

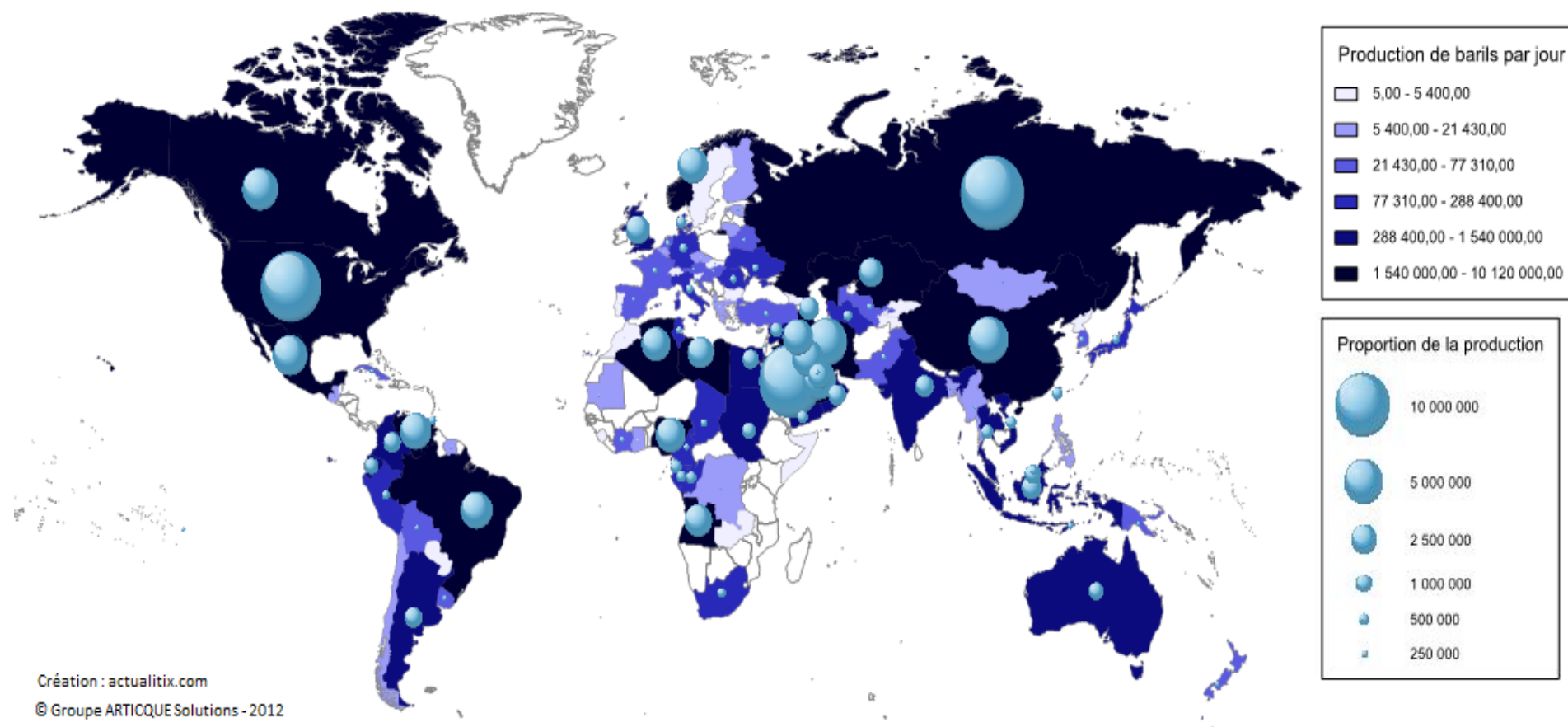
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# What is EU ready to do for OIL ?



# CRUDE OIL RESERVES



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# History...

- It was first found in the area which is currently Iraq
- The ancient use: substance for binding materials together, for waterproofing various surfaces
- The Romans used flaming containers of oil as weapons

## **Modern Oil industry :**

- Born in late 19<sup>th</sup> century
  - -The 1<sup>st</sup> establishment of oil company in the US (The Pennsylvania Rock Oil Company) in the mid-1850s with invention of kerosene lamp
  - -1<sup>st</sup> major oil company (The Standard Oil Company) was founded by John D ROCKFELLER in 1870s
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# Two Oil Shock Experiences

## 1973-1974




- -Arab members of OPEC imposed an embargo to the US and Western Europe which supported Israeli for the Yom Kippur war between Arab and Israeli
- -Yom Kippur war: The war between Arab countries led by Anwar Sadat and Israeli led by Golda Meir
- -World oil production dropped by 7.8%

## 1979-1980

- Impact of Iranian revolution; collapse of Shah Mohammad Reza Pahlavi, Sheikh Khomeini took over the place.
  - World oil production dropped by 8.9%
- After these crises, EU countries tried to diversify their energy sources

# The evolution of EU dependency

- ...Recalled the high dependency of EU on oil imports
- ...Slower economic growth, higher unemployment rate, higher inflation rates

