

A TOKEN OF APPRECIATION FOR WOMEN ON IWD



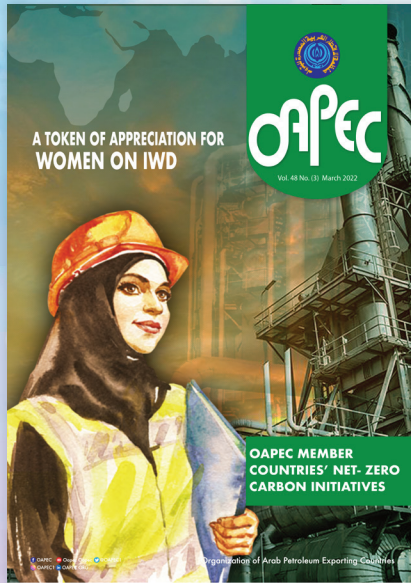
OAPEC

Vol. 48 No. (3) March 2022

OAPEC MEMBER COUNTRIES' NET-ZERO CARBON INITIATIVES



The Cover



OAPEC Monthly Bulletin is published by the General Secretariat of OAPEC- Information and Library Department.

(ISSN: 1018-595X)

**Annual Subscription
(11 issues)**

Arab Countries

Individuals: KD **10** or equivalent in USD \$
Institutions: KD **15** or equivalent in USD \$

Other Countries

Individuals : USD \$ **40**
Institutions : USD \$ **60**

Subscription orders should be sent to :

P.O. Box 20501 Safat - Kuwait 13066 - State of Kuwait

Tel : (+965) 24959724

Fax : (+965) 24959755

E-mail : mail@oapecorg.org

Web-site: www.oapecorg.org

@OAPEC1 OAPEC1

OAPEC Oapec Oapec

All rights reserved. No reproduction is permitted without prior written consent of OAPEC.

Contents

IN THIS ISSUE

6

**OAPEC
ACTIVITIES**

12

**OAPEC MEMBER
COUNTRIES**

26

**INTERNATIONAL
NEWS**

28

**PETROLEUM
DEVELOPMENTS**

32

TABLES ANNEX

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.

وزارة الطاقة
MINISTRY OF ENERGY

Under the patronage of His Royal Highness,
Prince Mohammed bin Salman bin Abdulaziz Al Saud,
Saudi Arabia's Crown Prince, Deputy Prime Minister and
Minister of Defense,

**THE INTERNATIONAL PETROLEUM
TECHNOLOGY CONFERENCE 2022**

20 to 23 February 2022

IPTC
International Petroleum
Technology Conference

12

**A TOKEN OF
APPRECIATION
FOR WOMEN ON
IWD**



8



**EGYPS
2022**

22

• **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.



OAPEC MEMBER COUNTRIES' NET- ZERO CARBON INITIATIVES

Most OAPEC member countries have announced Net- Zero Carbon initiatives in line with the developed countries' approach, including the USA, the EU and the UK. The UAE for example has announced plans to invest about \$163 billion in this field (in addition to about \$40 billion of investments in the past 15 years). The plan is expected to contribute to raising the rate of energy production from renewable sources, including solar and nuclear, from 2.4 gigawatts

(GW) in 2020 to 14 GW by 2030, a rise from 7% to 20% in the amount of electricity generated from renewables in 2030, and 44% in 2050. The plan also includes promoting measures to rationalize energy consumption and improve the efficiency of its use in all energy-consuming sectors, and increasing the production of hydrogen, which is a source of low-carbon energy, in addition to expanding the capacity of carbon capture and storage units (CCS).

In October 2021, the Kingdom of Saudi Arabia launched two initiatives: Green Saudi Initiative and Green Middle East Initiative towards net-zero emissions by 2060, with investments worth about \$187 billion, to increase electricity generated from renewables from 1% to 30% by 2030, plant 450 million trees, restore large areas of desert, and expand the installment of carbon capture and storage units (CCS).

