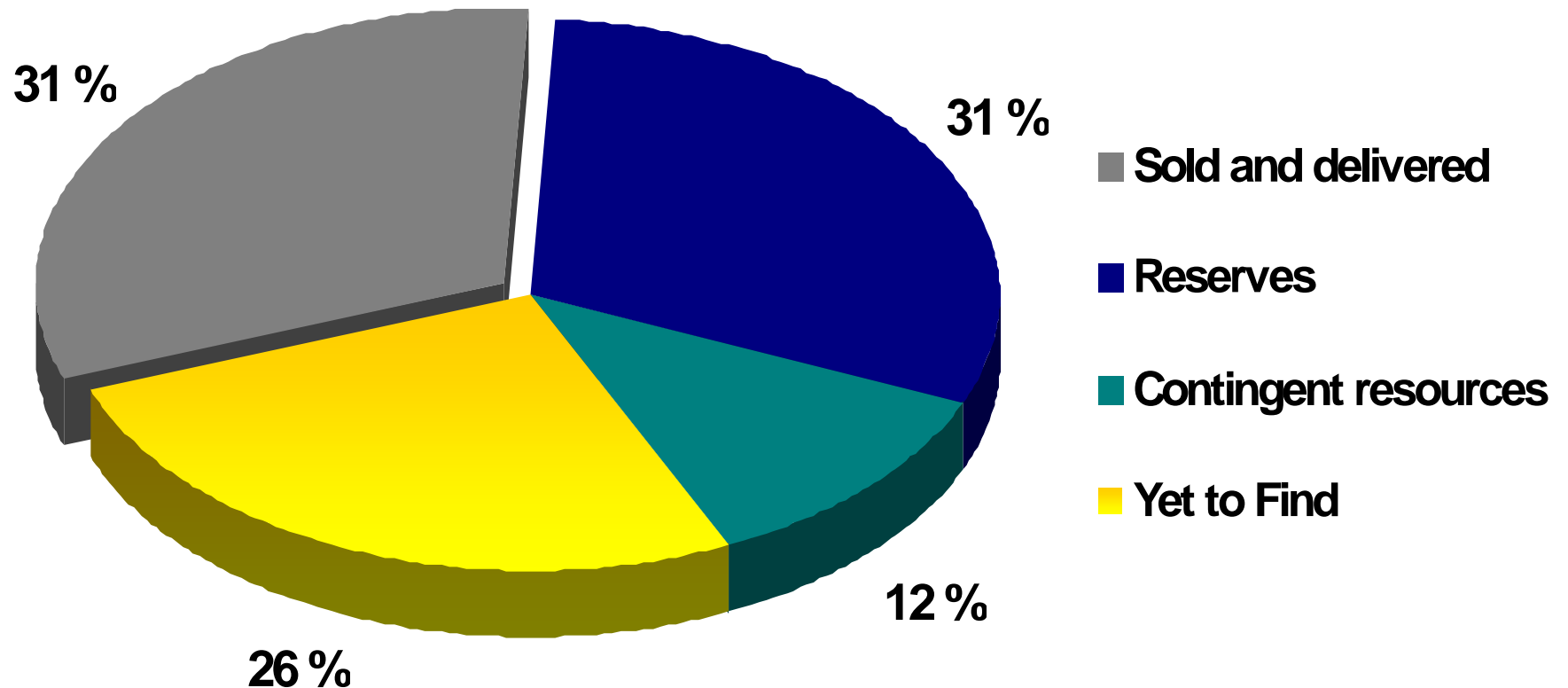
Oil Market

- Oil demand is expected to grow relatively fast, particularly in countries like China and India
- Growth in the transportation sector. No realistic alternatives to oil in the foreseeable future.
- OPEC will have to supply most of the new capacity.
- E&P costs \uparrow , large discoveries \downarrow and production \downarrow in major producing provinces outside OPEC
- Reasonably high oil and gas prices are necessary to stimulate non-OPEC supply



