



Gas Exporting Countries forum, Past and Future

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Abstract

Today some of oil exporting countries is gathering in the OPEC Organization that its decisions affected by other countries. So that, while Gas is the most important Energy resource instead of Oil, necessity of applying policies from Gas producer is very significant. If any of these countries want place in production, Gas processing, they would need to targeted functions. So creating of this organization could be close to trying countries in this field and will be prevent of disorganized results that damage to their national benefits. Gas exporting countries believes that increase of requirement to Gas in global marketing. This paper explained about the Gas Exporting Countries Organization

Keywords: Gas, exporting, countries, forum, past, future.

Introduction

Some of energy experts knows that Gas is Future fuel, inexpensive fuels cause of its cost heterogeneous with other fossils fuels, importance resources and also cleaning and it don't have environmental heavy pollutions- that is one of the features of fossils fuels- will have importance place in the future. On the other hands, Gas global marketing is disorganized, while Gas importance is increasing day-to-day. So consumer and producer countries are searching to strategies for control and its management that one of that is establish of organization includes Gas producer and exporting. Increase of Global process of requirement to energy with decreasing cost of natural gas in marketing- with corporation to disorganized and non-existence between Gas producers and exporting is the most important causes of establish Gas exporting countries organization. In this field, notice to existence of more than 41% global gas resources in middle-east and also big resources of Iran, Russia and Qatar (they have totally more than 55% of Gas global resources), if these tree countries agreed to method of distribution and pricing of gas, these tri countries will plays importance role in future equations in global marketing. Actually gas exporting countries organization will be organization for policy of Gas exporting countries that in its framework with corporation in the fields of technology, this important work is not accomplished till today because: Counts of counties that have fixed natural resources ability to issuance of it is less than of oil resources countries. World never need to gas until now and there is not any requisition about it.

Conversation's Background

Thought creates of Gas exporting countries organization is coming from "Gas exporting countries assembly" in Tehran in 2001. In this assembly were deputies from Iran, Russia, Qatar, Bolivia, Aljazeera, Bernie, Egypt, Guinea, Indonesia, Libya,

Malaysia, Nigeria, Oman, Trinidad, Tobacco, Turkmenistan, United Arabic emirates and Venezuela. They want to increase function and role of this assembly like the Opec. On 25 December 2004, 15 ministers of Gas exporting countries were gathered to introduce organization like the OPEC Participant ministers in gas exporting countries assembly in Egypt were emphasized to establish organization like the OPEC for gas resources countries. 5 month after statement issuance of this assembly and 14 gas exporting countries agreed to establish executive office on July2004. One of purpose of this office is holding gas exporting countries assembly. First official assembly of this office held ministers of 15 countries on 15 July 2004 in Cairo. Important members are Iran, Russia, Arabia, Qatar, United Arabic Emirate and Venezuela, Nigeria, Egypt and Aljazeera. After this assembly subsidized subject of assembly until in first month 2006, by Aljazeera and Russia again described. After that, assembly group work of experts was held in Tehran on 9 and 10 April 2008. This assembly held with presence of Iran, Russia, Aljazeera, Bolivia, Venezuela, Egypt, Indonesia, Qatar, Libya, Malaysia, United Arabic Emirates and Oman was very important. Because of experts bring up their offers but also Iran and Russia debate their pattern offers. The pattern of Iran closed to the OPEC pattern statute and the Russian's pattern softly set, to determine cost of gas and surveying new ways of gas transferring lines. Actually, thought establish gas exporting organization when fixed that Iran's offer from Russia was accepted. Although, mentioned pattern that is on order's assembling, it transferred to Mandoo on 2 June 2008 in Moscow. That trio days assembling, famous experts of gas exporting countries was conserved about statute's organization. Statute's text was ultimate for given to minister assembly that its drafts prepared by Iran. 12 energy ministers of gas exporting countries was gathered verifying statute on 23 December 2008. With verifying statute and determine Doha as secretariat of this organization, was turned to formal organization. This

convention established in 2001 and before that was not as an organization. 7th assembly of gas exporting countries ministers, gas exporting countries international organization was announced and was set main charter. This assembly is one of that common assembly was holding from seven years ago. The main subject of this organization has been conserved about gas marketing, problems of gas companies and countries and common rules. Russian minister of energy said about this assembly: it is necessary to one approach for surveying process of gas marketing. All of active countries in gas marketing should be participate in this field and this one of duties that organ must be kept on.