The Arab Republic of Egypt has also announced plans to convert to cleaner energy and cut carbon emissions as part of its sustainable development vision (Egypt 2030), through three main paths: expanding the use of natural gas, drawing a national hydrogen strategy (blue and green), in addition to generating 42% of electricity from renewables by 2030.

The significance of OAPEC members' countries' initiatives comes from the fact that they possess about 55% of the world's oil reserves, 26% of the world's gas reserves, 27% of the world's total production of oil and gas liquids, and about 15% of the world's total marketed gas. This underscores what these countries have been calling for, for decades, of the possibility of striking a balance between the rational use of oil and gas and maintaining a clean environment free of carbon emissions.

It also confirms the firm belief of these countries that oil will remain the primary source of energy for many decades to come, with their continued commitment to providing adequate supplies to ensure the stability of global oil markets in the interest of both producers and consumers.

Driven by the role of the Secretariat General in promoting cooperation between the member countries, we reiterate that all possible efforts are made to contribute to the implementation of OAPEC's Council of Ministers Resolution No. 4/107 issued at its meeting on 9 December 2021. The resolution assigns the Executive Bureau of the organization to contribute to the activation of the Green Middle East Initiative launched by the Saudi Crown Prince, His Royal Highness Prince Mohammed bin Salman, in addition to working with the member countries to adopt the concept of circular carbon economy as an approach that contributes to addressing carbon emissions in a sustainable manner, and to include it within the Nationally Determined Contributions (NDCs) of each member country, depending on their circumstances and priorities.

Ali Sabt Ben Sabt
OAPEC Secretary General

**CABLES**

OAPEC Secretary General, His Excellency Ali Sabt Ben Sabt, sent a cable of congratulations to Egypt's Petroleum and Mineral Resources Minister, HE Eng. Tarek El Molla, on the success of The Egypt Petroleum Show (EGYPS 2022), which was held under the auspices of His Excellency President Abdul Fattah El Sissi.



منظمة الأقطار العربية المصدرة للبترول (أوابك)
ORGANIZATION OF ARAB PETROLEUM EXPORTING COUNTRIES (OAPEC)

PRESS STATEMENT



By HE Ali Sabt Ben Sabt
OAPEC Secretary General

OAPEC Secretariat General denounces the attacks launched against the oil refinery in Riyadh, Kingdom of Saudi Arabia. OAPEC Secretary General, HE Ali Sabt Ben Sabt, condemned the recurrent hostile operations against these vital facilities and supported Saudi Arabia's measures in this regard. He underscored that such acts represent a threat undermining the safety and stability of energy supplies and global oil markets that are facing great challenges currently.



A TOKEN OF APPRECIATION FOR WOMEN ON IWD

By HE Ali Sabt Ben Sabt

OAPEC Secretary General

The world celebrates International Women's Day on the eighth of March every year in recognition of their influential role in all walks of life. The growing active participation of women in the oil industry cannot be missed out as the oil scene is no longer confined to men, with many women embarking on this challenge to be present and work on the ground at oilwells and oilfields, overcoming the hardships of a harsh profession even for men. Many women have already engraved their names with pride and distinction in the history of the industry.

For more than 4 decades, the Arab petroleum industry has witnessed important transformations in the field of human resources, with a remarkable increase in the number of Arab women working in petroleum companies, especially in the sectors of exploration, production, refining, marketing and petroleum services, in a profession that- for decades- was monopolised by men, due to the arduous nature of the profession that requires special physical endurance of harsh weather conditions from the scorching summer heat to the harsh winter cold.

Apart from harsh climate conditions and the hot weather in this part of the world, as well as the nature of some jobs related to the oil industry in terms of handling hazardous substances, whether in refineries or oilfields, women (whether Arab or non-Arab) face other challenges of a special nature that go beyond physical and physiological strength. In some cases, overcoming social conditions and even stereotyping that limit women's roles to jobs of administrative nature or even doubting their abilities to deliver in such a tough field represent another challenge for women.