Pays	1992	2002	2011	2012	2013	2014
<b>Union européenne :</b>						
 Danemark	0,7	1,3	0,8	0,7	0,7	0,6
 Italie	0,6	0,8	1,4	1,4	1,4	0,6
 Roumanie	1,2	0,5	0,6	0,6	0,6	0,6
 Royaume-Uni	4,6	4,5	3,1	3,0	3,0	3,0
<b>pays voisins :</b>						
 Norvège	9,7	10,4	6,9	9,2	8,7	6,5
 Russie	N/A	76,1	91,0	92,1	93,0	103,2
 Azerbaïdjan	N/A	7,0	7,0	7,0	7,0	7,0

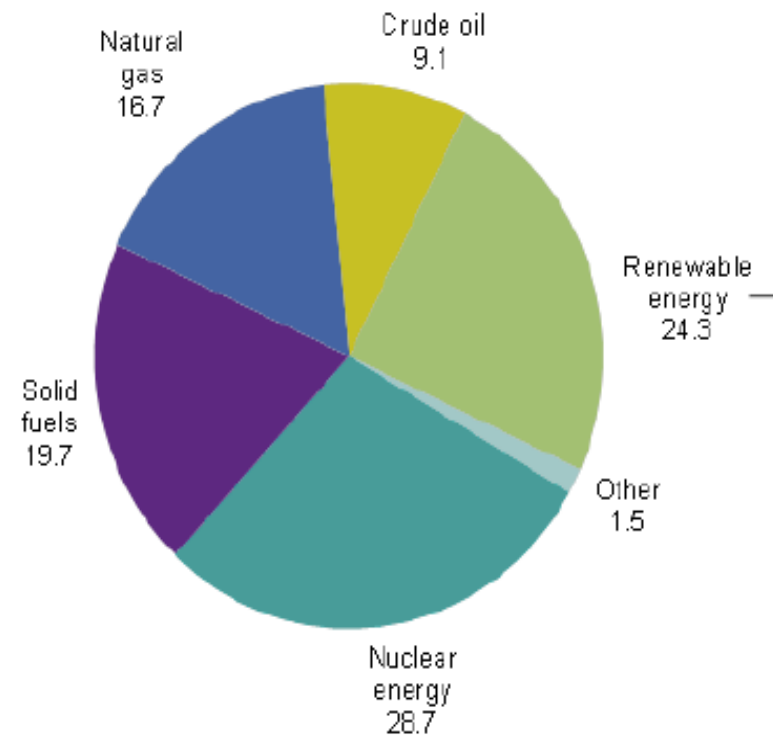
2<sup>nd</sup> world consumer.

Around 40% of its energy consumption comes from oil.

- 27% come from Middle-East
- 35% from Russia
- 14% from Norway

# Current situation

- Energy production in the EU
- Imports
- Exports



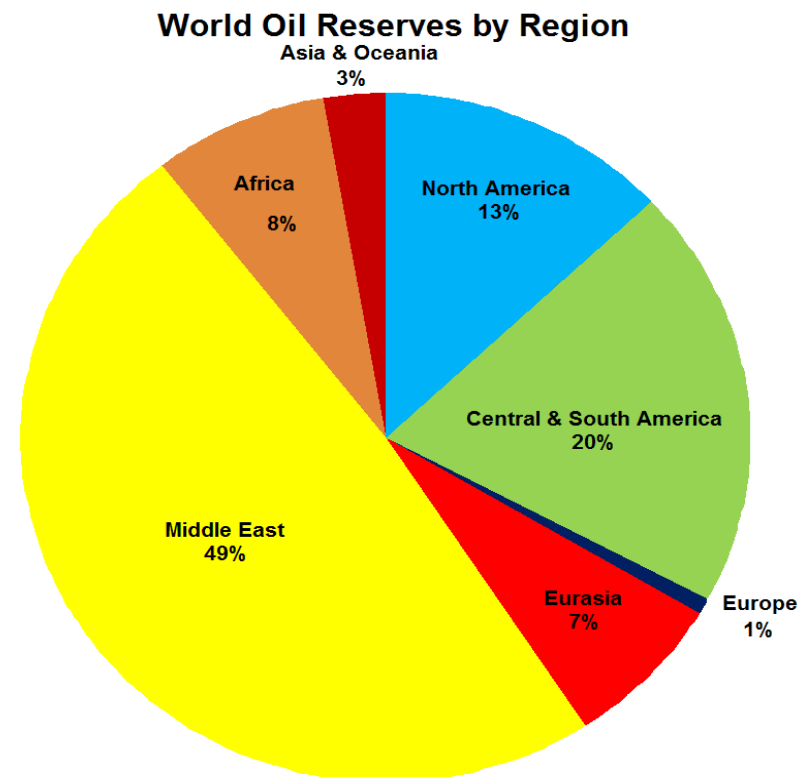
# What's the future of Oil in EU ?

EU consumed about 735 Mt of crude oil and feedstock's in 2005. This is set to grow to 785 Mt in 2015.

- Increased dependency of Europe in the Oil sector
- How to diversify it energy sources
- According to the World Energy Council, the oil reserves will be finished in 56 years

→ **Geopolitical issue**

New project : The **Energy Union**



Data source: US Energy Information Administration (2013)  
Reserves are the estimated quantities of crude oil, which are, with reasonable certainty to be recoverable