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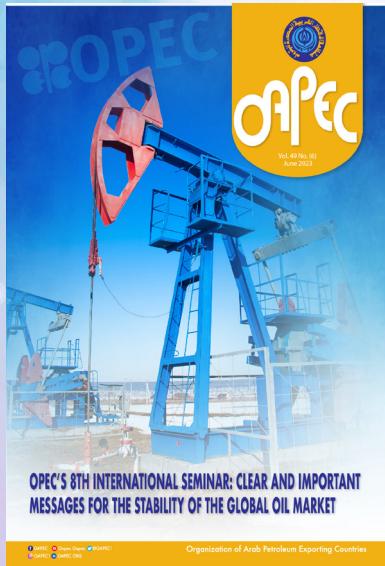
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OPEC'S 8TH INTERNATIONAL SEMINAR: CLEAR AND IMPORTANT MESSAGES FOR THE STABILITY OF THE GLOBAL OIL MARKET

The Cover



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ORGANIZATION OF ARAB PETROLEUM EXPORTING COUNTRIES (OAPEC)



The Organization of Arab Petroleum Exporting Countries (OAPEC) was founded on the basis of the agreement signed in Beirut, Lebanon on 9 January 1968 between the governments of Kingdom of Saudi Arabia, the State of Kuwait and the (then) Kingdom of Libya. The agreement stipulates that the Organization shall be domiciled in the City of Kuwait.

The principal objective of the Organization is the cooperation of the members in various forms of economic activity in the petroleum industry, the determination of ways and means of safeguarding the legitimate interests of its member countries in this industry, individually and collectively, the unification of efforts to ensure the flow of petroleum to its markets on equitable and reasonable terms, and providing appropriate environment for investment in the petroleum industry in member countries.

In 1970 the United Arab Emirates, the State of Qatar, the Kingdom of Bahrain and the Republic of Algeria joined the Organization, followed by the Syrian Arab Republic and the Republic of Iraq in 1972, Arab Republic of Egypt in 1973, then the Republic of Tunisia in 1982 (its membership was suspended in 1986). Any Arab country which derives a significant share of its national income from petroleum is eligible for membership in OAPEC upon the approval of three-quarters of the member countries, including all three founding members.



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OPEC CELEBRATES 60TH ANNIVERSARY, RECALLS SUCCESSFUL JOURNEY

• OAPEC-Joint Ventures:

OAPEC has sponsored the creation of four companies: The Arab Maritime Petroleum Transport Company (AMPTC), established in 1972 with headquarters in Kuwait City, the Arab Shipbuilding and Repair Yard Company (ASRY) established in 1973 with headquarters in Bahrain, the Arab Petroleum Investments Corporation (APICORP) established in 1974 with headquarters in Khobar, Saudi Arabia, the Arab Petroleum Services Company (APSC) established in 1975 with headquarters in Tripoli, Libya.

OAPEC'S ORGANS

The Organization carries out its activities through its four organs:

- **Ministerial Council:** The Ministerial Council is the supreme authority of the Organization, responsible for drawing up its general policy.
- **Executive Bureau:** The Executive Bureau is composed of one representative from each of the member countries, drawing recommendations and suggestions to the Council, reviewing the Organization's draft annual budget and submitting it to the Council, it also adopts the regulations applicable to the staff of the General Secretariat. The resolutions of the Executive Bureau are issued by the majority of two-thirds of all members.
- **General Secretariat:** The General Secretariat of OAPEC plans, administers, and executes the Organization's activities in accordance with the objectives stated in the agreement and directives of the Ministerial Council. The General Secretariat is headed by the Secretary General. The Secretary General is appointed by resolution of the Ministerial Council for a tenor of three years renewable for similar period(s). The Secretary General is the official spokesman and legal representative of the Organization and is accountable to the Council. The Secretary General directs the Secretariat and supervises all aspects of its activities, and is responsible for the tasks and duties as directed by the Ministerial Council. The Secretary General and all personnel of the Secretariat carry out their duties in full independence and in the common interests of the Organization member countries. The Secretary General and the Assistant Secretaries General possess in the territories of the Organization members all diplomatic immunities and privileges.
- **Judicial Tribunal:** The protocol of the Judicial Tribunal was signed in Kuwait on 9 May 1978 and came into effect on 20 April 1980. The Tribunal is competent to consider all disputes related to the interpretation and application of OAPEC's establishment agreement, as well as disputes arising between two or more member countries concerning petroleum operations.



OPEC'S 8TH INTERNATIONAL SEMINAR: CLEAR AND IMPORTANT MESSAGES FOR THE STABILITY OF THE GLOBAL OIL MARKET



By: **Jamal Essa Al Loughani**
OAPEC Secretary General

The “OPEC International Seminar” is one of the most important events in the global energy agenda. The theme of its eighth session was “Towards a Sustainable and Inclusive Energy Transition”. The participation of their excellencies the energy ministers of OPEC member countries and other non-OPEC energy producing and consuming countries, heads of intergovernmental organizations, CEOs of national and international oil companies, in addition to leaders and experts in the energy industry, gave this event a great momentum.

The seminar included four ministerial sessions and six high-profile discussion panel

sessions that dealt with a number of issues related to market stability and energy security, investments and financing, comprehensive petroleum growth strategies, energy transition paths, and diversification of energy economies. It also addressed the dilemma of energy sustainability, energy investment challenges and opportunities, technology and innovation for a low-emissions future, the elimination of energy poverty, the pace of energy transitions and climate change policies.

Through constructive dialogue and discussion, messages of reassurance were sent to the global oil market, which can be

summarized as follows:

- OPEC Secretary-General, HE Haitham Al Ghais, indicated that OPEC is interested in achieving sustainable development in the energy sector and securing the needs of consumers. He stressed that crude oil will remain the focus of the global energy mix to meet development needs, especially in developing countries, and that the sustainability of the energy transition means balancing the needs of present and future generations and balancing the relationship between development and environmental protection, while inclusiveness means that there are multiple paths to achieving the energy transition and addressing climate change.
 - The affirmation of His Royal Highness Prince Abdulaziz bin Salman, Minister of Energy in the Kingdom of Saudi Arabia, that the OPEC + alliance plays a leading role in facing the challenges of global energy markets, while indicating to the continued commitment to addressing these challenges with broad transparency. His Highness made it clear that the Kingdom of Saudi Arabia's voluntary output cut is not the first, as in June 2020, the Kingdom of Saudi Arabia, the UAE, Kuwait and Oman made an additional voluntary cut in production for a month, and Saudi Arabia also made a voluntary reduction starting from February 2021 that lasted for 3 months, before this cut was gradually eased by July 2021. These measures contributed to reassuring the oil market. His Highness also stressed that the Kingdom of Saudi Arabia is no longer the "likely producer", but that the OPEC + coalition is playing this role at the present time.
 - His Excellency Eng. Suhail Al Mazrouei, Minister of Energy and Infrastructure of the United Arab Emirates, indicated that the voluntary reduction of oil production by the OPEC+ coalition contributed to the stability and balance of the global oil market. His Excellency explained that the inconsistency and lack of clarity of information causes fluctuations in the oil market. He also praised the periodic meetings of OPEC and the OPEC + alliance, which always contribute to reducing volatility and balancing markets through cooperation and joint effort.
 - His Excellency Dr Saad Al Barak, Deputy Prime Minister, Minister of Oil, and Minister of State for Economic Affairs and Investment in the State of Kuwait, indicated that global oil industry investments in 2022 amounted to \$300 billion, which means that there is an estimated gap of about 40% in the required investments, as OPEC expects the total oil industry investment required until 2045 to be about \$12.1 trillion, equivalent to more than \$500 billion annually. His Excellency also called for increasing the volume of investment further in the energy market to protect it from price fluctuations, keep pace with the growing demand for energy in the future, and achieve stability in the global economy.
 - His Excellency Engineer Tariq Al Mulla, Minister of Petroleum and Mineral Resources of the Arab Republic of Egypt, indicated that talking about energy transition requires remembering the problem of energy poverty and the need of millions for electricity and basic energy services. He added that dependence on oil and gas is not a source of problems for efforts addressing climate change, as oil and gas are part of the solution in successful energy transition programs, pointing out to the need to focus on international cooperation to reduce harmful emissions.
- While following up the proceedings of this important event, OAPEC Secretariat General stresses the importance of holding such events aimed at exchanging views in order to reach a future road map that guarantees the achievement of a sustainable and comprehensive energy transition. The Secretariat also expresses its appreciation for the growing role of its member countries in the global energy scene in general, particularly their constant endeavours to take decisions within the framework of the OPEC + alliance aimed at achieving stability and balance in the global oil markets in a way that ensures energy security in both ways: the security of demand and the security of supply.