Global gas resources and place of important gas region:

Amount of natural gas resources exist about 60 years later. Amount of global natural gas resources increased 1.14 trillion m/m² in 2007 compared with before year was 177.36 trillion m/m². In ten years ago, fix resources of Middle East and north of African, it is twice and reached from 34.7 trillion m/m² in 1996 to 81.23 trillion m/m² in 2006 that shows 134% growth. Global gas resources were amount of 68.5 %. In this period (1996-2006), Iran and Arabic gas production was more than twice and reached to 480 milliard m/m² that increased 102%, while increase of gas production in world was not about more than 28.6%. More than 41% of global gas resources in Middle East are: Iran 15.7%, Qatar 14.4%, Arabic 4%, United Arabic Emirates 3.4 % have global gas resources. In other word, close to 73% of Middle East gas resources set in Iran and Qatar. Iran had increased 220 milliard m/m² of amount of gas resources in 2007. Iran gas resources were increased from 13.92 trillion m/m² in 1987 to 27.8 trillion m/m² in 2007. So Iran is second countries after Russia. Share of Iran was 15.7% of total global amount in 2007. According to new statistics, Arabic gas resource is amount of 7.17 trillion m/m² that include 4% of global natural gas resources. After Russia, Qatar is the fourth countries. It seems that more than of Arabic gas resources are gas. Now, these countries dose not extract export gas and it does not have liquid gas. But it could participate to gas exporting organization. Notice to Iran, Russia and Qatar gas and oil great resources, these trio countries have totally 55.3 % gas resources¹.

Natural gas global production and its perspective Russia has more than 25% of global gas resources and Iran, Qatar after Russia are second countries that holders of gas resources. Question that is, how Iran could have role in gas export? Answer is Iran is not gas big exporting but Iran is as one big exporting country. Iran in the field of gas resources is second and in gas production is fourth. All of countries have gas exporting, they are not gas exporting. For example, Iran and Venezuela have shortage in extraction of their natural gas resources.

Russia will greatest of gas production and it has more than 19 % of global natural gas export, while Ian's share is 27.8 trillion

m/m². Member of gas exporting countries organization such as Iran, Russia, Qatar, Aljazeera are importance gas exporting countries. Totally more than 75% of global natural gas resources and more than 42 % its production. Natural gas global production increased from 2235.7-milliard m/m² in 1997 to 2940 milliard m/m² in 2007. A producer of natural gas includes Russia, America, Canada, Iran, Norway, Algeria, Arabica, Turkmenistan, and Qatar. Now Russia produces more than 20.6 % of global gas and is biggest gas production.

Table-1
Global gas resources in 2007

Country	Amount of resources (Trillion m/m ²)	Share%	Resources/ Production
Russia	44.65	25.2	73.5
Iran	27.80	15.7	*
Qatar	25.60	14.4	*
Arabic	7.17	4.0	94.4
UAE	6.09	3.4	*
Nigeria	5.30	3.0	*
Venezuela	5.15	2.9	*
Aljazeera	4.52	2.5	54.4
Turkmenistan	2.67	1.5	39.6
Malaysia	2.48	1.4	40.9
Egypt	2.06	1.2	44.3
Libya	1.50	0.8	98.4
Bolivia	0.74	0.4	54.7
Oman	0.69	0.4	28.6
Trinidad, Tobago	0.48	0.3	12.3
Brunei	0.34	0.2	28
World	177.36	100.0	60.3

Although Middle East and Africa have near 50 % of global gas resources, only they produce 16.7 % of global gas. The biggest gas productions in Middle East and Africa in 2007 were Iran 111.9 milliard m/m², Algeria 83 milliard m/m², Arabica 75.9 milliard m/m², Qatar 59.8 milliard m/m², UAE 49.2 milliard m/m², Egypt 46.5 milliard m/m² and Nigeria 35 milliard m/m². Total share of these regions of total global gas production reached from 12.3 % in ten years ago to 16.7 % in 2007. Although significant increase of gas issuance of these regions have important for importer countries. Programs of Qatar, Algeria, Libya and Egypt show that gas export of Arabian countries reached to 143-milliard m/m² close to 1.5 of total global gas export. Thought Iran have big gas resources and have improved gas production from 1997 up to now, but it has long way to reaching significant place. Gas production of Iran in 1997 reached to 47-millirad m/m² compare with years ago that is 111.9-milliard m.m². These statistics in 2006 is 108.6-milliard m/m². Iran's share in gas production was 3.8-milliard m/m² in 2007, and this county in trio years ago was introduced fourth big gas production with one grade increased. Russia 20.6%,

America 18.8%, Canada 6.2%, placed in first and third grade according to seniority². Iran in the field of natural gas production was introduced fifth production in 2004 and natural gas production of Iran was 3.2 % of total gas production in world. In 2004, Russia, USA, Canada and Britain were fourth first countries in natural gas production. Their shares were 21.0, 20.0, 6.8 and 3.6 in 2004 in a row. Although, Arabica in gas resources point of view is fifth grade but it does not have status in gas production and it have lowest grade after Iran, it is placed in seventh grade with 75.9-milliard m/m² of gas production.

