



COP27

SHARM EL-SHEIKH
EGYPT 2022



OAPEC

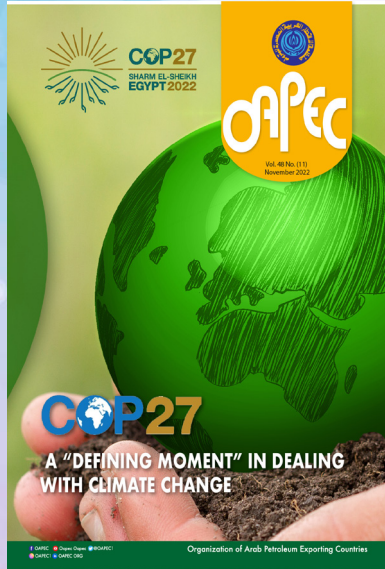
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COP27

**A "DEFINING MOMENT" IN DEALING
WITH CLIMATE CHANGE**



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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• **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.



COP27: A “DEFINING MOMENT” IN DEALING WITH CLIMATE CHANGE



By: Ali Sabt Ben Sabt
OAPEC Secretary General

The UNFCCC's 27th Conference of the Parties (COP27), was held in Sharm El Sheikh, Arab Republic of Egypt, during the period 5-19 November 2022. The summit that was attended by leaders of about 120 countries, was named by the host country as a «defining moment» in dealing with the issue climate change, with the participation of about 40,000 participants from 197 countries and dozens of international and regional organizations concerned with environment and climate affairs. The summit aimed at giving a new impetus to combating climate change, in light of calls for the commitment of major countries to the goals of reducing emissions and helping small countries to face the repercussions of climate change.

In his opening speech, the United Nations Secretary-General, Antonio Guterres, asked the participating countries to agree to phase out the use of coal, which is one of the most carbon-emitting fuels, until it is completely dispensed with by 2040 worldwide, provided that the OECD member achieve this goal by 2030.

The outcomes of the «COP27» summit reemphasized the commitment to limit global temperature rise to 1.5 degrees Celsius above pre-industrial levels and the gradual reduction of the use of coal. It has also requested the parties to reconsider and enhance their 2030 climate goals by the end of 2023 as necessary in order to comply with the Paris Agreement. The parties that have not reported on national strategies on cutting greenhouse gas emissions have also been urged to do so by the next meeting of the Conference of the Parties. The outcomes have also stressed the importance of immediate and sustainable reductions in global greenhouse gas emissions by state parties in all applicable sectors, and the urgent need to transform energy systems to become more secure, reliable and resilient by accelerating the transition to renewable energy.

The states parties taking part in the summit also agreed to establish a new response fund to provide funds for losses and damages to developing countries affected by climate change by activating the Santiago Network on Loss and Damage by adopting its terms of reference and agreeing on its structure.

This is in addition to calling on the parties to accelerate the development and dissemination of technologies and adoption of policies for the transition towards low-emission energy systems and the expansion of clean energy generation and energy efficiency measures. State parties were also urged to adopt a transformative approach to enhance adaptive capacity, strengthen resilience, and reduce vulnerability to climate change, and urged developed countries to increase the provision of climate-related funding and technology transfer, and urgently and significantly build capacity for adaptation in order to respond to the needs of developing country parties.

The participation of OAPEC Secretariat General in the «COP27» summit comes within the framework of its follow-up on environmental issues and climate change developments, as well as, highlighting the organization's role in this field at all regional and international conferences and meetings concerned with environment and climate change. We believe that climate change is an important issue, which requires all countries of the world to devote their efforts to tackling it. In this context, many Arab oil-producing countries observe international standards to maintain a pollutants-free environment and use technologies to reduce emissions.



OAPEC Secretary General HE Ali Ben Sabt sent a cable of congratulations to Algeria’s Minister of Energy and Mines, HE Mohamed Arkab, on the occasion of the 68th Anniversary of the Algerian Revolution on 1 November.





OAPEC Secretary General HE Ali Ben Sabt sent a cable of congratulations to the Deputy Prime Minister for Energy Affairs and Oil Minister of the Republic of Iraq, His Excellency Mr Hayyan Abdul Ghani Al Sawad, on the occasion of assuming the ministerial portfolio, wishing him success and looking forward to strengthening the existing cooperation between the Republic of Iraq and OAPEC.





TRAINING COURSE ON “EFFECTIVE PROJECT MANAGEMENT”



Organization of Arab
Petroleum Exporting
Countries (OAPEC)

Enppi

Engineering for the Petroleum &
Process Industries (ENPPI)

Effective Project Management

6- 8 November 2022

In a new step towards activating the role of the organization in the training process, with the participation of managers, engineers, specialists, and a large attendance of nearly 500 participants from various Arab countries, the “Effective Project Management” training course was held between 6 and 8 November 2022. The course was organized by OAPEC Secretariat General in collaboration with “Enppi” in the Arab Republic of Egypt.

The course spanned over three days, during which six sessions were held via the Zoom video platform, with an average of four hours per day. The course aimed at developing the trainees’ project management skills in the business world in general, with a special focus on the petroleum industry.



THE ELEVENTH MEETING OF THE DATABANK LIAISON OFFICERS OF OAPEC MEMBER COUNTRIES KICKS OFF

As part of OAPEC Secretariat General's endeavours to follow up and implement the Organisation's role activation plan, OAPEC Secretary-General, HE Ali Sabt ben Sabt, inaugurated the activities of the eleventh meeting of the member countries' databank liaison officers on Wednesday 9 November 2022. It was held via video conferencing technology over a period of two days.