OAPEC SECRETARY-GENERAL TAKES PART IN THE 10TH EDITION OF ARAB-CHINA BUSINESS CONFERENCE



At the kind invitation of His Excellency the Minister of Investment in the Kingdom of Saudi Arabia, Mr Khalid bin Abdulaziz Al Falih, OAPEC Secretary-General, HE Eng Jamal Al Loughani, participated in the 10Th Edition of Arab-China Business Conference that was held on 11-12 June 2023 at the King Abdulaziz International Conference Centre in Riyadh.

The conference was held under the slogan "Cooperation for Prosperity". His Highness Prince Faisal bin Farhan bin Abdullah, Minister of Foreign Affairs, inaugurated the conference on behalf of His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince and Prime Minister. The conference aimed at supporting and strengthening economic, trade and investment cooperation between China and the Arab countries, in order to reach solutions that take into account the common interests of both sides through strategic cooperation. It also provided a comprehensive and



broad opportunity for cooperation and agreement on mutually beneficial business initiatives between Arab countries and China.

The conference sessions were attended by a number of Their Highnesses and Excellencies the ministers, led by His Royal Highness Prince Abdulaziz bin Salman Al Saud, Minister of Energy in the Kingdom of Saudi Arabia, and a group of executives of international institutions, business leaders, investors and Arab and Chinese entrepreneurs.

It is noteworthy that China is the largest trade partner of the Arab countries, as the total volume of trade exchange between the two sides reached \$430 billion in 2022, at a growth rate of 31% compared to 2021. The Kingdom of Saudi Arabia represents 25% of the total trade exchange between China and the Arab countries, as the volume of trade exchange between the Kingdom and China reached \$106.1 billion in 2022.



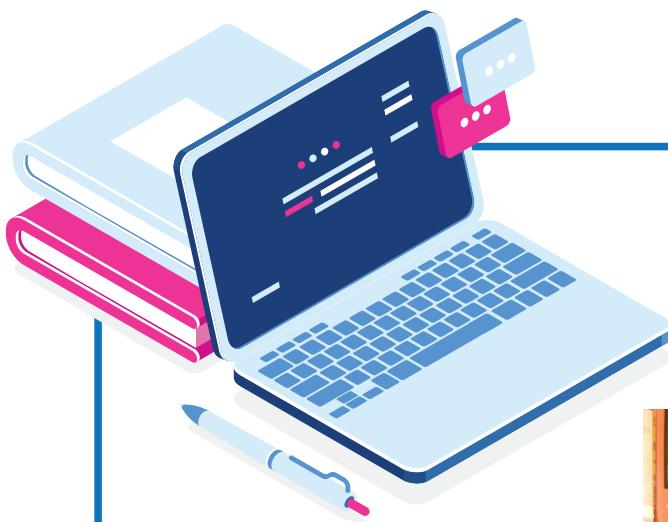
HE AL LOUGHANI RECEIVES IRAQ'S AMBASSADOR TO KUWAIT

OAPEC Secretary General, HE Eng. Jamal Essa Al Loughani, received in his office on Monday, 19 June 2023, the Ambassador of the Republic of Iraq to the State of Kuwait, HE Al Manhal Al Safi, and the accompanying delegation.

During the meeting, OAPEC Secretariat

General activities and methods of boosting petroleum industry cooperation between the member countries were reviewed. The officials also discussed ways to develop the Organization's activities in line with new developments in the energy industry.





WINDOW TO OAPEC LIBRARY



The digital library is one of the most important technological developments in the field of research and studies. It enables all beneficiaries of its services (researchers, scholars, etc.) to access information and electronic resources easily and at any time and place.

In order to keep pace with latest developments, OAPEC subscribed, in 2022, in an automated program with international specifications for managing the library and digital transformation.

It is possible to register through the digital library website via the "Web OPAC" Online Public Access Catalog page via the following link:

<https://oapec.insignials.com/Library/Home>

In order for the beneficiaries to enter the library and then benefit from the electronic resources of books, periodicals, research and specialized studies in the field of oil, gas and energy in general, which are currently available on the digital library website.

The digital library allows its subscribers to access digital content free of charge for reading and scientific research.

About (1000) digital publications have been indexed so far, and the process of providing the library with electronic information sources takes place almost on a daily basis. The digital library is annually supplied with electronic information resources ranging from 150 to 200 titles.



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MEETING ON JOINT ARAB ECONOMIC REPORT 2023 DRAFTS



OAPEC Secretariat General took part in the meeting discussing the Joint Arab Economic Report 2023 drafts held in Abu Dhabi, UAE, on 5- 7 June 2023. Representatives from the Arab League Secretariat General, the Arab Monetary Fund, and the Arab Fund for Economic and Social Development took part in the meeting. Mr Abdul Fattah Dandy, Director of the Economic Department/ Supervisor of the Press & Library Department; and Mr Majed Amer, Senior Economist at the Economic Department, represented OAPEC Secretariat General at the meeting.

During the meeting, the drafts of the report chapters have been discussed. Some remarks have been made and it was agreed to take them into consideration upon preparing the final draft. OAPEC Secretariat General prepares Chapter 5 on energy developments (covering Arab and global exploration and reserves; energy demand; world oil inventories (commercial and strategic); oil and gas exports; Arab oil exports value, and future prospects of energy investments in the Arab World). OAPEC also prepares the section on hydrocarbon industries in chapter 4 covering the industrial sector.

The conveners underscored the importance of continuing developing the methods of preparing the report both in content and form, in addition to providing constructive recommendations in terms of policy making by benefitting from regional and international experiences.

OAPEC GLORIOUS HISTORY IN PICTURES



FIRST ARAB ENERGY CONFERENCE

It was held in March 1979 in Abu Dhabi, UAE, under the slogan "The Arabs and Energy Issues". As a result, contacts took place between the Arab League and OAPEC to coordinate between them in terms of the activities of the "Arab Petroleum Conference", which was held under the supervision of the Arab League since 1959, and the Arab Energy Conference. It was then agreed to merge the two conferences together under the name of the "Arab Energy Conference".