The perception closest to mind is that women assume administrative positions, but the truth is that there are many models that have proven that women not only can work in harsh conditions, but also in exceptional circumstances that are difficult even for men, such as during times of natural disasters and wars, as Kuwaiti women did, for example, in participating on the ground in extinguishing burning oil wells in 1991. The contributions of Arab women in the industry vary to include economics, petroleum research, petroleum media, public relations,

social responsibility programs, cultural activities, translation, accounting, financial affairs, administration, and secretarial work in various petroleum companies and petroleum and energy ministries in the Arab countries.

As part of OAPEC member countries' endeavours to encourage women to engage in the petroleum industry, some member countries have adopted inspiring policies to empower women in order to offer equal opportunities between men and women in the industry, among which is the Abu Dhabi National Oil Company (ADNOC's) special program for women in engineering and scientific studies, which aims to provide support and encouragement to all female students affiliated with the institute.

ADNOC has also allocated the "Best Woman in the Oil and Gas Sector" award at the Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC), with the aim of honouring distinguished Arab women in the oil and gas sector. Women leaders and a group of experts and stakeholders from all over the world participate in these discussions.

For its part, Saudi Aramco established the "Women Development and Diversity Enhancement Unit" in the Department of Administrative and Professional Development, which aims to provide various programs to develop the careers of women and help them build leadership skills. The company has also undertaken many initiatives to narrow the gender gap at work, including the "Science Education" program, which is designed to support the development of women in science, technology, engineering and mathematics in the early stages in schools and universities through social media

programs before they engage in actual work.

In the State of Kuwait, Kuwait National Petroleum Company (KNPC) had a previous experience in launching a pilot program to raise the percentage of Kuwaiti female engineers working in the operations of the refining industry in the company's refineries, as part of efforts aimed at empowering women in the Kuwaiti oil sector. In the Arab Republic of Egypt, the Equal Opportunities Unit was established at the Ministry of Petroleum and Mineral Resources, which is specialized in preparing periodic statistical data on the numbers of male and female workers in the Egyptian petroleum sector and determining the percentage of women's representation in the sector.

Our member countries and many of their oil institutions have taken the initiative to honour women working in the oil sector by various means. The Egypt Petroleum Show "EGYPS 2022", which was held in the Arab Republic of Egypt last February, organized an awards ceremony honouring several women who won awards ranging from the Leadership Woman Award, the Star of the Year Award, the Next Generation Award, the Excellence in Human Resources Award, to the Company of the Year award in terms of inclusion, diversity and equality.

The Kingdom of Bahrain also held the Seventh Forum for the Leadership Excellence for Women Awards (LEWAS 2021) in November 2021, which aimed to honour leading women figures in the field of energy in the Middle East and the Gulf Cooperation Council (GCC) countries in recognition of their excellence in business and initiatives according to regional and international standards, in addition to contributing to the advancement of the status of women in the Middle East and the GCC countries, which contributes to promoting the principle of equal opportunities to ensure competitiveness and to ensure the multiplicity and diversity of options available for the advancement of women on the economic and social levels. The forum seeks to spread the culture of leadership excellence for women and encourage innovation, leadership and achievement in academia, commercial and industrial sectors in the fields of oil, gas, and bio and renewable energy, in addition to participating in research, lectures and specialized studies for the development of women in the fields of science, engineering and energy.

We, in OAPEC, believe in the significant role Arab women play in the petroleum industry. The Organization's Secretariat General is currently preparing a book that highlights Arab women who engraved their names with pride for their

achievements in this difficult industry. We aim to chronicle the vital role they played and the hardships they faced in order to provide a reference-book for future generations to enlighten them of the Arab women's journey to the status they reached in this challenging field. The book seeks to shed light on the contributions of the most prominent women figures who influenced the petroleum industry to be the nucleus of a larger project for the development of Arab women in the future.