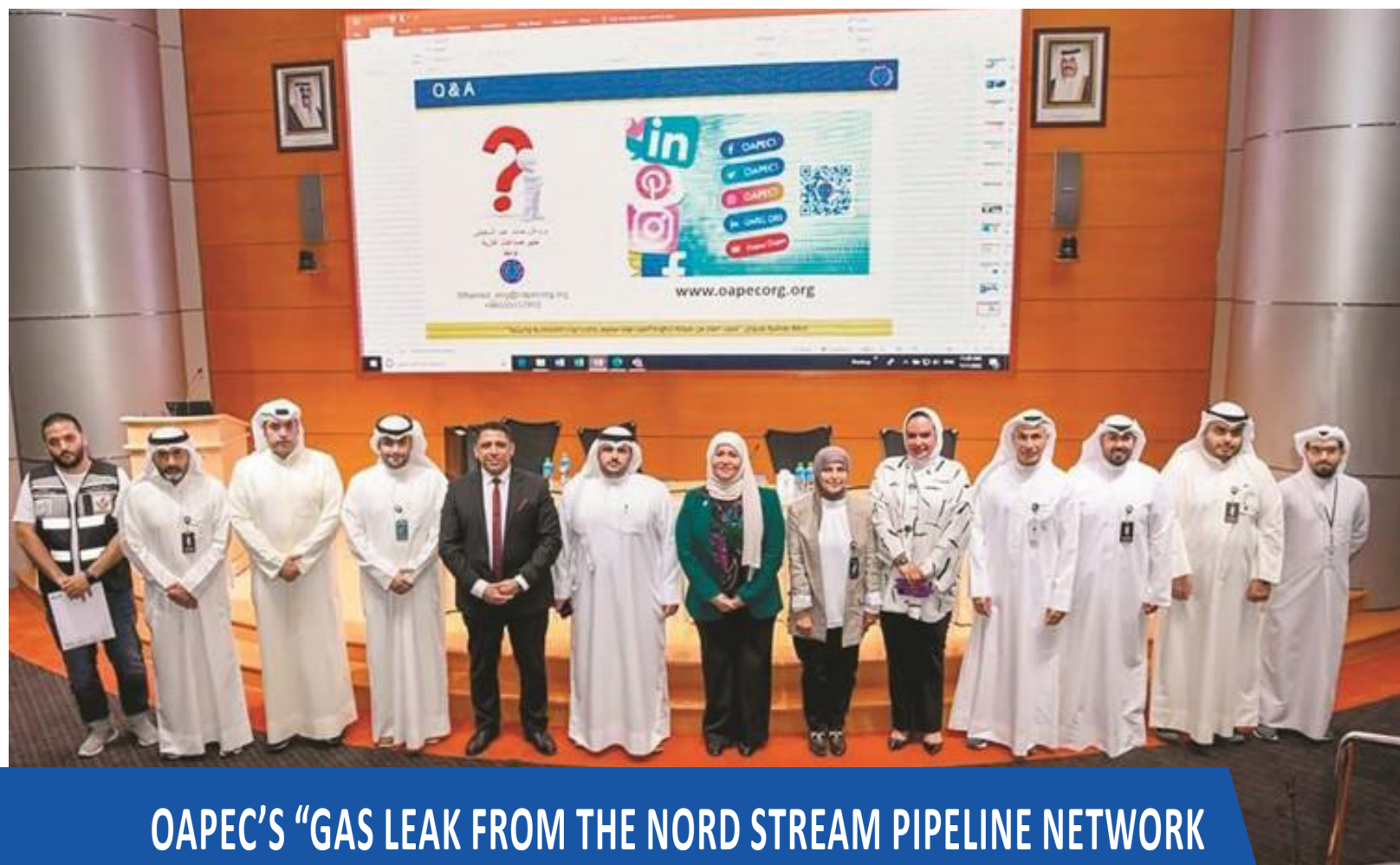
HE Ben Sabt started his speech by saying that the meeting aims mainly to develop a form for collecting energy data from the member countries. He clarified that this step helps to improve methods that ensure the continuation of data flow on an annual basis on the designated dates, and to promote and improve the quality of the data that are placed in the database of the Secretariat General's Databank, which are essential and important references for OAPEC staff of specialists and researchers in particular, and for the Arab countries and specialized international bodies and organizations in general.

The Secretary-General also stressed the Secretariat's keenness to give priority to building the capacities of workers in member countries to compile and analyze oil and energy statistics, by providing training courses specialized in oil



and energy statistics, noting that the Secretariat is currently working on preparing a specialized training course entitled "Calculating Carbon Emissions from the Energy Balance" during 2023.

Concluding his speech, the Secretary-General stressed the importance of cooperation with the Secretariat General through the continuity of participation and the provision of modern statistics and official data on a regular and sustainable basis, according to the structure and details included in the tables of the energy Data Collection Form, without which the Databank cannot be developed.



OAPEC'S “GAS LEAK FROM THE NORD STREAM PIPELINE NETWORK AND ITS ECONOMIC AND ENVIRONMENTAL REPERCUSSIONS” SEMINAR ORGANISED BY KUWAIT’S OIL MINISTRY

Kuwait’s Ministry of Oil organized a seminar, on 1 November 2022, on “Gas Leak from the Nord Stream Pipeline Network and its Economic and Environmental Repercussions”, which was presented by OAPEC representative, Eng. Wael Abdul Moati, Gas Industries Expert at the Organisation. A number of interested researchers from technical and economic affairs departments in the ministry, guests from the Environment Public Authority, the Kuwait Institute for Scientific Research, the Ministry of Electricity, Water and Renewable Energy, and the media attended the event.



The Director of Public Relations and Information at the Ministry of Oil, Sheikha Tamader Khaled Al Ahmad Al Jaber Al Sabah, said at the beginning that the seminar organized by the ministry is the first in-person event since the outbreak of the COVID19 pandemic, as the ministry held online seminars over the past two years. She stated that the Ministry of Oil is keen to resume in-person attendance and interaction at events it holds in order to ensure that all attendees make maximum benefit from the seminar. She stressed that the ministry will continue to hold many seminars during the coming period, which will cover various local and global oil issues.



Addressing the attendees, Eng. Abdul Moati, said that the European market is the second largest importing gas market globally after the Asian market, and the degree of its dependence on imports reached 67%, noting that Russia accounted for about 32% of the total European gas demand in 2021, topping the list of gas exporters to Europe. The European market is also the most affected by the rise in spot gas prices, as it follows the pricing system based on supply and demand in the spot market, amounting to more than 70% of total imports, due to its unwillingness to sign long-term contracts with major producers. Regarding the most prominent economic repercussions of the gas leakage accident from the Nord Stream-1 and Nord Stream-2 pipelines, he explained that OAPEC estimates the leakage of about 0.75 billion cubic meters of gas, a quantity equivalent to a combined load of 8 LNG tankers (170,000 cubic metres tonnage each) which completely leaked into the Baltic Sea, with a loss of \$1.3 billion. As for the environmental effects resulting from the accident, Eng. Wael explained that it caused the leakage of more than 555,000 tons of methane, which is more harmful to the environment than carbon due to its high ability to trap heat, as this amount is equivalent to about 15.5 million tons of carbon dioxide, which is the amount emitted by 3.3 million gasoline-powered cars in an entire year.