OAPEC COUNTRIES INVESTMENT IN OIL REFINERIES: MOTIVES AND JUSTIFICATIONS



Eng. Emad Makki

*Director, Technical Affairs
Department, OAPEC*

Oil refining industry officials in OAPEC member countries are often asked about the justification for investing in new oil refineries projects despite the many challenges facing this industry. Amongst these challenges: fluctuating demand for petroleum products, burdens of meeting the requirements of environmental legislation, orientation towards carbon neutrality and the encouragement of the use of renewable energies, the risks of dealing with hazardous and flammable materials at high temperatures and pressures, in addition to the large investments required for such projects, the long time required to set up a refinery, which in some cases reaches seven years or more, and the low return on capital.

Those who object to investing in the oil refining industry cite the fact that Western Europe and North America stopped



building new refineries more than four decades ago. Indeed, many refineries were closed, especially those with small refining capacity, due to their inability to compete in the midst of the difficulties facing the industry, in addition to the conversion of many refineries into biofuel production units. The number of refineries in Western Europe declined from 148 refineries (with a total refining capacity of 17.058 million b/d in 2000) to 111 refineries (with a total refining capacity of 15.295 million b/d at the end of 2020). In North America, the number of refineries decreased from 182 (with a total refining capacity of 19.947 million b/d in 2000) to 164 refineries (with a total refining capacity of 21.866 million b/d at the end of 2020). Whereas, the number of refineries in OAPEC member countries increased from 49 refineries (with a total refining capacity of 5.722 million b/d in 2000) to 55 refineries (with a total refining capacity of 9.176 million b/d).

In order to answer this question, it must be emphasized in the beginning that the challenges of the refining industry are not new despite their different nature. Nevertheless, we find that 92% of the countries in the world own one or more refineries, and a few other countries spare no effort to establish a refinery to meet the local demand for petroleum products. This is due to the importance that petroleum products acquire as a strategic commodity that affects national economy, as any delay in importing this commodity results in economic and even security risks related to the operation of military equipment.

As for OAPEC member countries (especially GCC countries, including the United Arab Emirates, the Kingdom of

Bahrain, the Kingdom of Saudi Arabia, the State of Qatar, and the State of Kuwait), investment in the oil refining industry is not limited to meeting local demand, but rather to exporting high-quality petroleum products to neighbouring global markets, relying on their competitive advantages thanks to many factors, the most important of which is the availability of crude oil locally, thus saving import and transportation costs, maximising the added value of oil by exporting it as a product instead of crude, and enabling these countries to refine cheap oil while providing good oil for exportation due easy marketing and high demand. Not to forget the geographical location of the Arab countries, which enables them to reach many promising consumption markets at the lowest costs, in addition to the cumulative experience and skilled labour that they have in managing, operating and maintaining refineries, according to the latest technologies for more than a hundred years.

In conclusion, it must be noted that the call to achieve carbon neutrality by 2050 does not mean stopping the use of oil and gas. Rather, many prestigious research centres confirm the continued dominance of oil and gas in the global energy mix beyond 2050 and for many decades to come. This gave OAPEC member countries more momentum in moving forward towards investing in the development of the oil refining industry to support the global markets with clean petroleum fuels of specifications that are compatible with cutting carbon emissions and environmental protection standards and legislations.

* Views expressed in the article belong solely to the author, and not necessarily to the organization.

10TH EDITION OF ARAB-CHINA BUSINESS CONFERENCE ENDS WITH LANDMARK ANNOUNCEMENT OF RIYADH DECLARATION



Riyadh, June 13, 2023, SPA -- The 10th edition of the Arab-China Business Conference successfully concluded on 12 June 2023 in Riyadh, Kingdom of Saudi Arabia. The conference featured 9 panels, 18 workshops, and several private meetings and hosted 150 speakers to explore, discuss and amplify Arab-Chinese economic cooperation.



The conference closed with the official announcement of the Riyadh Deceleration, a multimodal framework to strengthen economic and investment partnerships shared between the Arab world and China.

The announcement lays the foundation for continued collaboration with a focus on nine points, namely, strengthening economic



partnerships, exploring new opportunities for cooperation, supporting entrepreneurship, exchanging research and scientific innovations, organizing training programs to enhance human capital, activating cooperation to achieve market stability, addressing socioeconomic challenges, strengthening economic integration and amplifying renewable energy sources.

Held under the patronage of His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince and Prime Minister, the conference was the largest edition to date and a milestone development in Arab-Chinese economic partnerships. The Arab-China Business Conference welcomed leaders from the public and private sectors, innovators, decision-makers, entrepreneurs, investors and senior officials from 26 countries to explore the future of commercial relations between the Arab world and China.

Hosted in Saudi Arabia for the first time and organized by the Ministry of Investment of Saudi Arabia (MISA), the conference was held in partnership with the General Secretariat of the League of Arab States, the Chinese Council for the Promotion of International Trade, and the Union of Arab Chambers. The two-day conference featured keynote speeches, panel discussions and in-depth sector insights pinpointing means of cooperation in a range of sectors including technology, renewables,



agriculture, real estate, minerals, logistics, tourism and healthcare.

The conference's inauguration speech was delivered by HRH Prince Faisal bin Farhan bin Abdullah Al Saud, Minister of Foreign Affairs of the Kingdom of Saudi Arabia, during which he emphasized the importance of multilateral economic cooperation between Arab countries and China.

"Our shared ambitions of collaborating for prosperity indicate a joint mutual vision that lays within the economic investment relations between the Arab countries & and China, shedding light on how we work together to build a better future for generations to come."

HE Eng. Khalid Al Falih, Minister of Investment of Saudi Arabia, addressed the benefits of long-term economic cohesion between Arab countries and China during the conference's opening, stating, "The conference's theme 'Cooperation for Prosperity' confirms the importance, potential, and shared vision for the next frontiers of

trade and investment relations between the two regions. Through this conference, we have a remarkable opportunity to launch a new era of cooperation and collaboration fueled by our youth, our innovation and our shared interest for prosperity."

The first day of the conference featured the signing of US\$10 billion worth of investment agreements, spanning more than 30 deals across an array of sectors. Amongst the most notable agreements signed was a \$5.6 billion agreement between the Kingdom's Ministry of Investment and Human Horizons, a Chinese developer of autonomous driving technology and electric car manufacturer, under the brand HiPhi, to establish a joint venture for automotive research manufacturing and distribution. Saudi Arabia's Ministry of Industry, SABATCO and Hong Kong-based Android developer Hibobi Technology Ltd. were among the other organizations who signed agreements during the conference's opening day.

Day one of the Arab-China Business



Conference witnessed a number of key plenary sessions, workshops and special meetings discussing key subjects including environmental, social and governance, supply chain resilience and how collaboration is key to activating opportunities within the industry, mining and mineral industries. Panel discussions during the day also covered important topics such as renewable energy, megaprojects, tourism and investment along China's Belt and Road Initiative, a global infrastructure development strategy of which more than 150 countries and 30 international organizations have signed cooperative agreements thus far.

In addition to supporting investment opportunities, the closing day's objective centered not only on financial returns but also on how to build strong, long-term infrastructure and achieve solutions of common interest for both Arab nations and China through strategic collaboration.

The closing day's agenda centered on ways to build more resilient supply chains connecting the two regions, the evolving digital economy and capital market financing



to facilitate the growth of business within Arab countries and China. A presentation was also shared regarding the newly announced special economic zones within Saudi Arabia, regulated by Economic Cities and Special Zones Authority, which seeks to create pathways for inward strategic FDI.

