

International Energy Agency (IEA)

June 23, 2019

The history of the IEA began with the 1973-1974 Middle East War crisis and its immediate aftermath. While oil producing countries appeared relatively well organized to utilize their new oil based economic and political power, many OECD countries found themselves inadequately equipped with the information and organization necessary to meet the corresponding challenges.

For the most part, these countries permitted excessive and even wasteful and inefficient use of energy – and of oil in particular.

The policy and institutional lessons of the crisis led swiftly in November 1974 to the establishment of the IEA with a broad mandate on energy security and other questions of energy policy co-operation among member countries. And the new Agency was to be hosted at the OECD in Paris.

The Agency would become the focal point for energy co-operation on such issues as: security of supply, long-term policy, information “transparency”, energy and the environment, research and development and international energy relations.

The original founding members of the IEA in 1974 were Austria, Belgium, Canada, Denmark, Germany, Ireland, Italy, Japan, Luxembourg, The Netherlands, Norway (under a special Agreement), Spain, Sweden, Switzerland, Turkey, United Kingdom, and the United States. Joining in the following years were Greece (1976), New Zealand (1977), Australia (1979), Portugal (1981), Finland (1992), France (1992), Hungary (1997), Czech Republic (2001), Republic of Korea (2002), Slovak Republic (2007), Poland (2008), Estonia (2014), and

more recently Mexico (2018).

The IEA is made up of 30 member countries.

Before becoming a member country of the IEA, a candidate country must demonstrate that it has:

- Crude oil and/or product reserves equivalent to 90 days of the previous year's net imports, to which the government has immediate access (even if it does not own them directly) and could be used to address disruptions to global oil supply.
- A demand restraint programme to reduce national oil consumption by up to 10%.
- Legislation and organisation to operate the Co-ordinated Emergency Response Measures (CERM) on a national basis.
- Legislation and measures to ensure that all oil companies under its jurisdiction report information upon request.
- Measures in place to ensure the capability of contributing its share of an IEA collective action. An IEA collective action would be initiated in response to a significant global oil supply disruption and would involve IEA Member Countries making additional volumes of crude and/or product available to the global market (either through increasing supply or reducing demand), with each country's share based on national consumption as part of the IEA total oil consumption.

A candidate country must be a member country of the OECD. However, membership in the OECD does not automatically result in membership in the IEA.

Some of the major reports of International Energy Agency

- World energy outlook
- Energy Technology Perspectives