On the most prominent lessons learned from the European gas crisis, the lecture concluded:

- The importance of diversifying the sources of gas supply, and not relying on a “single source”, which highlights the importance of liquefied natural gas in achieving energy security that can be imported from several destinations around the world.
- The importance of long-term contracts to ensure the security of supplies and to avoid consumer exposure to sudden fluctuations and sharp rises in spot gas prices



- Balance between climate issues and decarbonization on the one hand, and achieving energy security on the other hand, to ensure the achievement of a sustainable energy system in the future. In this context, the OAPEC expert praised the “Al Zour” liquefied natural gas project in the State of Kuwait, which started operation in July 2021, the largest project of its kind in the Middle East and North Africa, with a gasification capacity of 3 billion cubic feet per day and storage capacity up to 1.8 million cubic metres. This project enabled the State of Kuwait to diversify its sources of gas supplies by importing liquefied natural gas from several destinations. During the first nine months of 2022, Al Zour terminal received more than 4.5 million tons of liquefied natural gas, according to preliminary estimates, from several destinations, including the State of Qatar, the United States, Nigeria, the United Arab Emirates, the Sultanate of Oman, and Trinidad and Tobago, at reasonable prices much lower than the prevailing prices in the spot market thanks to the long-term contracts signed by the Kuwait Petroleum Corporation with major producers, including the contract with Qatar Energy to import 3 million tons/year of liquefied natural gas for a period of 15 years. He explained that such contracts guarantee the provision of safe, reliable and sustainable supplies to the State of Kuwait, as well as secure revenues for the exporting countries to ensure the continued injecting of investments in the development of the gas sector to comply with the contractual quantities. He noted that the cost of the cargo of a LNG tanker (170,000 cubic metres) reached \$140 million in the spot market due to the sharp rise in prices, while its cost in long-term contracts is estimated at about \$35 million, which means that Kuwait saved tens of millions of dollars per month.



OAPEC'S PARTICIPATION IN THE PREPARATORY MEETINGS FOR THE 31ST ARAB SUMMIT



OAPEC Secretariat General participated in the preparatory meetings for the 31st Arab Summit of the Arab League, which was held at the headquarters of the International Conference Centre “Abdullatif Rahal” in the People’s Democratic Republic of Algeria.

The meetings began with the preparatory meeting at the level of delegates on 28 October 2022, followed by the preparatory meeting at the level of senior officials on 29 October 2022, and then the meeting at the level of foreign ministers on 30 October 2022.

During these meetings, more than twenty topics were discussed that dealt with different social and economic files, the most important of which: the assessment of the course of the Greater Arab Free Trade Area, in addition to other topics such as the Arab Customs Union, the Arab strategy for the peaceful uses of atomic energy, the Arab food security strategy, and the Arab vision for the digital economy, in addition to other important economic fields that support the joint Arab economic action, Mr. Abdul-Fattah Dandi, Director of the Economic Department and Supervisor of the Media and library.



OAPEC
ORGANIZATION OF ARAB
PETROLEUM EXPORTING
COUNTRIES



أوابك
منظمة الأقطار
العربية المصدرة
للبتترول



-  OAPEC1
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Middle East Green Initiative Summit



MIDDLE EAST GREEN INITIATIVE SUMMIT ISSUES PRESIDENTIAL COMMUNIQUÉ



The second edition of the Middle East Green Summit issued a presidential communiqué, as follows:

At the kind joint invitation from President Abdel Fattah El Sisi of the Arab Republic of Egypt, and HRH Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince and President of the Council of Ministers of the Kingdom of Saudi Arabia, the second edition of the Middle East Green Initiative Summit was held in Sharm El-Sheikh, Egypt, in the presence of a number of leaders from Middle Eastern and African countries along with international officials in the environment and climate change sector on Monday the 7th of November 2022, co-chaired by



Saudi Arabia and Egypt.

The assembled leaders valued the efforts made by the Kingdom of Saudi Arabia in preserving the environment and limiting the impact of climate change, particularly the two initiatives by HRH Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince and President of the Council of Ministers of the Kingdom of Saudi Arabia, the “Saudi Green Initiative” and the “Middle East Green Initiative” for the positive impact they will leave on the environment in regional countries and the world, improving the quality of life, and facing the challenges of climate change.

Assembled leaders valued the efforts made by

the Arab Republic of Egypt and President Abdel Fattah El Sisi to host the second Middle East Green Initiative Summit in his country in conjunction with (COP27).

The assembled leaders stressed the importance of joint collective action in achieving the desired goals of the Middle East Green Initiative, believing in the importance of its goals that can be realized through concerted efforts and active contributions by regional nations.

The assembled leaders affirmed that the second Middle East Green Initiative would contribute to accelerating the realization of 2030 sustainable development goals, and to achieving



prosperity for the populations of member states. The assembled leaders stressed the importance of achieving climate and environmental goals, in addition to adhering to related international conventions approved by the United Nations, in a way that contributes to achieving the UN sustainable development goals for 2030 and the UN Decade in Ecosystem Restoration, determination to achieve integration and close coordination between member states, and investing that in raising their collective capability to face the challenges of climate change.

The assembled leaders affirmed that member states in the initiative adhere to implementing their pledges and commitments within the framework of the Paris Agreement, and to working on taking the necessary measures to curb the rise of the average global temperature in accordance with the levels set by the Paris Agreement.

- 1-The assembled leaders reiterated the importance of working to strengthen support for the implementation of the Paris Agreement, and to achieve sustainable development goals that contribute to economic diversity and the eradication of poverty.
- 2-The assembled leaders emphasized enhancing the integration of the optimal energy mix for electricity production, supporting the electrical grid's capacity for the entry of renewable energy, contributing to achieving climate change targets through signing interconnection memorandums and agreements that were signed with multiple regional nations such as Iraq, Egypt, and Jordan, as an extension of interconnection cooperation for the GCC countries.
- 3-The Assembled leaders affirmed support for efforts to reduce emissions in the Middle East region and beyond by signing bilateral and

multilateral agreements and MOUs in the field of clean energy, which will advance cooperation in clean energy and its technologies and expand its scope in this field.