The Arab-China Business Conference comes at a time of growing trade between Arab countries and China, which reached US\$430 billion in 2022. Trade between China and Saudi Arabia alone exceeded US\$106 billion last year, representing a 30% growth rate during 2021. The eleventh edition of the Arab-China Business Conference is scheduled to take place in China in 2025.



IRAQ'S PRIME MINISTER: THE RESPONSIBILITY OF (OPEC) DOES NOT END WITH EXPORTS, BUT RATHER EXTENDS TO ORGANIZING THE MARKET AND CONTROLLING PRICES

Iraqi Prime Minister HE Mohammed Al Sudani said on Friday, 16 June 2023, that the responsibility of the Organization of the Petroleum Exporting Countries (OPEC) does not end at export borders, but rather extends to market regulation and price control in order to achieve a fair price for both producers and consumers.

In a speech he delivered during a ceremony hosted by the Iraqi capital, Baghdad, on the occasion of the diamond anniversary of the founding of (OPEC), Al Sudani stressed that oil is still a major source of energy worldwide and is significant to politics, economy, development, environment, and to countries that depend on it, whether for production or consumption.

He pointed out that the world today is looking at the same time for alternatives to traditional energy and is moving towards alternative energy sources that will be a competitor to oil and gas within a few years, stressing the need to prepare from now on to develop plans responding to global shifts towards energy alternatives. Al Sudani stated that the entry of natural and associated gas into the energy investment market added new responsibilities to member countries, especially since gas has become a vital resource for many industries, which requires member countries to keep in mind the multiplying challenges they face. He added that Iraq has relied for many



HE Mohammed Al Sudani

years on oil as a main resource for its economy and money, and "neglected natural and associated gas," which caused the country the loss of many development opportunities, and to suffer from the environmental impacts associated with the oil industry. Al Sudani added, "therefore, we have now started with developing the oil industry and investing in its neglected aspects. Also, we signed important contracts to invest in both natural and associated gas," revealing that "the sixth round of oil licensing,

which targets important areas of natural gas fields, is imminent."

For his part, the Iraqi Oil Minister, HE Hayan Abdul-Ghani, announced in his speech during the ceremony that the organization will sign a memorandum declaring the establishment of OPEC in Baghdad for the year 2023, "reiterating the principles that were agreed and signed during its initial founding in this very same hall 63 years ago." Abdul-Ghani explained that this declaration of incorporation is "to renew international solidarity in order to preserve hydrocarbon wealth and to renew the historically correct path based on the ancient past, with the testimony of the prosperous present, and with a view to the bright future with high confidence."

He added that the celebration of the anniversary of the founding of OPEC confirms the strength of the



organization and its permanent pursuit and tireless work to achieve stability in the oil markets through a balance between supply and demand, praising at the same time the joint cooperation and understandings with the member countries of the organization and the members of the (OPEC +) alliance in a way that serves the common interests of its member countries.

A number of OPEC ministers delivered speeches during the celebration in which they underscored the pivotal role that OPEC plays in the stability of global oil markets.



IRAQI OIL MINISTRY: INVITING ARAMCO TO PARTICIPATE IN THE DEVELOPMENT OF THE AKKAS FIELD

The Iraqi Ministry of Oil recently revealed that the talks that took place with the Saudi Ministry of Energy included inviting Saudi companies to invest in the oil and gas sector. The invitation included inviting Aramco to invest and participate in the development of the Akkas oilfield in Anbar Province.

According to a ministerial statement received by Al Arabiya.net, the ministry said it "hopes to reach an agreement, that serves common interests and strengthens bilateral relations."

The Iraqi Ministry of Oil indicated that Saudi Aramco is studying cooperation mechanisms in this regard.

The Ministry will announce the terms and mechanisms of the agreement in the event that this is concluded in the future.



QATARENERGY SIGNS A 15-YEAR LNG SUPPLY AGREEMENT WITH BANGLADESH



DOHA, Qatar • 1 June 2023 – QatarEnergy's LNG trading arm, QatarEnergy Trading, has entered into a long-term LNG Sale and Purchase Agreement (SPA) with Bangladesh Oil, Gas and Mineral Corporation (Petrobangla) to supply about 1.8 million tons per annum (MTPA) of LNG to Bangladesh for 15 years, starting in 2026.

The SPA signing at QatarEnergy's Headquarters in Doha, was witnessed by His Excellency Mr. Saad Sherida Al-Kaabi, Qatar's Minister of State for Energy Affairs, the President and CEO of QatarEnergy, and His Excellency Mr. Nasrul Hamid, the state minister for Power, Energy and Mineral Resources of the People's Republic of Bangladesh.

In his remarks during the signing ceremony, His Excellency Mr. Saad Sherida Al-Kaabi said: "Today, we are proud to be the largest LNG supplier to Bangladesh and Petrobangla by a large margin, delivering more than 3.5 million tons per annum from Qatar to Bangladesh. These supply arrangements reinforce our unwavering dedication to safeguarding the energy security of



valued customers like Bangladesh and delivering the reliable energy they require for socio-economic development and prosperity."

Concluding his remarks, His Excellency Mr. Al-Kaabi thanked the working teams from both sides for their dedicated work to reach this agreement, adding: "I would also like to express our gratitude to His Highness the Amir, Sheikh Tamim bin Hamad Al Thani, for his wise leadership and his continued guidance to and support of the energy sector."

Qatar currently delivers more than 3.5 million tons per annum of LNG to Bangladesh. With this new SPA, QatarEnergy reaffirms its position as the LNG supplier of choice for its partners in the South Asia LNG markets.

QATARENERGY ANNOUNCES AWARDING THE EPC CONTRACT FOR THE NORTH FIELD SOUTH PROJECT

QatarEnergy announced the award of the engineering, procurement, and construction (EPC) contract for the North Field South (NFS) project, which comprises two LNG mega trains with a combined capacity of 16 million tons per annum (MTPA).

NFS, together with the North Field East (NFE) project, will increase Qatar's LNG production capacity from the current 77 MTPA to 126 MTPA. QatarEnergy holds a 75% interest in the NFS project and has already signed partnership agreements with TotalEnergies, Shell, and ConocoPhillips for the remaining 25%.

The announcement was made during a ceremony held to mark the award of the EPC contract for the two LNG trains and associated facilities with a joint venture of Technip Energies and Consolidated Contractors Company (CCC).

The contract was signed by His Excellency Mr. Saad Sherida Al-Kaabi, the Minister of State for Energy Affairs of the State of Qatar, the President and CEO of QatarEnergy, Mr. Arnaud Pieton, the President of Technip Energies, and Mr. Oussama El Jerbi, CCC Managing Director – Qatar, in the attendance of Sheikh Khalid bin Khalifa Al Thani, the Chief Executive Officer of Qatargas, and senior executives from QatarEnergy, Qatargas, Technip Energies and CCC.

Commenting on the award of the EPC contract, His Excellency Minister Al-Kaabi said: "QatarEnergy is proud to announce yet another significant milestone in the world's largest LNG project, reinforcing our commitment to meeting the global demand for Natural Gas."

His Excellency added: "The NFS project is a unique development that minimizes its environmental footprint by design. It includes one of the largest CO₂ capture and sequestration facilities and constitutes an important step towards achieving QatarEnergy's target of more than 11 MTPA of CO₂ capture and sequestration by 2035."