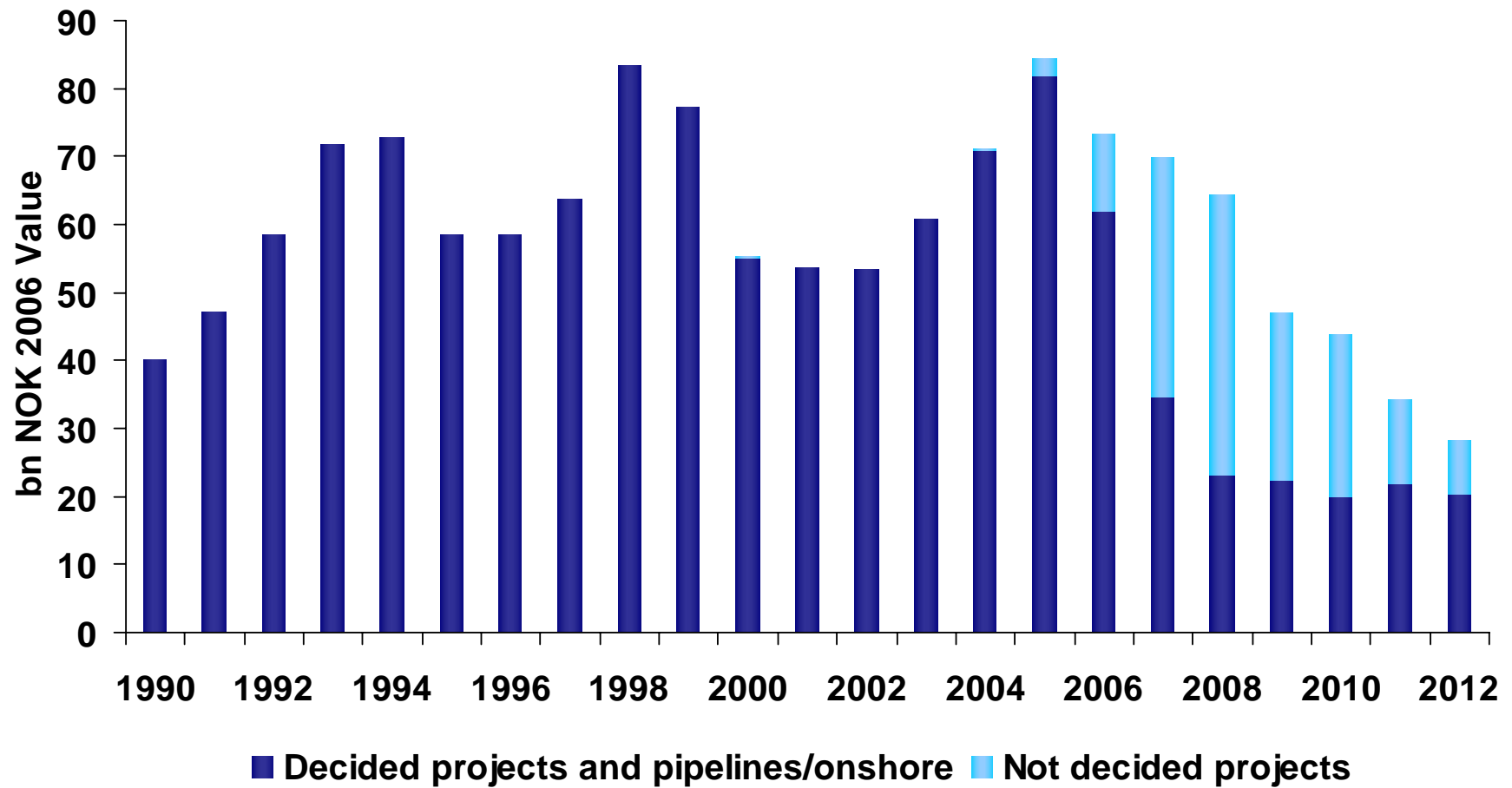
Source:IEA 2004

Petroleum resources on the NCS 12.9 bill Scm o.e.