- 4-The Assembled leaders endorsed the importance of joint cooperation to address and manage the challenges posed by greenhouse gas emissions through a holistic approach and various available clean technologies, including the circular carbon economy approach and its four pillars, which represent an integrated, comprehensive framework and applications that countries can utilize in developing climate action plans in line with the national priorities and conditions of each country.
- 5-The Assembled leaders reiterated strengthening joint action to support efforts to develop and disseminate modern technologies for carbon capture, utilization, and storage, and decarbonization technologies, in particular, from energy-intensive and emission-intensive sectors, while promoting investments in this field to contribute to the international efforts to address emissions.
- 6-The Assembled leaders affirmed commitment to adopting an appropriate national approach to achieve a just transition to a low-emissions development model capable of adapting to the effects of climate change, based on proven scientific recommendations, agreed responsibilities and principles, primarily fairness and justice, and taking into account the national conditions of each country.
- 7-The Assembled leaders stressed the importance of joint international action in the field of "clean fuel" solutions to provide food, which contributes to achieving sustainable development goals, in general, and Goal (7), in particular, that aspires



to universal access to reliable and sustainable energy at the most affordable cost.

8-The assembled leaders expressed their determination to continue cooperation with friendly countries and regional international organizations to ensure achieving the goals of the Middle East Green Summit, and to serve the interests of member states and international partners.

The assembled leaders affirmed their commitment to prepare a better future for upcoming generations, believing in the importance of what the initiative aspires to do towards the sustainable development of the region and the preservation and restoration of biodiversity in it for the benefit of the countries and peoples of the whole world.

The assembled leaders reiterated the importance of emphasizing the mobilization and provision of necessary funding for the Middle East Green Initiative, and for all technologies and solutions that contribute to addressing emissions through bilateral, regional, and international frameworks, and coordination in this context, in addition to welcoming the financing pledges made by a number of banks and the OPEC Fund for International Development.

The assembled leaders affirmed that implementation of the objectives of the Middle East Green Initiative would contribute to reducing and managing greenhouse gas emissions from all sources, including renewable energy and clean technologies to manage emissions from hydrocarbon materials, and remove millions of tons of carbon emissions through technological and natural solutions.

The assembled leaders renewed their determination to exert efforts to reach the

initiative's goals to limit land deterioration, restore vegetation cover, maintain biological diversity, adapt to climate change, curb its negative effects to reduce economic losses, support sustainable development, and realize prosperity.

The assembled leaders renewed their determination to agree to enhance cooperation and support regarding the improvement of managing natural resources, and combating land deterioration and desertification, while making a commitment to make joint efforts to strengthen water security and food security in the face of the negative effects of climate change.

The assembled leaders stressed the importance of cross border cooperation in various areas, especially considering the management of vulnerable resources due to climate change, in a manner that strengthens joint action frameworks including bilateral, regional, and collective ones.

The assembled leaders called upon countries, related regional and international organizations and commissions, as well finance institutions and the private sector to provide financial and technical support for the initiative to enable it to achieve its ambitious targets on the national, regional, and international levels.

The assembled leaders expressed their appreciation of President AbdelFattah El-Sisi of the Arab Republic of Egypt, and HRH Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince and President of the Council of Ministers of the Kingdom of Saudi Arabia, for their leadership of these efforts and joint invitation in hosting the second summit of the Middle East Green Initiative in the city of Sharm El Sheikh, and for the hospitality and support for this summit by the government and people of the Arab Republic of Egypt.



QATARENERGY SELECTS CONOCOPHILLIPS AS A PARTNER IN THE NFS EXPANSION PROJECT

ConocoPhillips

قطر للطاقة
QatarEnergy

حفل توقيع اتفاقيات الشراكة
بين قطر للطاقة وكونوكو فيليبس لمشروع حقل الشمال الجنوبي

The Signing Ceremony of the Partnership Agreements
between QatarEnergy and ConocoPhillips for the North Field South Project

Doha, Qatar
30 October 2022

الدوحة، قطر
٣٠ أكتوبر ٢٠٢٢



QatarEnergy announced that it has selected ConocoPhillips as its third and final international partner in the North Field South (NFS) expansion project, which comprises two LNG mega trains with a combined capacity of 16 million tons per annum (MTPA).

The partnership agreement was signed on 30 October 2022, by His Excellency Mr. Saad Sherida Al Kaabi, the Minister of State for Energy Affairs, the President and CEO of QatarEnergy, and Mr. Ryan Lance, the Chairman and CEO of ConocoPhillips, during a ceremony held at QatarEnergy's headquarters in Doha and attended by senior executives from both companies.

Pursuant to the agreement, ConocoPhillips

will have an effective net participating interest of 6.25% in the NFS project, out of a 25% interest available for international partners. QatarEnergy will hold the remaining 75% interest.

Speaking at the signing ceremony, His Excellency Mr. Saad Sherida Al Kaabi, said: "QatarEnergy and its partners continue their efforts to supply an additional volume of about 65 million tons of LNG annually, from its North Field Expansion Projects and the Golden Pass LNG Project, to the global market to meet growing demand for cleaner, low-carbon energy, and to enhance energy security of customers around the world."

HE Minister Al Kaabi added: "As we have

previously emphasized, LNG produced from the North Field Expansion Projects will have the lowest carbon emission levels in the world, thanks to the deployment of a number of technologies, including extensive use of carbon capture and sequestration technologies. This will enable our LNG to play an important role in supporting a pragmatic, equitable and realistic energy transition.”

His Excellency the Minister welcomed ConocoPhillips to the NFS project and thanked the working teams at QatarEnergy and ConocoPhillips for their excellent work and cooperation that led to this agreement, and to the Qatargas leadership and project teams for their efforts in implementing the North Field Expansion Projects safely, and on schedule.

Concluding his remarks, His Excellency Minister Al Kaabi said: “I would like to express our sincere gratitude to His Highness the Amir, Sheikh Tamim bin Hamad Al Thani, for His wise leadership and for his unwavering support to Qatar’s energy sector.”