Minister Al-Kaabi thanked the management and working teams of QatarEnergy and Qatargas for their



sincere and dedicated efforts in implementing the North Field expansion projects. He also extended his thanks and appreciation to the management and staff of Technip Energies and CCC for their contributions and voiced warm gratitude to His Highness Sheikh Tamim Bin Hamad Al Thani, The Amir of the State of Qatar, for His invaluable guidance and unwavering support to QatarEnergy and Qatar's energy sector.

The EPC contract's value is around \$10 billion, and its scope covers the construction of two mega LNG trains with a capacity of 8 MTPA each, with associated facilities for gas treatment, natural gas liquids recovery, as well as helium extraction and refining within Ras Laffan Industrial City.

In addition to the carbon capture and sequestration facilities, the environmental attributes of the NFS project also include importing a significant portion of the project's electrical power requirements from the grid in the form of renewable solar power, which will be generated at QatarEnergy's solar power facilities currently under construction in Ras Laffan Industrial City. It also includes a 'jetty boil-off gas' recovery system, which will help reduce greenhouse gas emissions. The project will also conserve five million cubic meters of water per year by recovering 75% of the plant's tertiary water. Nitrogen Oxides (NOx) emissions will also be minimized through the application of enhanced Dry Low NOx technology.



LIBYA: NATIONAL OIL CORPORATION'S STATEMENT ON THE OCCASION OF WORLD ENVIRONMENT DAY

The 5th of June marks the World Environment Day (WED), an annual event dedicated to raising awareness about environmental issues across the globe. WED has been marked since 1973 under the supervision of the United Nations Environment Program (UNEP). This year, the Ivory Coast (Côte d'Ivoire) has been chosen to host the occasion, with the theme of focus being plastic pollution and its associated hazards.



المؤسسة الوطنية للنفط
National Oil Corporation

Given the connection between plastic production and oil and gas production, failure to effectively curb these activities could result in their share reaching up to 19% of the total permissible emissions as outlined in the Paris Agreement. The ultimate objective should be to limit global temperature increases to below 1.5 degrees Celsius, a goal that can only be achieved by halving annual greenhouse gas emissions by 2030.

If countries around the world, including Libya, do not decrease the concentration of greenhouse gas emissions then air pollution rates could increase by more than 50% within this decade. It is also expected that the amount of plastic waste that may reach aquatic systems could nearly triple by 2040, which is an integral part of the side effects of global warming and climate change.

The National Oil Corporation (NOC) Board of Directors treats reducing emissions as a priority and has established the "Initiative 2030" technical committee to lead this work. The primary goal of this program is to develop comprehensive plans tailored to the Libyan oil and gas sector, with a specific focus on minimizing gas flaring across all fields, facilities, and oil sites with the ultimate objective of eliminating flaring by the year 2030.

The NOC and its subsidiaries affirm that they will spare no effort to curb and reduce flaring rates as well as to promote sustainability and invest in clean energy, as it is an important element in replacing gas flaring and benefiting from it.

Therefore, the Corporation emphasizes the need to work together diligently to reduce and limit gas flaring so that the Libyan oil and gas sector can play a positive role in the global system to mitigate the effects of climate change.



EGYPT AND JORDAN SIGN COOPERATION AGREEMENT TO EXPLOIT THE GAS INFRASTRUCTURE

Jordan and Egypt recently signed a cooperation agreement to exploit the gas infrastructure in the two countries, according to which the Egyptian side will use the floating storage and gasification unit in Aqaba during the remaining period of the floating ship charter contract.

The statement of the Jordanian Ministry of Energy stated that the agreement comes within the framework of joint cooperation between the governments of the two countries in the energy sector, in light of government directives and within the plan of the Jordanian Electricity Company to reduce the operating costs of the Jordanian electrical system and enhance the security of energy supply in both countries.



The agreement includes supplying the Jordanian side with liquefied natural gas from Egypt, and re-pumping part of the quantities of natural gas when needed to Egypt, through pipelines extending between the two countries.



Q8 OIL:

OUR AVIATION FUEL MARKETING ARM WON A SUPPLY AND MARKETING CONTRACT AT MELBOURNE AIRPORT



Kuwait Petroleum International announced on 4 June 2023, that its aviation fuel marketing arm (Q8Aviation) has won a contract to supply and market jet fuel at Melbourne Airport, Australia. The company said in a press statement that after winning this contract, Melbourne Airport becomes the second airport in the region to contract with the company in addition to Sydney Airport, which establishes the presence of (International Petroleum) in the two largest airports in the continent of Oceania. The statement quoted the CEO of (International Petroleum) Shafi Al Ajmi as saying that the Asia-Pacific region is considered one of the most active growing regions in the field of global aviation, stressing that this success represents an important step towards achieving

the company's goals and ambitions in expanding sales of aviation fuel.

Al Ajmi added that the growth of the aviation fuel sector is one of the strategic pillars of the company, noting that the presence of (International Petroleum) in the second largest airport in Australia shows its customers the extent of its commitment to serving them all over the world. He stressed that this great success is the fruit of the perseverance of the branch of



Kuwait Petroleum International for aviation fuel, as this achievement will achieve the company a noticeable presence in the Asian markets for aviation fuel and make it among the largest suppliers in the Australian market.

The Kuwait International Petroleum Company was established in 1983 and is famous for the brand (Q8). It is a global marketing company affiliated to the Kuwait Petroleum Corporation and operates in Europe a huge and

wide network of retail fuel stations and stations to serve the designated transport routes. The company provides global air navigation with aviation fuel in more than 70 international airports, in addition to manufacturing and marketing one of the best and finest types of oils in the world under the Q8Oils brand. It also manages Kuwait refineries through international partnership companies in Italy, Vietnam and Oman (JVs).



ADNOC, JOHN COCKERILL HYDROGEN, AND STRATA MANUFACTURING TO BOOST UAE'S HYDROGEN ECONOMY



Abu Dhabi, United Arab Emirates - June 1, 2023 – The Ministry of Industry and Advanced Technology (MoIAT) announced on 1 June 2023 at the “Make it in the Emirates” Forum in Abu Dhabi that it has supported a strategic collaboration agreement between ADNOC, John Cockerill Hydrogen and Strata Manufacturing, aiming to manufacture electrolyzers in the UAE for local use and for export. Electrolyzers produce green hydrogen, an energy source made from renewables that does not emit carbon dioxide at the point of use.

The arrangements intended to be put in place as contemplated by the agreement enhances the development of the UAE's green hydrogen economy through the in-country manufacturing of electrolyzers and supports the UAE's “Make it in

the Emirates” initiative to promote local industry and create a favorable environment for investors. The agreement was signed at a ceremony witnessed by His Excellency Dr Sultan Ahmed Al Jaber, UAE's Minister of Industry and Advanced Technology and





Managing Director and Group CEO of ADNOC, Her Excellency Sara Al Amiri, Minister of State for Public Education and Advanced Technology, His Excellency Ahmed Jasim Al Zaabi, Chairman of Abu Dhabi Department of Economic Development (ADDED), His Excellency Antoine Delcourt, Ambassador of Belgium in the UAE and Jean-Luc Maurange, Executive Member of the Board, John Cockerill Group. It was signed by Hanan Balalaa, Senior Vice President, New Energies and Carbon Capture, Utilization and Storage, ADNOC, Ismail Ali Abdulla, Managing Director & CEO of Strata Manufacturing and Raphael Tilot, CEO of John Cockerill Hydrogen.