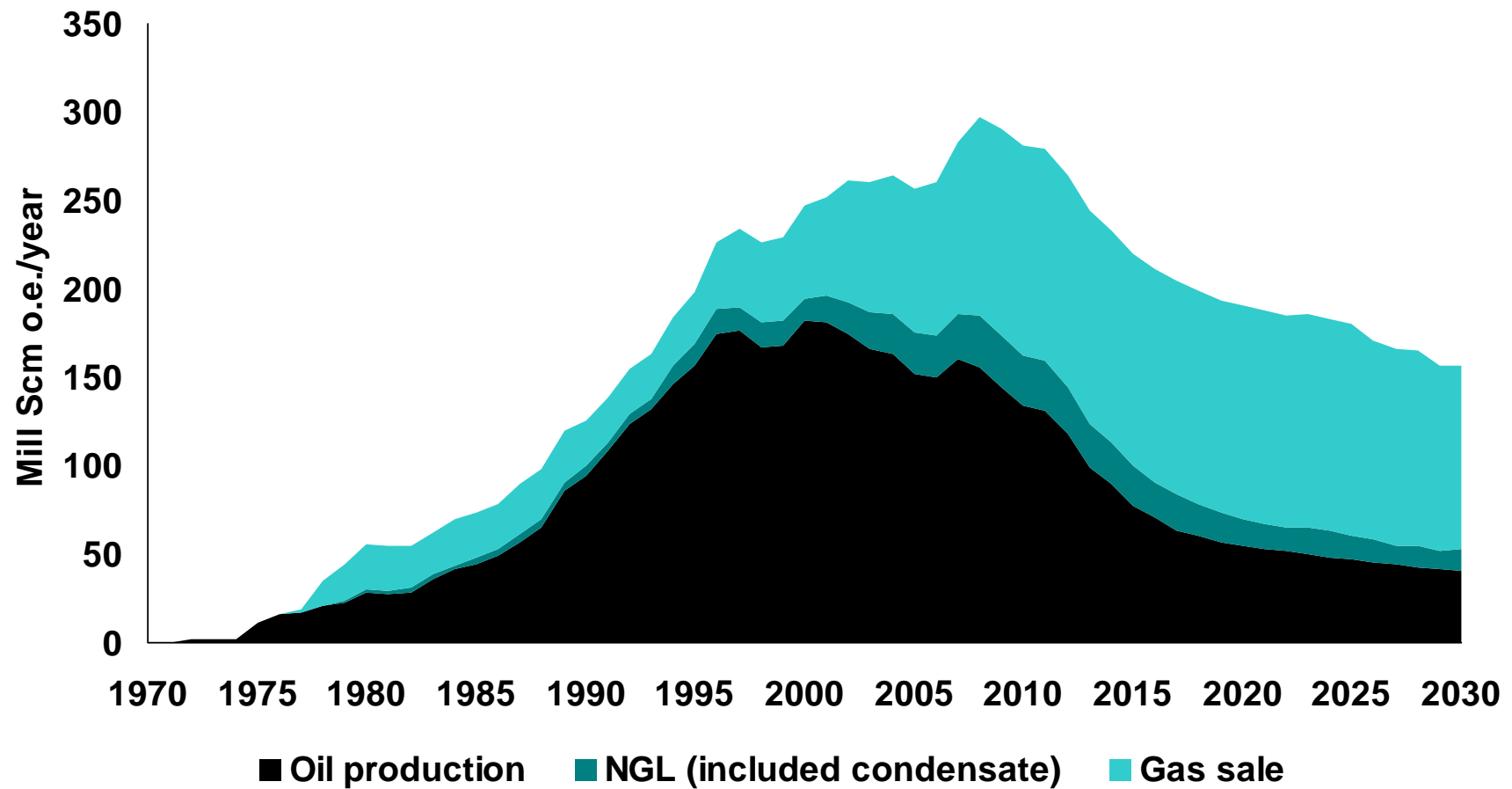
Source: MPE/NPD RNB 2005

Investments* on the NCS



*Investments in exploration not included
Source: MPE/NPD NB 2006

Total petroleum production



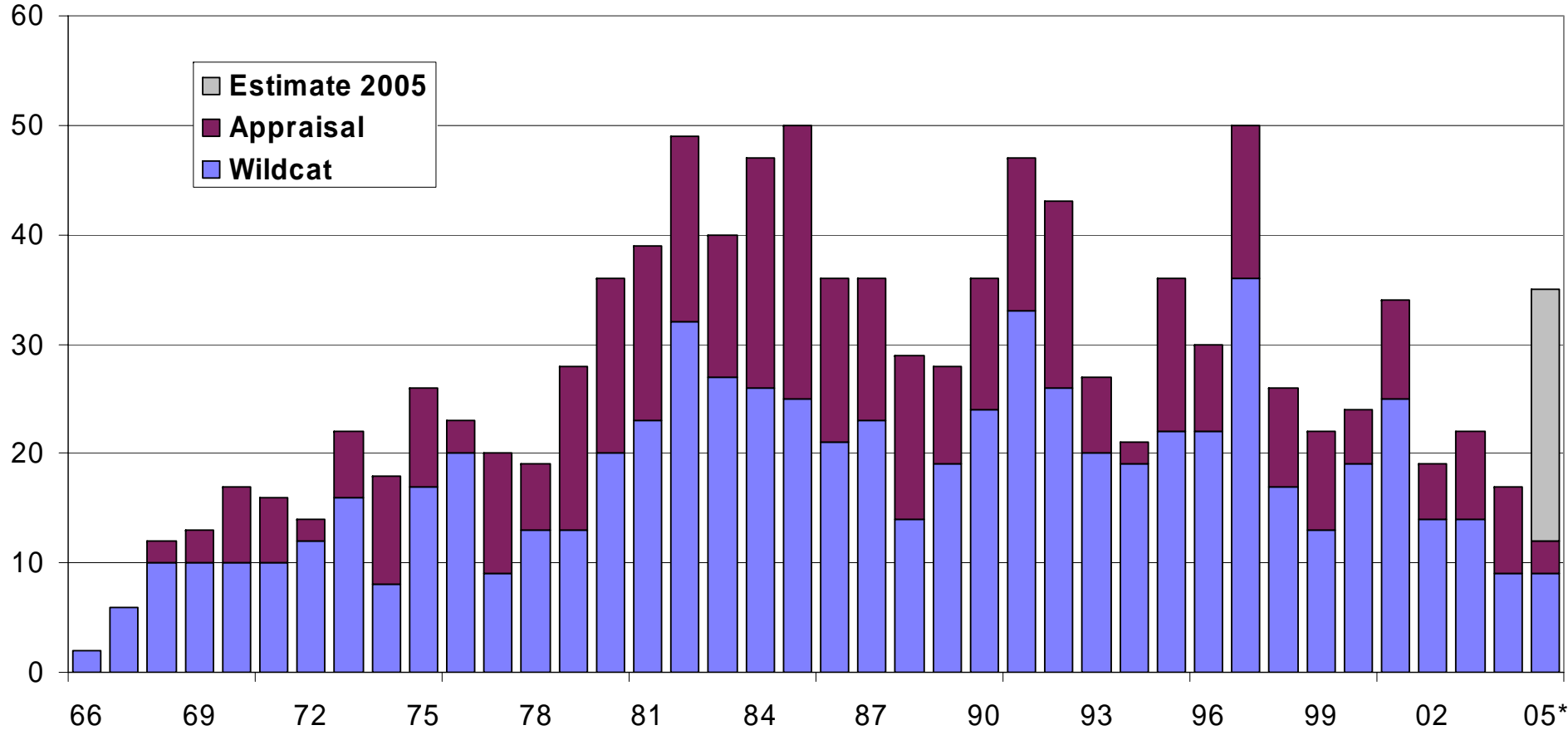
Source: MPE/NPD NB 2006

A vital, safe and stable industry

- A stable activity level
- World leading in technology and environmental issues
- A diverse set of companies with different skills and ideas
- Export Norwegian expertise to other petroleum provinces
- World class HSE standards



