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# THE DISTRIBUTION AND DYNAMICS OF THE WORLD OIL SURPLUS

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With the oil prices surge of the last few years, oil exporting countries have been receiving substantial revenues, often considered as windfall profits. The oil rent captured by these countries (the unit oil rent is the difference between international market price and domestic production cost for one barrel) reached soaring levels during the last years.
However, the rise of crude prices had also a positive impact on revenues of other actors of the oil industry such as oil and gas companies and also governments of oil consuming countries. Indeed, taxes on petroleum products in many importing countries have been progressively climbing during the last two decades. Thus, these governments have been able to capture a significant share of the global oil surplus.
In fact, the global oil surplus is distributed between exporting countries through fiscal instruments (royalties and other taxes on the oil production), importing countries through taxation on domestic consumption of petroleum products, and to oil and gas companies through their profits.
This article proposes an original analysis of the distribution, evolution and dynamics of the global oil rent between major oil producing and consuming countries during the last two decades. We calculate the total taxes on three major petroleum products (motor gasoline, heavy fuel oil and gas/diesel oil) in main consuming countries between 1978 and 2004, and compare this amount with the evolution of oil exports revenues. We find that the share of the world oil surplus grabbed by major oil exporting countries has been declining comparing to that of consuming countries

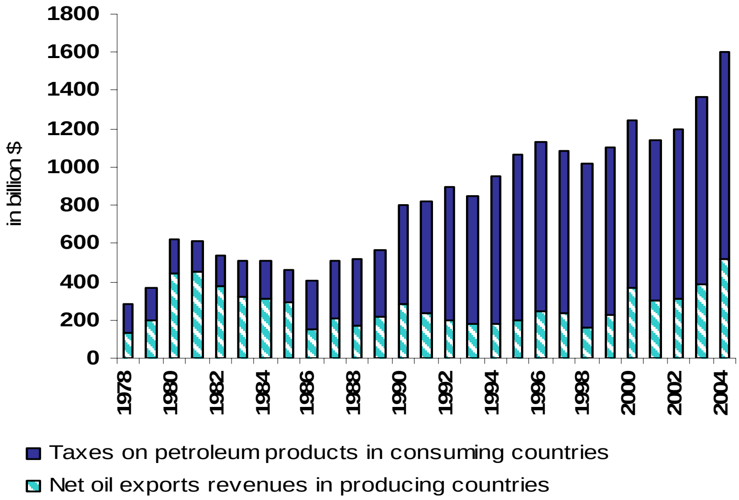


**Figure:** Evolution of the oil rent for exporting and consuming countries

*The consuming countries considered represent 70% of world oil consumption*: Australia, Austria, Belgium, Luxembourg, Brazil, Canada, China, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, India, Ireland, Italy, Japan, Netherlands, Poland, Portugal, Romania, Slovakia, South Africa, South Korea, Spain, Sweden, Switzerland, Turkey, United States, New Zealand and Thailand.

*The producing countries considered represent 70% of world oil production:* Algeria, Angola, Colombia, Egypt, Indonesia, Iran, Iraq, Kuwait, Libya, Mexico, Nigeria, Norway, Oman, Qatar, Russia, Saudi Arabia, Sudan, Syria, United Arab Emirates, United Kingdom and Venezuela.

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