His Excellency Omar Al Suwaidi, Undersecretary of the UAE's Ministry of Industry and Advanced Technology, said: "Accelerating the development of future industries is one of the main objectives of the National Strategy for Industry and Advanced Technology. Therefore, the ministry is committed to ensuring the national industrial sector benefits from innovative solutions and advanced technologies that support the expansion of future industries. Stimulating cooperation between leading national companies and international and local manufacturers is key to these efforts, which reinforces the industrial sector's contribution to decarbonization in line with the UAE's net zero and COP28 targets. "Led by ADNOC, this strategic cooperation agreement strengthens our industrial sector and provides the necessary capabilities for future industries to thrive. The agreement will be particularly beneficial to the field of hydrogen, which represents one of the most important future industries and underpins a greener economy."

Balalaa said: "We are very pleased to partner with John Cockerill Hydrogen and Strata Manufacturing in this landmark initiative that could enable electrolyzers to be manufactured in the UAE for the first time. Hydrogen is a critical fuel in the energy transition and this agreement underscores how the energy sector can work with the industrial and hard-to-abate sectors to decarbonize at scale, drive low-carbon economic growth and enhance energy security. ADNOC will continue to advance lower-carbon solutions and decarbonization technologies to strengthen our position as a responsible energy provider and support the UAE Net Zero by 2050 Strategic Initiative." Abdulla said: "We are excited to join forces with ADNOC and John Cockerill Hydrogen in this groundbreaking initiative. Strata's expertise in advanced manufacturing will play a crucial role in establishing the UAE as a global hydrogen leader.

"AGREEMENT SUPPORTED BY MINISTRY OF INDUSTRY AND ADVANCED TECHNOLOGY BRINGS THE PRODUCTION OF ELECTROLYSERS TO THE UAE FOR THE FIRST TIME, STRENGTHENING DECARBONIZATION AND DOMESTIC MANUFACTURING"

This collaboration aligns with our strategic vision of driving innovation and economic growth in the UAE."

Tilot said: "As a leader in large scale green hydrogen production and distribution solutions, we are delighted to collaborate with ADNOC and Strata Manufacturing to explore opportunities to develop electrolyser manufacturing capabilities in the UAE. This partnership will strengthen the UAE's position in the global hydrogen market and will enable the country to achieve its ambitious decarbonization objectives."

ADNOC is an early mover in the production of clean hydrogen and is a key enabler of the UAE's ambition to become a key supplier to global hydrogen markets. The company is also a shareholder in Abu Dhabi Future Energy Company (Masdar) which has around 20 GW of clean power capacity and targets at least 100GW renewable energy and up to 1 million tons of green hydrogen by 2030.

The second edition of the Make it in the Emirates Forum has attracted extensive participation from decision makers, government and private sector officials, experts, entrepreneurs, financing entities, investors, startups, and SMEs. Its primary goal is to showcase investment opportunities within the local industrial sector, emphasizing the potential for investment, product development, product localization, and redirecting procurement towards the national economy.

In addition to showcasing the UAE as a global hub for manufacturing and innovation, the forum seeks to promote sustainability and reduce and eliminate carbon emissions within the industrial sector in line with objectives of the 'Year of Sustainability', the UAE's Net Zero by 2050 strategic initiative, and its preparations to host COP28.



ADNOC L&S AND SEAOWL SIGN AGREEMENT TO DESIGN REMOTELY OPERATED MARINE SUPPLY VESSELS

VESSEL DESIGN TO ENABLE UP TO 30% REDUCTION IN CO2 EMISSIONS, IN LINE WITH ADNOC L&S COMMITMENT TO DECARBONIZE ITS OPERATIONS



Abu Dhabi, UAE - May 11, 2023: ADNOC Logistics & Services (ADNOC L&S), the shipping and maritime logistics arm of ADNOC, announced on 11 May 2023 that it has signed an agreement with SeaOwl for the design of unmanned Remotely Operated Vessels (ROV) capable of transporting vehicles, equipment and supplies to and from offshore sites. The agreement was signed by Captain Abdulkareem Al Masabi, CEO of ADNOC L&S and Xavier Génin, CEO of SeaOwl at the UAE Climate Tech Forum organized by the Ministry of Industry and Advanced Technology.

The innovative design of the ROV will reduce carbon emissions up to 30% as the vessel will be lighter and smaller, as facilities for a crew are not required. In addition, the smart automation systems will optimize routing and propulsion, further decarbonizing ADNOC L&S' offshore operations in support of the UAE's Net Zero by 2050 Strategic Initiative and ADNOC's 2030 Sustainability Agenda.

Captain Abdulkareem Al Masabi, CEO of ADNOC L&S said: "A strategic commitment to sustainability and innovation plays a crucial role in ADNOC L&S' ability to serve its customers. The vessel is another example of this commitment as we leverage the latest technology to optimize our maritime operations, reduce our carbon footprint and improve safety

INNOVATIVE UNMANNED VESSELS TO BE EQUIPPED WITH INDUSTRY-LEADING AUTOMATION AND SELF-NAVIGATION TECHNOLOGY TO ENHANCE OFFSHORE LOGISTICS OFFERING

while increasing efficiency."

The design for the 55 meters long ROV will allow the vessels to be operated from an onshore control room through a satellite link using the latest automation and self-navigation technology. The design will utilize state of the art artificial intelligence systems to control propulsion, dynamic positioning, remote communication and cyber security.

SeaOwl, a French company specializing in the automation and digitalization of maritime services, will design the vessel, oversee its construction, and facilitate navigation permits. Seaowl will partner with Bureau Veritas (BV), a world leader in testing, inspection, and certification, to facilitate obtaining the necessary navigation permits from the UAE maritime transportation affairs.

Xavier Génin, CEO of SeaOwl said: "After the success of our Proof of Concept supported by the French Government, we are delighted to join forces with ADNOC L&S to bring a new era of sustainable logistics operations through digital automatization. This project will create strong ties with the UAE industrial landscape, as we plan to engage many other UAE players in this exciting journey."

This design will improve safety and reduce operational costs as the vessels will be able to operate in harsher conditions with no exposure to seafarers.

Upon construction, the ROVs will join ADNOC L&S' large and diverse fleet of modern and technologically advanced vessels. Combined with its 1.5 million square meter logistics base in Abu Dhabi and its integrated logistics capabilities, ADNOC L&S is one of the region's largest shipping and integrated logistics companies.



OPEC CELEBRATES 60TH ANNIVERSARY, RECALLS SUCCESSFUL JOURNEY



Secretary General of Organization of Petroleum Exporting Countries (OPEC), HE Haitham Al Ghais, hailed the historic role of the five founding member states on occasion of the organization's 60th anniversary. Al Ghais spoke to KUNA about the momentous establishing meeting that took place in Baghdad, where the founding members' sagacity laid the foundations for an organization that went on to be a pillar of the energy market. This, stated Al Ghais, is an opportunity for all members to reflect upon OPEC's exceptional journey and celebrate its successful endeavors.

The Secretary General spoke of the virtues of collaborative work saying that unity is a source of power. The organization's main objective is to stabilize the oil market, benefit both oil producing and consuming countries alike, and support global economic growth, clarified Al Ghais. He went on to say that the organization's 60th anniversary is an opportunity to renew commitment to principles, and recall its inspiring history.