Activity level - Exploration



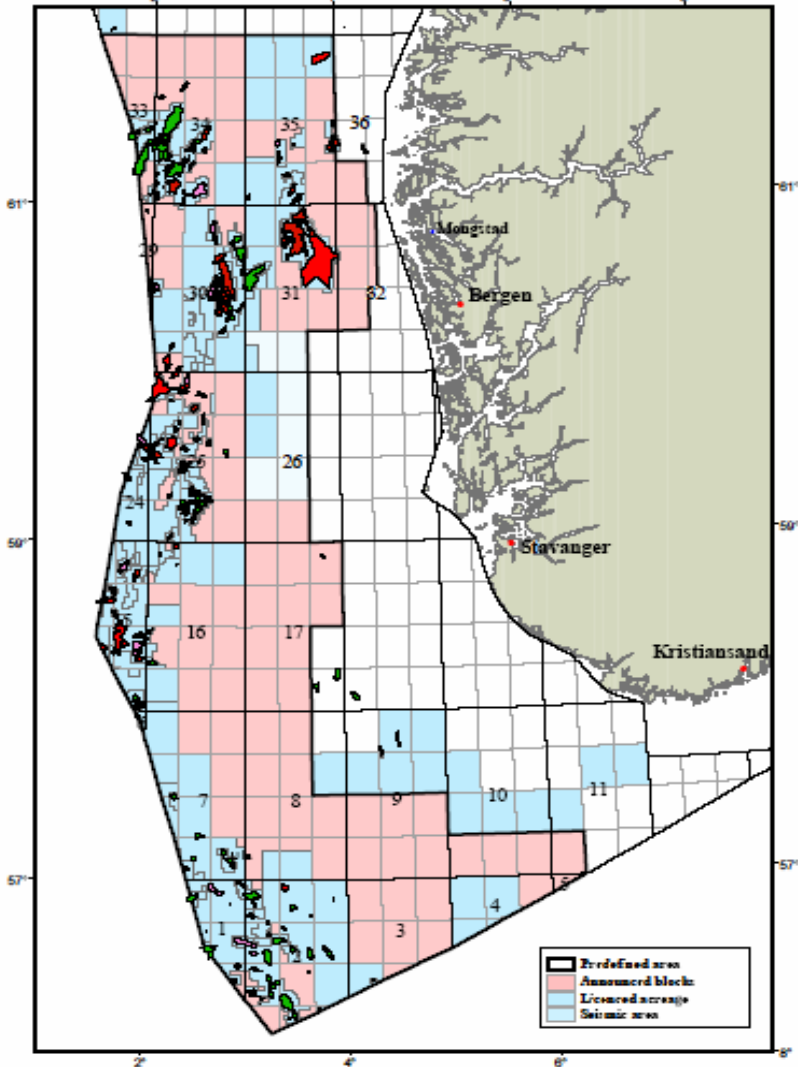
*until Oct 27

Activity level - Licensing



Ministry of

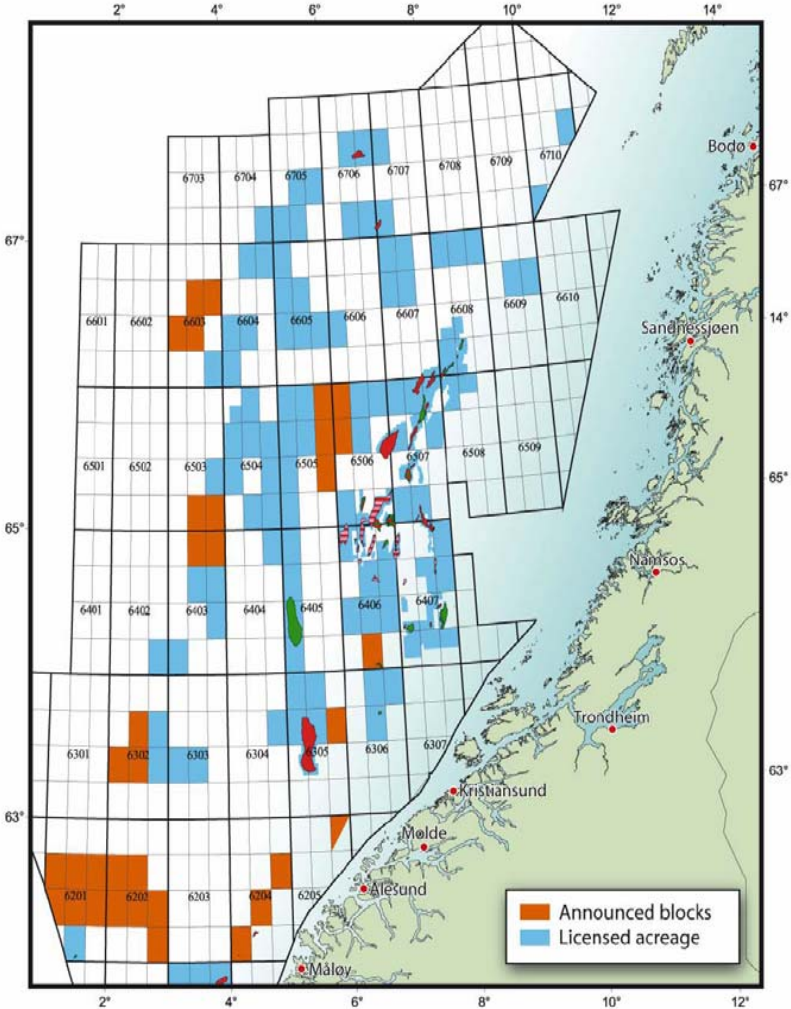
Awards in Predefined Areas - announcement North Sea 2005



19 Licensing Round