The North Field Expansion Projects, comprising NFS and the North Field East (NFE) expansion projects, is the industry’s largest ever LNG project. It will start production in 2026 and will add more than 48 MTPA to the world’s LNG supplies, and raise Qatar’s LNG production capacity to 126 MTPA.

This unique project is characterized by the highest health, safety, and environmental standards, including carbon capture and sequestration, to reduce the project’s overall carbon footprint to the lowest levels possible.





HE DR SULTAN AL JABER CALLS FOR MAXIMUM ENERGY, MINIMUM EMISSIONS IN ADIPEC OPENING ADDRESS



His Excellency Dr Sultan Ahmed Al Jaber, Minister of Industry and Advanced Technology and Managing Director and Group CEO of Abu Dhabi National Oil Company (ADNOC) today, called for maximum energy with minimum emissions to ensure global energy security in his opening address at the 38th edition of the Abu Dhabi International Petroleum Exhibition Conference (ADIPEC), held under the patronage of the UAE President His Highness Sheikh Mohamed bin Zayed Al Nahyan.

Energy security is the foundation of all progress including economic, social and climate progress

HE Dr Al Jaber was speaking in the presence of His Highness Sheikh Mansour bin Zayed Al Nahyan, Deputy Prime Minister and Minister of the Presidential Court, His Highness Sheikh Khaled bin Mohamed bin Zayed Al Nahyan, Member of the Abu Dhabi Executive Council, Chairman of Abu Dhabi Executive Office and Chairman of the Executive Committee of ADNOC's Board of Directors, ministers, senior government officials and chief executives from the global energy industry.

ADIPEC is taking place against the backdrop of complexities which the world is facing and HE Dr Al Jaber sought the wise counsel of the UAE President His Highness Sheikh Mohamed bin Zayed Al Nahyan, in deciding whether to dwell on the challenges or focus on the opportunities in his remarks.

HE Dr Al Jaber, who is also the Chairman of Abu Dhabi Future Energy Company (Masdar), noted that "energy is everybody's top priority" today as the global energy landscape goes through what he described as "a perfect storm". He argued that now is not the time to point out that long-term under-investment in oil and gas has made a difficult situation even worse as "the data is clear."

"If we zero out hydrocarbon investment, due to natural decline, we would lose 5 million barrels per day of oil each year from current supplies. This would make the shocks we have experienced this year feel like a minor tremor. If this year has taught us anything, it taught us that energy security is the

foundation of all progress – economic social and climate progress," H.E. Dr. Al Jaber said.

HE Dr Al Jaber went on to explain that the solutions the world needs are also major opportunities. "Our world is on its way to being home to 9.7 billion people by 2050. To meet their needs, the world will have to produce 30 percent more energy than today. And as we meet that need, we will be helping to bring electricity to almost 800 million people who don't have it today. We will also be helping to transform the lives of the 2.6 billion people who have no access to clean cooking and heating fuels.

"The world needs all the solutions it can get. It is not oil and gas, or solar, not wind or nuclear, or hydrogen. It is oil and gas and solar, and wind and nuclear, and hydrogen. It is all of the above, plus the clean energies yet to be discovered, commercialized and deployed.

"The world needs maximum energy, minimum emissions. This is why our leadership decided to be a first mover in renewable energy, over 16 years ago by launching Masdar. It's why we were the first country in the region to deploy nuclear power. And it is why ADNOC is making today's energy cleaner while investing in the clean energies of tomorrow," H.E. Dr. Al Jaber said, as he pointed out examples of the steps ADNOC is taking to decarbonize its operations.

"At ADNOC, we have connected our operations



to zero carbon nuclear and solar power. We are electrifying our offshore operations to cut their carbon footprint in half. And, we are pressing down harder and harder on our methane intensity, even though we already have one of the lowest levels in the world. Maximum energy, minimum emissions.”

Moving forward, technology will be one of the greatest enablers of the oil and gas industry and this is an area where the industry can amplify and accelerate its impact, according to H.E. Dr. Al Jaber.

“Take carbon capture and storage. It is one technology we can take to scale, not just in our industry but across all industries. And then there is hydrogen. Just a few days ago, I saw the first shipment of ammonia arrive from the UAE to Hamburg Germany. It felt like a historic moment. It was a first step in creating a hydrogen value chain and an important step in taking yet another opportunity for our industry,” said H.E. Dr. Al Jaber.

Concluding his remarks, H.E. Dr. Al Jaber said global efforts should focus on a new, bold, realistic and pragmatic pathway that benefits humanity, the climate and the economy, with COP27 (the 27th UN Climate Change Conference) meeting in Sharm el Sheikh next week and as the UAE prepares to host COP28 (the 28th UN Climate Change Conference), the Emirates Climate Conference.

“We need to hold back emissions, not progress. The world is looking for solutions and I believe the energy industry can unite a divided world in finding them. I believe that the future is forged by those

If we zero out hydrocarbon investment, we would lose 5 million barrels per day of oil each year from current supplies due to natural decline. This would make the shocks we have experience this year feel like a minor tremor

The world is on its way to being home to 9.7 billion people by 2050 and to meet their needs, we will have to produce 30 percent more energy than today

who make the first move. So today, I extend an open invitation to all our partners and friends around the world. Let’s make that move together and forge that future,” H.E. Dr. Al Jaber said.

ADIPEC is the global energy industry’s most influential meeting place where ministers, energy leaders, and professionals convene to engage and identify opportunities that will unlock new value in the energy landscape. This year’s edition includes over 2,000 exhibiting companies as well as 28 international country pavilions. ADIPEC is taking place from 31 October to 3 November 2022.



ADIPEC SPOTLIGHTS TECHNOLOGY, COLLABORATION, GOVERNMENT POLICY AS KEY ENERGY TRANSITION DRIVERS

ADIPEC 2022, the world’s largest and most inclusive international energy platform, introduced on 1 November 2022, a dedicated Decarbonisation Zone this year to facilitate meaningful and inclusive dialogue and collaboration to tackle energy security, affordability, and sustainability.

During the conference session entitled ‘Decarbonising the downstream and petrochemical sectors: an ecosystem of change for downstream players’, Vimal Kapur, President and COO, Honeywell said, “To advance the energy transition, what we’ve done in the last 100 years has to be done four times faster.