Now, members of gas exporting countries organization appropriated more than 42 % of global gas production and perspective of global gas production shows that many countries of gas production placed in OECD region, it produced more than 37 % global gas it will decrease production until 2030. Perspective of gas production in world has this facts that share of gas non-OECD countries-there is many of gas production members countries- have significant increase in future years. Role of these countries in exporting gas will be twice. Actually, share of gas exporting countries organization will increase to more than 55 % until 2030. In meantime, Middle East will experience more rate of production. After that, Africa is second place with 3.5 % growth. In 2030, Qatar will have first place 5.3% growth and Iran will have second place 4.7%. Balance of global gas production growth in this period will 1.7 % 2006-2030.

Natural global gas consumption and its perspective: The biggest global gas consumers are USA 22.6%, Russia 21.6%, Iran 3.8%, and Canada 3.2 % of shares of total global consumptions. According to BP, Iran's natural gas consumption was only 100 million m/m² less than its production in 2007. Iran's natural gas consumption increased from 47.1-milliard m/m² in 1997 to 111.8 milliard m/m² in 2007. Rate of growth consumption was more than 2.9% in 2006 and now it is more than 3.8% of total gas consumption in the world. In addition, natural gas consumption in Arabia includes 2.6% and it have tenth grade in the world. It is to notice that natural gas consumption reached to 2922 milliard m/m² with increased 3.1 % in 2007. According to perspective of natural gas consumption in the world, it forecast from IEA, gas consumption would increase more than 4434 milliard m/m² with increased 1.8% in 2030. The most consumption of rate growth will rate growth in China, India, Middle East and Latin America in the seniority. In period 2006-2030, average of growth rate of OEDC countries will be 0.9% and Non-OEDC countries 2.5%.

Natural gas international trade in the world: Amount of natural gas international trade in the world estimated according to BP reports 776 Milliard m/m². Middle East's share of gas global exporting was 8.5% with gas resources in 2007. Notice to that natural gas is the most important resources in 21 century, it have the most important role in global marketing as an importance fuel. Middle East countries having many resources

should have advantages for importing and exporting of this fuel. In 2007, amount of Iran's gas exporting was 6.16 milliard m.m² with 0.79 % of total global exporting and amount of natural gas importing was 6.1 milliard m.m² or 0.78% of total global importing³.

Necessity and Benefits of establishing Gas exporting countries organization: Gas exporting countries organization addition to economics aspects, it could be participation between regional and international convergence. It will come to importance economic and political pole in region and the world. Establishing like this organization could be having more relatives between member's countries. With these conditions, although gas exporting will not have completion directly, it could close to exporting gas costs⁴. Traditional buy and sell of natural gas in global marketing, according to two strains acceptance of sellers and buyers notice to marketing conditions caused to suppliers of this energy faced to in its conservation for marketing and gas sale. In results, existence of this organization like OPEC should have gas section. On other way, all of buy and sells gas contracts is long term and cost of gas in their according to Oil cost determined. It cause to dangers of economic and security benefits. So that, determine specific pattern from marketing in gas section, it will have stability to gas holders. Collaboration of gas production countries could be protect to unhealthy competition, it cause to utilization of this resources⁵. We can say that cause to heterogenic in natural gas selling and disturbance in oil, collaboration of gas exporting countries is difficult and establishing of organization like OPEC could be playing importance role in marketing, they have benefits for exporting and importing gas resources: Determine gas cost according to disturbance and request: Now, it does not have specific approach for determining gas cost. Natural gas pricing up regional. So determining gas cost has one of the challenging section in gas contract and sellers and buyers faced to problem about gas cost. Credit and debit of consumers and producers: non-existence of one disciplined and consonant marketing was faced to problem in gas marketing. Establishing of gas exporting countries organization, it bringing condition that sellers and buyers could trade in market according to rules. Stability of gas marketing and its security: in present condition, producers are being secure to insurance sellers firstly, and then it does investing for gas product. So gas marketing heterogenic and non-existence of economic security for suppliers are importance features to danger investment. Effects of being strategic of gas in the world: natural gas is one of the strategic goods in the world and holders of gas resources could be effective to world's trading. So that gas exporting countries could play key role in disturbance and consumption of gas and pricing. Benefits of establishing one supervisor and policy organization will reached to all countries in the field of gas exporting in the world. Because in framework of this organization, countries which have gas resources and exporting countries will defense to their policies and they export gas to real cost.