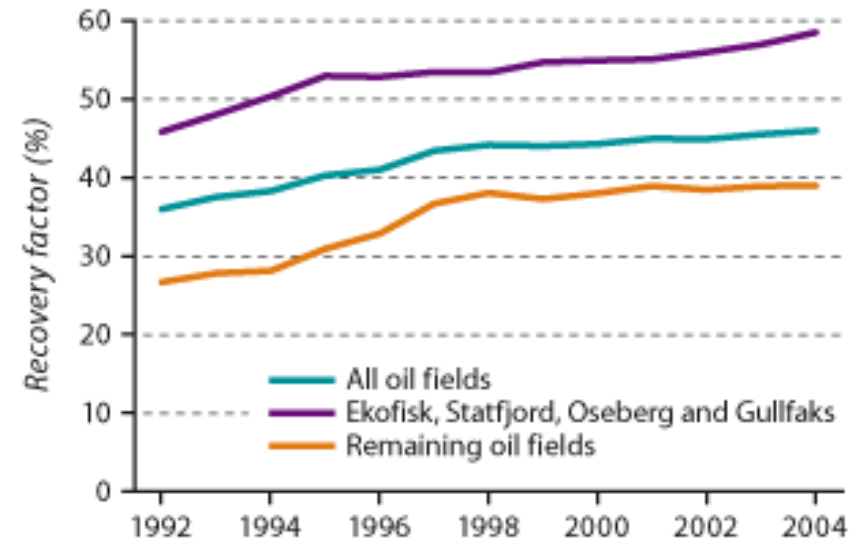
Announced blocks in the Norwegian Sea



www.npd.no

Increased Oil Recovery (IOR)

- Five billion barrels of extra oil reserves before 2015
- Research, development and demonstration
- Possibilities of using CO₂ for IOR purposes.