“For this to happen, the three important levers are technology, collaboration and government policy. We’ve seen that when these elements come together, decarbonising projects, such as sustainable aviation fuel (SAF), are implemented quickly. There are several other similar opportunities

like emissions monitoring and carbon capture that require a broader collaborative approach.”

Some of the best minds from energy markets around the world are gathered in Abu Dhabi to address the most pressing energy and climate challenges we face today. At the ADIPEC Opening Ceremony yesterday, Dr. Sultan bin Ahmed Al Jaber, Minister of Industry and Advanced Technology and Managing Director and Group CEO of the Abu Dhabi National Oil Company (ADNOC), called for “maximum energy, minimum emissions” and stressed that “the world needs all the energy solutions it can get: oil, gas, solar, wind, nuclear, and hydrogen”.

HE Suhail bin Mohammed Al Mazrouei, UAE’s Minister of Energy and Infrastructure, highlighted the importance of diversifying energy sources, as well as reducing emissions, when discussing the ongoing work that the UAE is doing to achieve Net



Zero by 2050.

The decarbonisation of global energy production is central to achieving Net Zero by 2050. The introduction of the dedicated Decarbonisation Zone and Conference at ADIPEC 2022 reflects this and provides a platform for global experts to share their insights into the most innovative strategies and technologies.

Speakers specialising in methane reduction urged the industry to take urgent action. During the Decarbonisation Conference titled 'Operational mitigation action to reduce leakages', Frigyes Lestak, CEO of Flare2Valve, said, "We're working to solve flaring urgently. There is 140 bcm (billion cubic metres) flaring per day. This would be enough to heat 50 million homes per year. Many flare reduction products are economical. You don't need new technology. Don't hesitate, act now. We don't have a few more years."

To speed up the industry's emissions reduction, Peter Harding, Founder & CEO of Kelvin, said, "Be brave. It's about the willingness to try change that may not work perfectly and put it in a place that's safe and can create improvement."

Harding said technology that focuses on root cause analysis of methane leaks can result in a 10-20 per cent increase in production, while reducing methane emissions – making certain technology economically compelling. Such technology also empowers engineers to have more impact."

The zone includes a forum for leaders in the energy ecosystem to discuss low-carbon technologies, and to showcase the essential role that the oil and gas sector is playing in accelerating the transition from fossil fuels to cleaner forms of energy.

Christopher Hudson, President of dmg events, organisers of ADIPEC 2022, said, "The energy industry has an urgent need for collaboration on solutions that will decarbonise the sector. This is taking shape at ADIPEC this year through discussions on strategies, technologies, innovation, supply chain and more. With leaders, policymakers, developers and suppliers across the value chain present at ADIPEC, I'm confident about the outcome of workable solutions to propel the energy transition and a sustainable future."

Bart Cornelissen, Energy, Resources & Industrials Leader at Deloitte, said, "The Middle East is playing a pioneering role in the energy transition, as it possesses a built-in advantage and a head start in this journey. Major projects are taking place in the region to produce blue as well as green hydrogen, and the United Arab Emirates and Saudi Arabia are becoming major blue hydrogen and ammonia exporters by leveraging their existing midstream and downstream infrastructure."

"As oil and gas companies continue to pledge support to net-zero goals, their needs continue to grow when it comes to figuring out new means to get there. We are present today at ADIPEC as part of our ongoing efforts to support these companies through this highly complex transition, sharing best practices that enable them to seize opportunities and navigate risks as they go through this transition," he added.

Under the theme of 'The Future of Energy: Secure, Affordable and Sustainable' the leading global energy event takes place the week before COP27 in Egypt, and as the UAE prepares to host COP28. ADIPEC is enabling the global energy industry to reframe the energy transition debate, to ensure it is realistic, inclusive and equitable, as well as pro-climate and pro-growth.



ADNOC

ANNOUNCES NEW UPSTREAM METHANE INTENSITY TARGET OF 0.15% BY 2025 – THE LOWEST IN THE MIDDLE EAST



Abu Dhabi National Oil Company (ADNOC) announced on 31 October 2022, it has set a new Upstream Methane Intensity target of 0.15% by 2025. The new target is the lowest in the Middle East, reinforcing ADNOC’s status as a leader in the responsible production of lower carbon energy.

ADNOC’s 0.15% methane intensity target means ADNOC will be ranked in the Gold Standard category, by the Oil and Gas Methane Partnership 2.0 (OGMP 2.0) a multi-stakeholder initiative launched by the United Nations Environment Program (UNEP) and the Climate and Clean Air Coalition. It is the only comprehensive, measurement-based reporting framework for the global oil and gas industry that improves the accuracy and transparency of methane emissions reporting.

Abdulmunim Saif Al Kindy, Executive Director, People, Technology & Corporate Support Directorate at ADNOC, said: “Today’s announcement reinforces ADNOC’s status as an industry leader in efficiently reducing methane emissions, as part of our

commitment to provide the energy for sustainable, economic development, while delivering tangible, positive results for our climate.

“At ADNOC our aim is to reduce the methane intensity from our operated oil and gas assets, at the same time as we meet the forecast growth in energy demand for decades to come. We will do this by making significant investments in new technologies to improve our environmental performance, strengthening our commitment to responsible production and demonstrating our support for the UAE’s Global Methane Pledge.” The new target of 0.15% methane intensity reflects industry best practices that report total volume of upstream methane emissions from all operated upstream oil and gas assets and where emissions intensity is calculated as a percentage of the volume of total gas marketed for the same upstream sector.

The announcement of the 0.15% methane intensity target coincided with the publication of the UNEP’s 2022 International Methane Emissions



Industry leading target strengthens ADNOC's commitment to the responsible production of lower carbon energy

New methane target reinforces ADNOC's support for UAEs Global Methane Pledge

Observatory (IMEO) on the opening day of Abu Dhabi International Petroleum Exhibition Conference (ADIEPC), one of the world's largest energy industry events, in Abu Dhabi.

Mark Radka, Chief, Energy and Climate Branch at UNEP, said: "Congratulations to ADNOC for its effort to reduce methane emissions. ADNOC has achieved OGMP 2.0 Gold Standard status for having submitted high quality data and a clear and robust plan to achieve its methane emissions target. Reducing emissions of this powerful greenhouse gas is an essential short-term action if we are to meet the climate goals of the Paris Agreement."