The OPEC 60th anniversary celebration meant to take place in 2020 but was postponed due to the COVID19 pandemic. OPEC was established by Kuwait, Venezuela, Saudi Arabia, Iran and Iraq, on 14 September 1960. Alongside founding members, the organization currently includes Libya, UAE, Algeria, Nigeria, Angola, Gabon, Equatorial Guinea and Congo. (KUNA)

Monthly Report on Petroleum Developments in The World Markets

June 2023

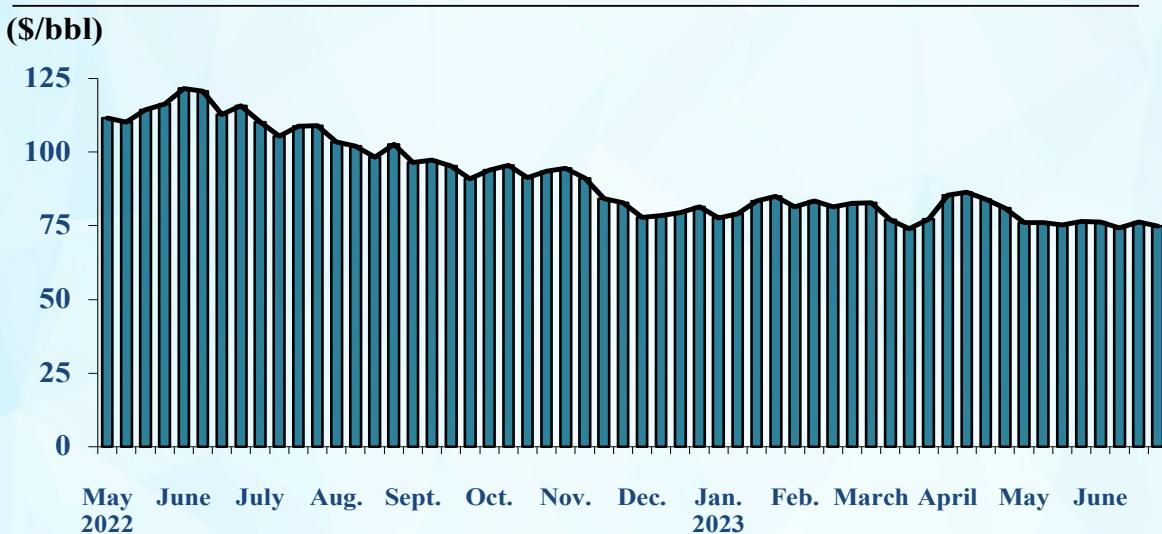
First: World Oil Markets

1. Oil Prices

OPEC primary estimates indicate that OPEC Reference Basket price decreased in June 2023 by 0.8% compared to the previous month, to reach \$75.2/bbl. While annual price of OPEC Basket is estimated to decrease in 2023 by 20.8% compared to 2022, to reach \$79.2/bbl.

It's worth mentioning that, OPEC Reference Basket decreased in May 2023 by 9.9% or \$8.3/bbl compared to the previous month of April, to reach \$75.8/bbl. This is mainly attributed to Selloffs in futures markets, high crude oil supply availability in Northwest Europe, an uncertain demand outlook, and decreased buying interest from several Asian refineries, amid renewed worries about an economic slowdown and re-emerging US banking sector concerns.

Weekly Average Spot Prices of OPEC Basket of Crudes, May 2022-June 2023



Source: OPEC, Monthly Oil Market Report, Various issues.

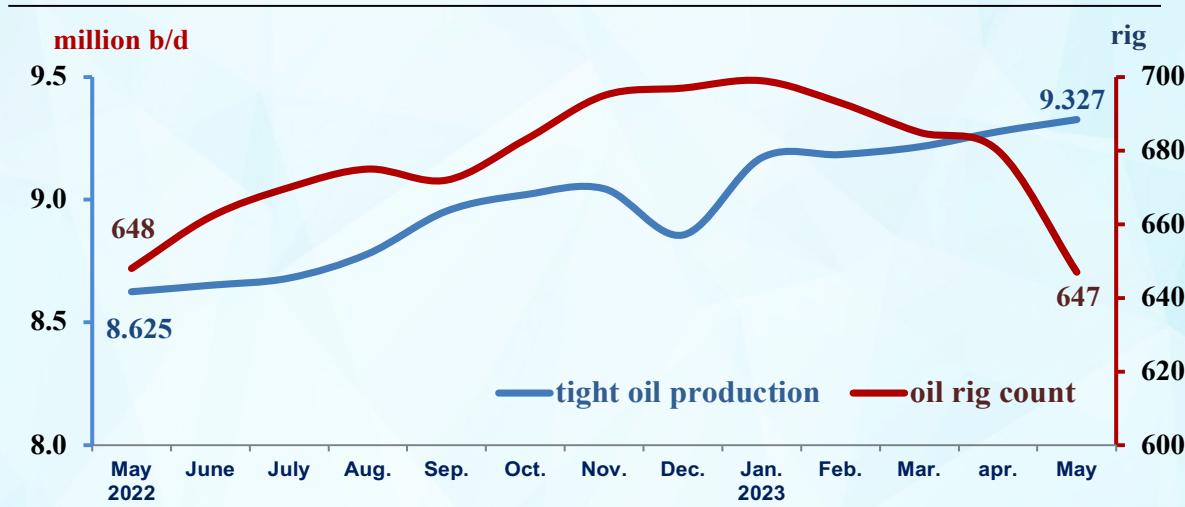
2. Supply and Demand

- Primary estimates indicate that world oil demand is increased in Q1 2023 by 0.5% compared with previous quarter, to reach 101.6 million b/d. As demand in Non-OECD countries increased by 1.9% to reach 56.1 million b/d, whereas demand in OECD countries decreased by 1% to reach 45.4 million b/d.

Projections indicate that world oil demand is expected to decrease in Q2 2023 to reach 100.8 million b/d. As demand in Non-OECD countries is expected to decrease to reach 55.3 million b/d. And demand in OECD countries is expected to decrease to reach 45.5 million b/d.

- Primary estimates indicate that **world** crude oil and NGLs/non conventional supply in May 2023, decreased by 0.1% to reach 99.9 million b/d. OPEC supply decreased by 1.4% to reach 33.5 million b/d and Non-OPEC supplies decreased by 0.9% to reach 66.4 million b/d.
- **OPEC+** crude oil supply in May 2023, decreased by about 69 thousand b/d, or 1.8% comparing with previous month level to reach 38.4 million b/d. The supplies of Non-OPEC supplies, which are members in OPEC+, decreased by 1% to reach 14.9 million b/d, and the supplies of OPEC-10 supplies, which are members in OPEC+ decreased by 2.3% to reach 23.5 mb/d.
- US tight oil production increased in May 2023 by 49 thousand b/d compared to previous month level to reach 9.327 million b/d. Production is expected to continue rising in June and July 2023 to reach 9.376 million b/d. On other development, US oil rig count decreased in May 2023 by 33 rigs, to stand at 647 rigs.