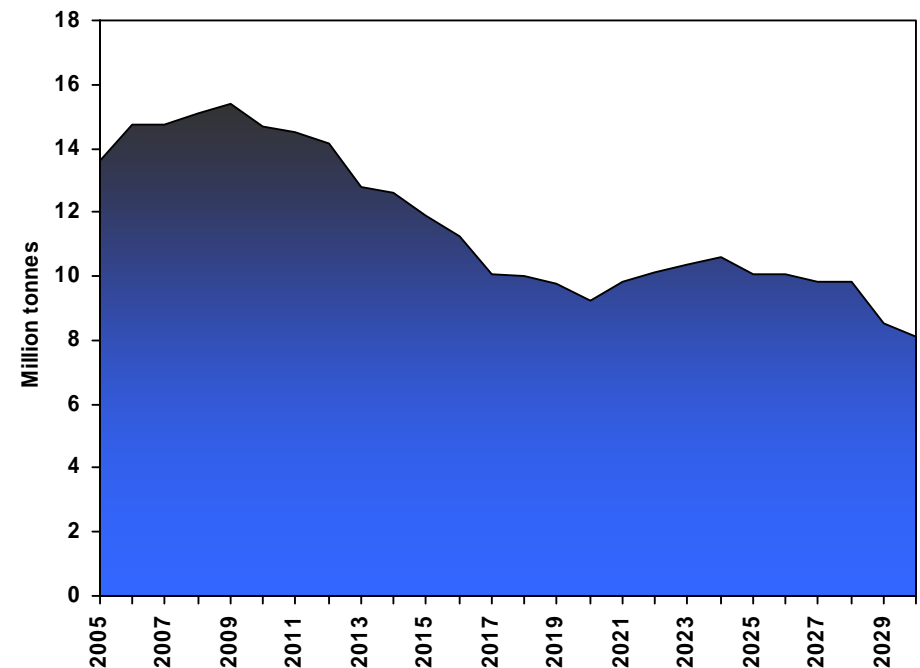


Source: NPD

Doing business within a framework of sustainable development

- Focus on further **emission reductions**
 - Energy efficiency
 - Carbon capture and storage
 - Innovation and technology
 - New development solutions
- Goal of **zero harmful discharges** to the sea, particularly strict regime in the Barents Sea.

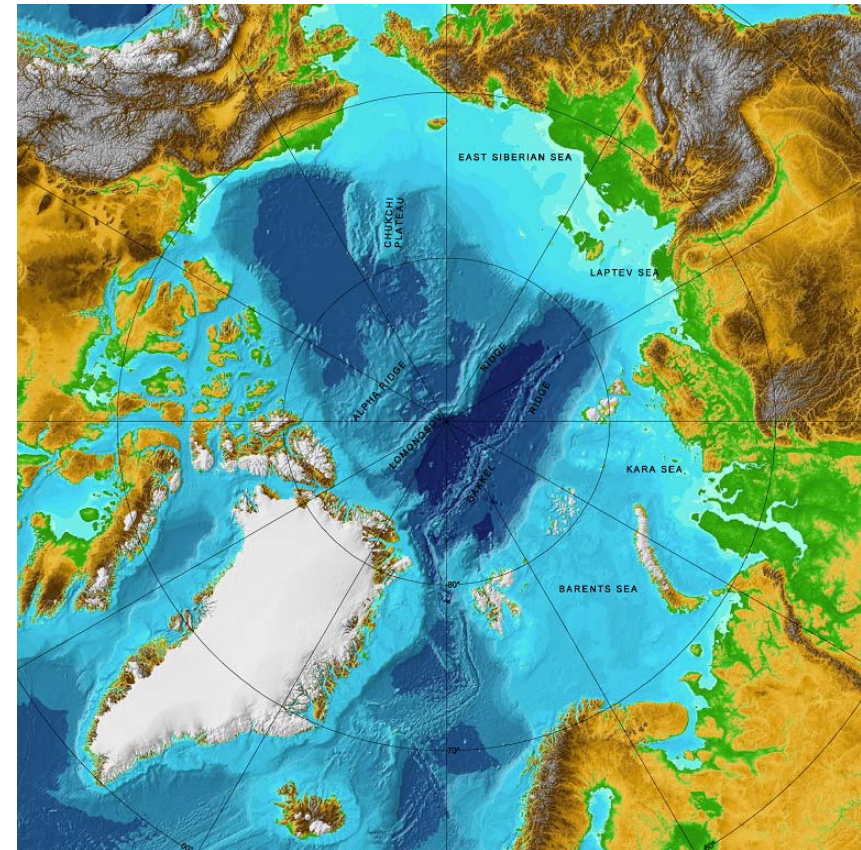
Estimate of CO₂-emissions from Norwegian Continental Shelf



Source: MPE

International focus on the north

- Large petroleum resources
- World energy demand is increasing
- 1/3 of the undiscovered resources on the NCS
- Co-existence with fisheries, maritime activity, nature resources, and others