As part of its sustainability strategy ADNOC plans to test and deploy the latest in emissions detection and quantification technologies by 2023, enabling ADNOC to move towards improved and continuous measurements at source-level. It will use the data to define baselines for further reductions and target reductions from major emitting sources, including flaring, combustions, and fugitive emissions.

At the same time, ADNOC will continue to reduce methane emissions through the use of flare gas recovery systems and regular leak detection and repair programs. Hand-held infrared cameras are used to detect small leaks of fugitive emissions and to prioritize the company's repair program. ADNOC is also exploring pilot technologies such as satellite

UNEP commends ADNOC for achieving oil and gas industry Gold Standard on verifiable emissions reduction

monitoring and deployment of drone-mounted sensors to enhance the monitoring of methane emissions.

Over 80 companies with assets on five continents, representing a significant share of the world's oil and gas production, have joined the OGMP 2.0 partnership. Its members also include operators of natural gas transmission and distribution pipelines, gas storage capacity and LNG terminals. ADNOC signed up to the OGMP 2.0 partnership in 2020.

Methane abatement is critical to the energy transition, given its higher warming potential compared to carbon dioxide. Methane emissions from the oil and gas sector come from a variety of operational activities across the value chain, making it important to identify, quantify and reduce these emissions and improve on limitations in the required technologies. According to the International Energy Agency reducing methane emissions from oil and gas production would slow the rate of global warming in a cost-effective and secure manner as efforts continue to decarbonize the energy system.



Monthly Report on Petroleum Developments in The World Markets

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November 2022

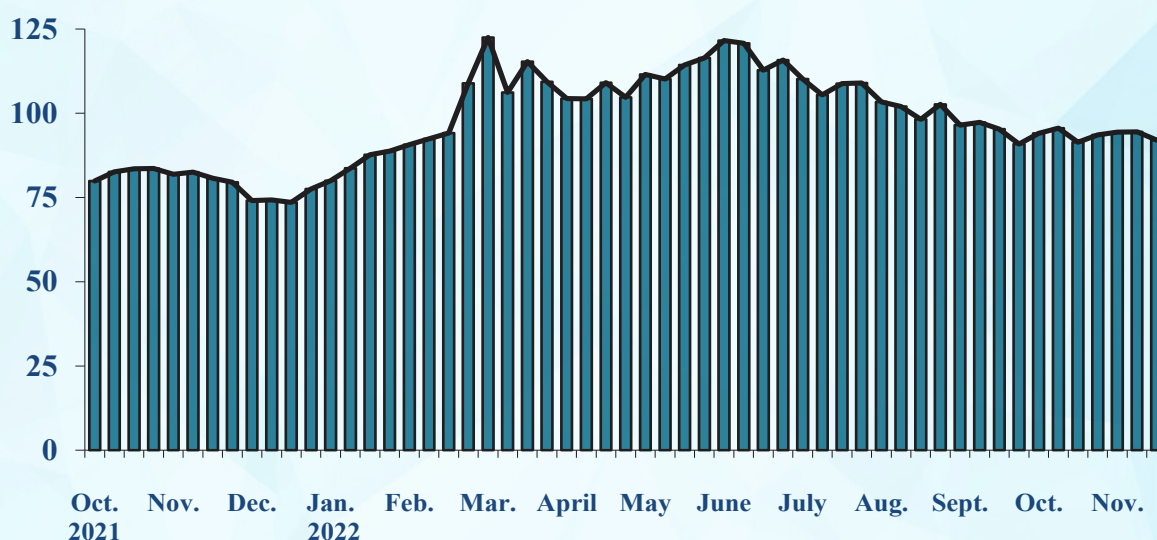
First: World Oil Markets

1. Oil Prices

OPEC primary estimates indicate that OPEC Reference Basket price decreased in November 2022 by 0.3% compared to the previous month, to reach \$93.3/bbl. While annual price of OPEC Basket is estimated to increase in 2022 by 46.7% compared to 2021, to reach \$102.5/bbl.

It's worth mentioning that, OPEC Reference Basket decreased in October 2022 by 1.8% or \$1.7/bbl compared to the previous month, to reach \$93.6/bbl. This is mainly attributed to lower official selling prices (OSPs) and weaker crude differentials for some grades.

Weekly Average Spot Prices of OPEC Basket of Crudes, 2021-2022 (\$/bbl)



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

2. Supply and Demand

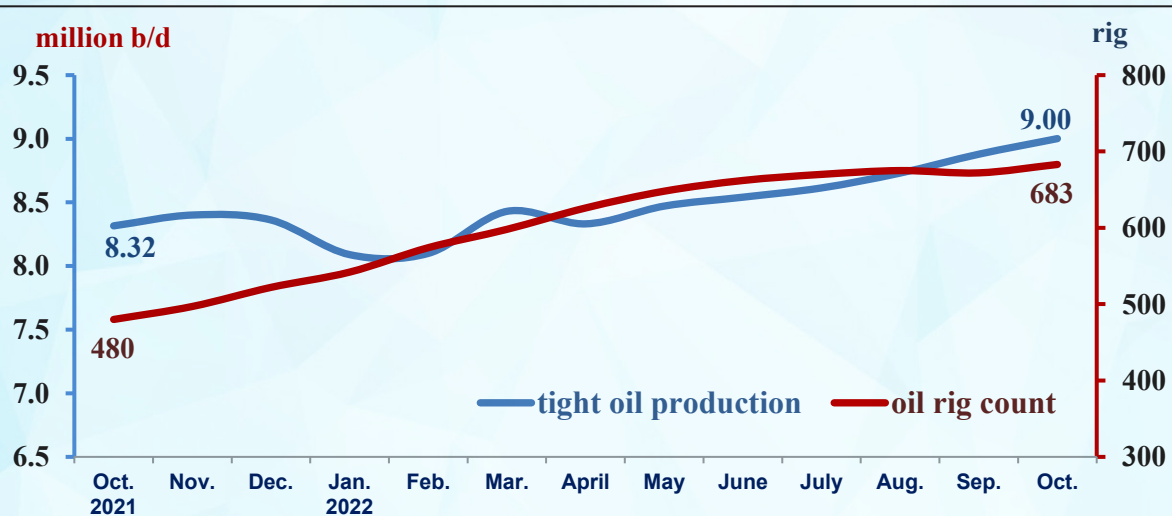
➤ Primary estimates indicate that world oil demand is increased in Q3 2022 by 1% compared with previous quarter, to reach 99.3 million b/d. As demand in OECD countries increased by 2.1% to reach 46.4 million b/d. Whereas demand in Non-OECD countries decreased by 0.02% to reach 52.9 million b/d.