US tight oil production and oil rig count

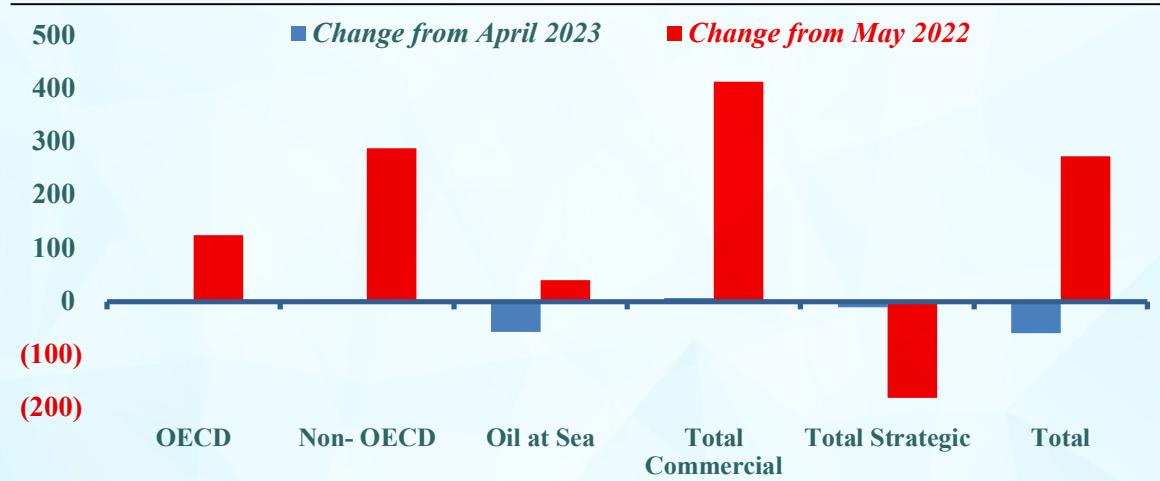


Source: EIA, Drilling Productivity Report for key tight oil and shale gas regions June 2023.

3. Oil Inventories

- OECD commercial inventories in May 2023 increased by 3 million barrels from the previous month level to reach 2799 million barrels whereas strategic inventories decreased by 10 million barrels to reach 1495 million barrels.

Change in Global Inventories at the End of May 2023 (million bbl)



Source: Oil Market intelligence, June 2023 and August 2022.

4. Oil Trade

US Oil Imports and Exports

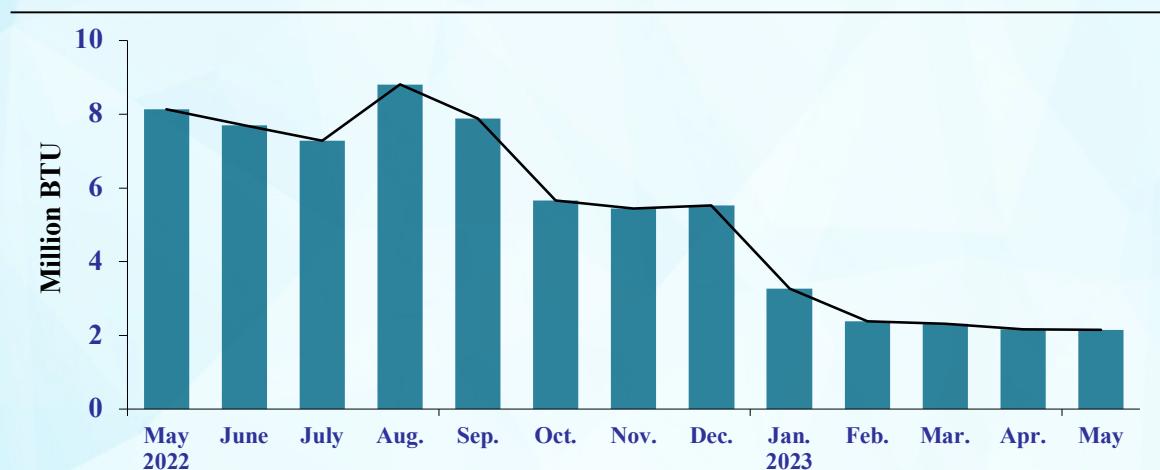
- US crude oil imports in May 2023 increased by 0.9% from the previous month level to reach about 6.4 million b/d, whereas US crude oil exports decreased by 1.2% to reach about 4.2 million b/d.
- US petroleum products imports in May 2023 decreased by 8.3% from previous month level to reach about 2 million b/d, whereas US petroleum products exports increased by 2.5% to reach 6.2 million b/d.

Second: Natural Gas Market

1. Prices

- The average spot price of natural gas at the Henry Hub decreased in May 2023 to reach \$2.15/million BTU.

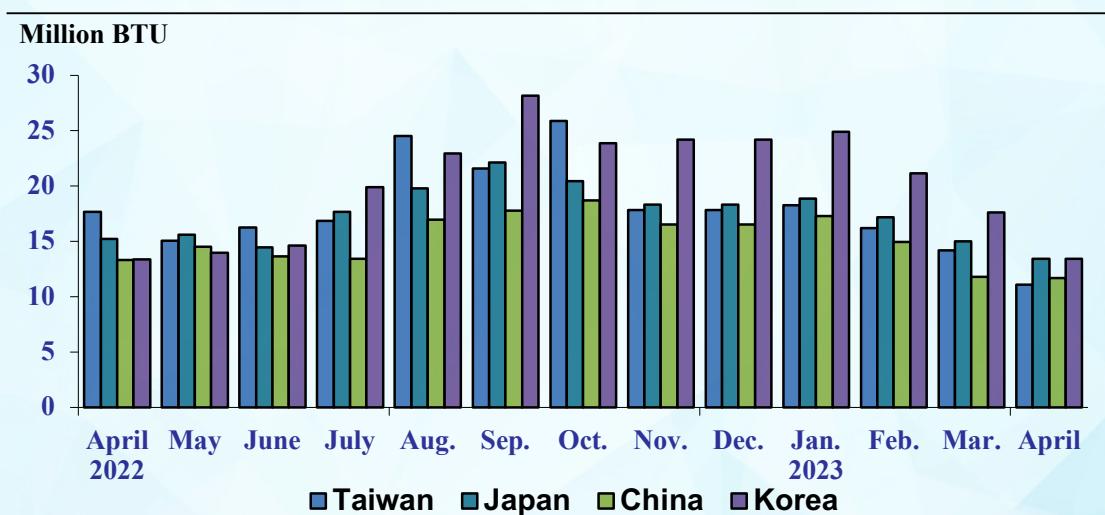
Average spot price of natural gas at the Henry Hub, May 2022 - May 2023



Source: EIA, Henry Hub Natural Gas Spot Price.

- The price of Japanese LNG imports in April 2023 decreased by \$1.57/m BTU to reach \$13.42/m BTU, the price of Korean LNG imports decreased by \$4.19/m BTU to reach \$13.43/m BTU, the price of Chinese LNG imports decreased by \$0.09/m BTU to reach \$11.71/m BTU, and the price of Taiwan LNG imports decreased by \$3.1/m BTU to reach \$11.09/m BTU.

The price of Northeast Asia LNG imports, Apr. 2022-Apr. 2023



Source: Energy Intelligence - WGI, Various issues.

2. Exports

Arab LNG exports to Japan, South Korea and Taiwan were about 3.717 million tons in April 2023 (a share of 27.2% of total imports).

Tables Annex



OAPEC AWARD

FOR SCIENTIFIC RESEARCH FOR THE YEAR

on

2022

**Deadline for
receiving
research papers
participating in OAPEC
Scientific Award
for the Year 2022
has been extended to
31 July 2023 instead
of 30 May 2023**



"Decarbonization Techniques in the Petroleum Industry and the Circular Carbon Economy"



Organization of Arab Petroleum Exporting Countries (OAPEC)
OAPEC AWARD FOR SCIENTIFIC RESEARCH FOR THE YEAR 2022

In the Field of
Decarbonization Techniques in the Petroleum Industry and the
Circular Carbon Economy "CCE"

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