A policy for the North

- Political stability and sustainable development
- Combine petroleum activities with due consideration for a vulnerable environment
- Measures:
 - Dialogues with relevant countries
 - Further development of Norway's bilateral dialogue with Russia



St.meld. nr. 30

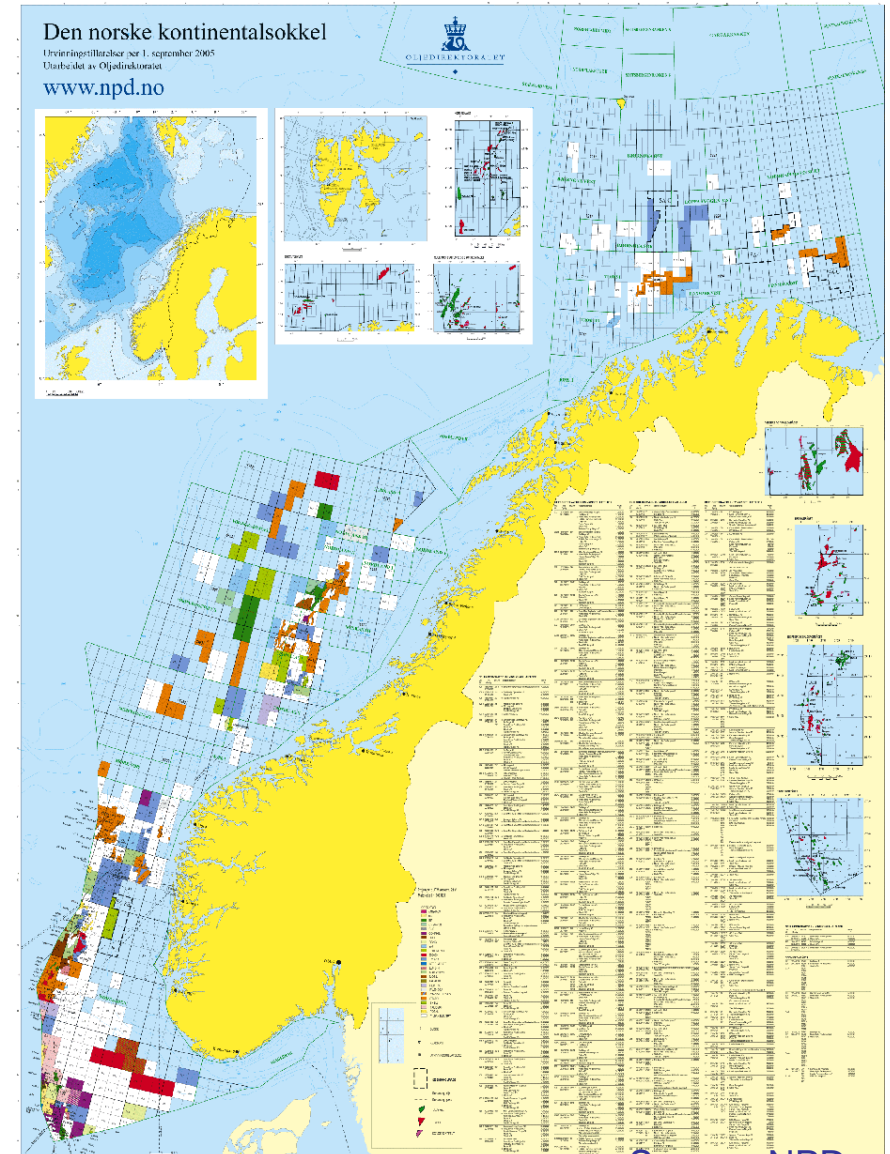
(2004–2005)

Muligheter og utfordringer i nord



Nordland/Lofoten and the Barents Sea

- No petroleum activities in Nordland VI
- Parliament will decide on whether to open other temporarily closed areas based on the integrated management plan for the Barents Sea
- The integrated management plan for the Barents Sea may open for application to IMO to give the area status as a PSSA area: Special regulation



Internet address



www.oed.dep.no



www.mpe.dep.no