Table-2
Capacity of gas production in gas production countries

	1997	1998	1999	2000	2001	2003	2005	2007	Total Share
Russia	627.4	644.6	656.3	674.5	677.3	723.5	760.0	790.2	26.8
America	543.1	549.2	541.6	550.6	564.7	540.8	511.1	545.9	18.8
Canada	165.8	171.3	177.4	183.2	186.8	184.7	187.4	183.7	6.2
Iran	47.0	50.0	56.4	60.2	66.0	81.5	100.9	111.9	3.8
Norway	43.0	44.2	48.5	49.7	53.9	73.1	85.0	89.7	3.0
Algeria	71.8	76.6	86.0	84.4	78.2	82.8	88.2	83.0	2.8
Arabic	45.3	46.8	46.2	49.8	53.7	60.1	71.2	75.9	2.6
Turkmenistan	16.1	12.4	21.3	43.8	47.9	55.1	58.8	67.4	2.3
Qatar	17.4	19.6	22.1	23.7	27.0	31.4	45.8	59.8	2.0
Middle East	175.4	184.0	193.8	206.8	224.8	259.9	317.5	355.8	12.1
World	2238.8	288.7	2351.4	2433.0	2489.7	2618.8	2775.5	2940.0	100.0

Table-3
Natural gas production perspective in the world-2030

	2000	2006	Total share	2015	2030	Total share	Average of Growth rate 2006-2030%
OECD	1107	1117	37.7	1149	1086	24.5	0.1
North America	763	761	25.7	795	765	17.3	0.0
Canada	182	188	6.4	196	164	3.7	0.6
USA	544	524	17.7	535	515	11.6	0.1
Europe	302	305	10.3	282	217	4.9	1.4
Norway	53	89	3.0	121	127	2.9	1.5
England	115	84	2.8	44	10	0.2	8.4
Pacific	41	51	1.7	72	104	2.3	3.0
Australia	33	43	1.5	64	96	2.2	3.4
Non-OECD	1425	1842	62.3	2363	3348	75.5	2.5
Eastern Europe and Eurasia	738	486	28.6	963	1069	24.1	1.0
Kazakhstan	12	26	0.9	40	48	1.1	2.5
Russia	583	651	22.0	712	794	17.9	0.8
Turkmenistan	47	64	2.2	92	103	2.3	2.0
Asia	247	335	11.3	449	540	12.2	2.0
China	27	59	2.0	104	115	2.6	2.9
India	25	28	0.9	41	45	1.0	2.0
M.E	204	324	10.9	483	999	22.5	4.8
Iran	58	104	3.5	139	313	7.1	4.7
Qatar	28	49	1.7	124	169	3.8	5.3
Africa	133	197	6.7	286	452	10.2	3.5
Algeria	86	92	3.1	106	142	3.2	1.8
Nigeria	13	29	1.0	64	127	2.9	6.3
Latin America	104	139	4.7	182	287	6.5	3.1
Argentina	40	45	1.5	49	60	1.4	1.1
Brazil	7	11	0.4	17	38	0.9	5.2
Trinidad & Tobacco	13	31	1.0	46	61	1.4	2.8
Venezuela	28	25	0.8	33	70	1.6	4.4
World	2531	2959	100.00	3512	4434	100.0	1.7

Table-4
Capacity of gas consumption in big countries in different years

	1997	1998	1999	2000	2001	2003	2005	2007	Total share %
USA	643.8	629.9	634.4	660.7	629.7	630.8	623.3	652.9	22.6
Russia	519.1	529.4	536.2	551.9	552.9	571.2	598.6	631.9	21.6
Iran	47.1	51.8	58.4	62.9	70.2	82.9	102.4	111.8	3.8
Canada	87.2	83.4	87.4	92.8	88.2	97.7	98.1	94	3.2
ME	164.9	173.7	180.1	185.4	198.4	226.1	276.8	299.4	10.2
World	2245.1	2278.6	2335.7	2437.3	2455	2590.9	2765.2	2921.9	100.0