Projections indicate that world oil demand is expected to increase in Q4 2022 to reach 101.2 million b/d. As Demand in OECD countries is expected to increase to reach 46.9 million b/d. And demand in Non-OECD countries is expected to increase to reach 54.3 million b/d.



- Primary estimates indicate that **world** crude oil and NGLs/condensates supply in October 2022, remained stable at the same previous month level of 100.9 million b/d. Non-OPEC supplies increased by 0.3% to reach 66 million b/d, whereas OPEC supply decreased by 0.6% to reach 34.9 million b/d.
- **OPEC+** crude oil supply in October 2022, is decreased by 183 thousand b/d, or 0.4% comparing with previous month level to reach 40.3 million b/d. Non-OPEC supplies, which are members in OPEC+, increased by 0.3% to reach 15.2 million b/d, whereas OPEC-10 supplies, which are members in OPEC+, decreased by 0.9% to reach 25.1 mb/d.
- US tight oil production increased in October 2022 by 123 thousand b/d compared to previous month level to reach 9 million b/d. Production is expected to continue rising in November and December 2022 to reach 9.190 million b/d. On other development, US oil rig count increased in October 2022 by 11 rigs, to stand at 683 rigs.

US tight oil production and oil rig count (2021-2022)

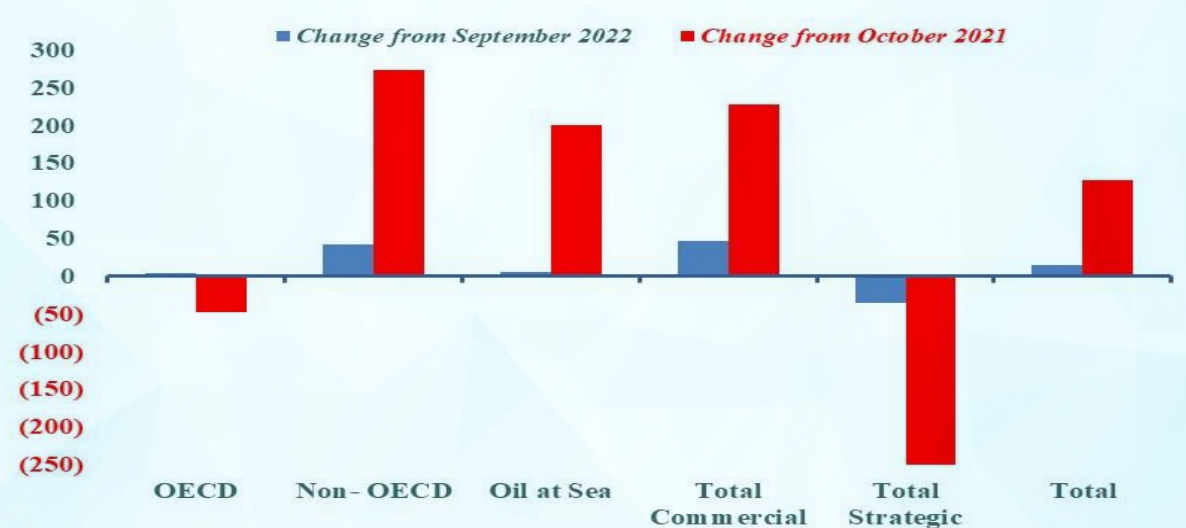


Source: EIA, Drilling Productivity Report for key tight oil and shale gas regions Nov. 2022.

3. Oil Inventories

- OECD commercial inventories in October 2022 increased by 4 million barrels from the previous month level to reach 2714 million barrels, whereas strategic inventories decreased by 36 million barrels from the previous month level to reach 1507 million barrels.

Change in Global Inventories at the End of October 2022 (million bbl)



Source: Oil Market intelligence, January and November 2022.

4. Oil Trade

US Oil Imports and Exports

- US crude oil imports in October 2022, decreased by 3.1% from the previous month level to reach about 6.1 million b/d, and US crude oil exports decreased by 1.2% to reach about 4 million b/d.
- US petroleum products imports in October 2022 increased by 13.7% from previous month level to reach about 2 million b/d, whereas US petroleum products exports decreased by 4.5% to reach 6.1 million b/d.

Second: Natural Gas Market

1. Prices

- The average spot price of natural gas at the Henry Hub decreased in October 2022 to reach \$5.66/million BTU.
- The price of Japanese LNG imports in September 2022 increased by \$2.35/m BTU to reach \$22.15/m BTU, the price of Korean LNG imports increased by \$5.21/m BTU to reach \$28.18/m BTU, and the price of Chinese LNG imports increased by \$0.82/m BTU to reach \$17.77/m BTU. Whereas the price of Taiwan LNG imports decreased by \$2.93/m BTU to reach \$21.60/m BTU,

2. Exports

Arab LNG exports to Japan, South Korea and Taiwan were about 3.546 million tons in September 2022 (a share of 20.6% of total imports).

Tables Annex



ANNOUNCEMENT

OAPEC AWARD

FOR SCIENTIFIC RESEARCH FOR THE YEAR **2022**

In line with OAPEC'S policy to encourage scientific research by awarding two prizes on a biennial basis (**First Prize** KD 7000-10000 equivalent to USD \$23000-\$32500, **Second Prize** KD 5000 equivalent to USD \$16000), upon the resolution number 1/162 of OAPEC Executive Bureau at its meeting dated **18 May 2022**. **The Organization of Arab Petroleum Exporting Countries (OAPEC)** is pleased to announce that **the research field** selected for the "OAPEC Award for Scientific Research for the Year 2022" is:

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





**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"**

Statement of relinquishment of printing and publication rights for the research

I, the undersigned:

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Hereby undertake to relinquish all printing and publication rights of the research submitted
by me entitled:

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to the Organization of Arab Petroleum Exporting Countries (OAPEC), in the event of
winning one of the two prizes of OAPEC Award for Scientific Research for the year 2022.

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Date: / /