Table-5
Perspective of natural gas consumption in the world in different years

	2000	2006	Share %	2015	2030	Share %	Average of growth rate in 2006-2030
OECD	1407	1465	50.2	1645	1827	41.2	0.9
North America	799	766	26.3	848	908	20.5	0.7
USA	669	611	21.0	652	631	14.2	0.1
Europe	478	541	18.6	614	694	15.7	1.0
Pacific	130	158	5.4	183	225	5.1	1.5
Japan	82	94	3.2	104	128	2.9	1.3
Non-OECD	1135	1451	49.8	1867	2607	58.8	2.5
Eastern Europe and Eurasia	606	676	23.2	779	846	19.1	0.9
Russia	395	444	15.2	507	524	11.8	0.7
Asia	185	285	9.8	414	666	15.0	3.6
China	28	58	2.0	121	221	5.0	5.8
India	25	38	1.3	57	117	2.6	4.8
ME	182	276	9.5	378	676	15.2	3.8
Africa and Latin America	62	90	3.1	124	168	3.8	2.6
Brazil	100	124	4.3	174	252	5.7	3.0
	9	21	0.7	32	1827	41.2	3.3
World	2541	2916	100.0	3512	908	20.5	1.8
Europe United	482	532	18.2	606	631	14.2	1.0

Table-6
Capacity of Natural gas export and import in different regional in 2007

	Export	Share %	Import	Total share %
Iran	6.16	0.79	6.1	0.078
USA	23.19	3.0	130.72	16.8
Canada	107.3	13.8	13.2	1.7
Mexico	1.6	0.2	10.98	1.4
Central & southern America	32.57	4.2	15.52	2.0
Europe	167.49	21.6	429.14	55.3
Soviet Russia	147.53	19.0	0	0.0
Turkmenistan	6.1	0.78	0	0.0
Middle East	66.11	8.5	10.2	1.3
Africa	107.2	13.8	1.3	0.16
Asia & Oceania	104.18	13.4	165.04	21.3
All of the world	776.08	100.0	776.08	100.0

With establishing gas exporting organization Iran and Russia have one the big fix resources in the world. They play significant role in this organization. With establishing gas exporting organization non-OECD countries have request to attach to organization and this process they have benefits for Iran and Russia. This organization more than to different economic aspects could be stability between region and international in the future. Establishing this organization could cause to more collaborative and it turns to importance economic and political pole. This organization will protect to facing of exporting countries to importing countries and it will reduce completion between them. In programming and policy of this organization in gas exporting, completion of exporting countries reduced on problems like set lines. Establishing gas exporting organization will have many effects on global economic and energy marketing. Role of natural gas as superior fuel in global economic will be significant.

Problems and issue of underhand gas exporting countries organization: Cause of establishing of this organization make disturbance security, stability market and reach to stable income versus consumers it do not know establishing of organization to their benefits. Because they believed that application of this organization result to increase cost and decrease their power against sellers. Also opponents believed that establishing of natural gas exporting organization which supports fuel's Iran and Russia- result to changing Geopolitics and strategic plans of world⁶. Gas collaborative of Algeria and Russia in its framework has important for Europe Energy Marketing. Russia as the biggest gas supplier of Europe exports their gas to east, center, and north of this continent. On the other hand, Algeria related 10% of gas Europe union, southern countries and western of Europe. Algeria has 4.52 trillion m.m2 of gas resources and it has ninth grade, it exports close to 95% of its gas to Europe. It is importance gas supplier to south of Europe. So collaborative of Russia and Algeria could effective on future's Europe Union. Because in this situation two exporters have completion to each other directly, they have discipline on gas exporting to Europe. So that Russia and Algeria are close to each other and it have benefits to Europe⁷. Also with this perspective gas cost basis on long term contracts determined between sellers and buyers, establishing organization like OPEC is difficult to production. Despite of oil, there is not cash market for natural gas, because pipe line way reached from producer to consumer, should contract mutual long term⁸.

Establishing gas exporting countries organization faced to some protection such as: Creature of gas exporting countries and collaboration of gas exporter and importer countries will face to stability of big consumers. Collaboration of gas exporting caused to distribute cost of natural gas. Gas exporting countries organization happened from America and western companies. Because these countries sell hydro carboic invests, then its turn to worthless resources. Finally, it has to say that notice to increase trading of liquid natural gas in world was more than fivefold rate of gas transaction. From transaction structure view

is like oil, it is forecast that amount of liquid gas will have status like oil in ten years later. Establishing gas exporting countries organization is acceptable

Conclusion

Gas exporting countries should attempt to develop common factors converge. Also avoid the issues and factors causing differences. In the organization, there are so many of political and economic factors that can influence on the decision of organizations. organization has some of the goals that include: to foster the concept of mutuality of interests by favoring dialogue between producers, between producers and consumers and between governments and energy-related industries, to provide a platform to promote study and exchange of views, to promote a stable and transparent energy market.

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