Inspired by the United Nations' slogan for the International Women's Day 2022, "Gender Equality today for a Sustainable Tomorrow", we call for adopting equality and equal opportunities policies, in addition to holding seminars and training courses that address the problems facing women working in the oil sector in an attempt to find appropriate and practical solutions in order to further empower women and develop their role in this vital industry.

This is a token of appreciation for women on their day...

Happy International Women's Day...





OAPEC STATEMENT

ON THE DEVELOPMENTS OF THE GLOBAL NATURAL GAS MARKET IN LIGHT OF THE RUSSIAN-UKRAINIAN CRISIS

OAPEC Secretariat General followed up with great concern the repercussions of the Russian-Ukrainian crisis on the European natural gas markets. The repercussions came upon the launch of the Russian military operations with an unprecedented hike in prices that increased by more than 50% according to TTF index in, bringing prices to \$44 per a million British thermal units (BTU), compared to \$29 per a million BTU the day before.

This is in light of growing fears and uncertainty regarding the future of gas supplies from Russia (through pipelines) to European markets, which alone meet about 30% of Europe (including Turkey) of gas needs, especially since some of these pipelines pass through Ukrainian territory. However, these concerns have been slightly eased as a result of the continuation of gas pumping operations from Russia through Ukrainian territories without interruption, according to the contracts in force between the two sides, to record about 109 million cubic meters per day, according to data monitored by the Secretariat General from the operator of Ukrainian gas transmission networks. Accordingly, prices according to the TTF index fell during trading sessions to \$35 per million British thermal units (equivalent to about \$200 per barrel on a thermal value basis), to remain hovering at their historical peak.

However, given the current market conditions, the situation of supplies from various exporting countries, and as a result of the continued decline in stocks in European markets, which amounted to about 30%, it is not expected that prices in the spot market will decline from their peak in the foreseeable future, especially if the current crisis continues. Rather, prices may witness a new wave of rises in the event of an increase in the demand for purchasing more LNG shipments from the already-crippled spot market, to ensure that sufficient stocks are secured, which will cause negative repercussions on the global economy that is already exhausted by the Covid-19 pandemic.

In this context, the OAPEC Secretariat General affirms the keenness of the Arab gas exporting countries (especially liquefied natural gas) on providing gas supplies to their customers to ensure the stability of global markets. They exported more than 10 million tons of liquefied



“OAPEC AFFIRMS KEENNESS OF THE ARAB GAS EXPORTING COUNTRIES ON PROVIDING GAS SUPPLIES TO THEIR CUSTOMERS TO ENSURE THE STABILITY OF GLOBAL MARKETS.”

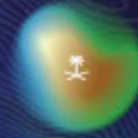
natural gas in January 2022, to meet about 29% of global demand, the highest monthly export rate achieved by the Arab countries collectively in their history, underscoring their leading role as safe, reliable and sustainable suppliers of natural gas. It is worth noting that European markets accounted for about 25% of the total exports of Arab countries.

The Secretariat General also stresses that the stability of the global natural gas markets, the European in particular; limiting sudden sharp fluctuations in prices and the achievement of energy security, will remain contingent on injecting the necessary investments in the gas sector while relying on it as a major source of energy in the future. This is along with the conclusion of long-term contracts between gas-exporting and importing countries in order to strike a balance between carbon neutrality goals and energy security.

For its part, OAPEC Secretariat General reiterates following up the developments of the global natural gas market, monitoring the repercussions that may affect it as a result of any developments that occur on the global and Arab levels, and presenting the organisation’s vision regarding these developments.



وزارة الطاقة
MINISTRY OF ENERGY



Under the patronage of His Royal Highness,
Prince Mohammed bin Salman bin Abdulaziz Al Saud,
Saudi Arabia's Crown Prince, Deputy Prime Minister and
Minister of Defense,

THE INTERNATIONAL PETROLEUM TECHNOLOGY CONFERENCE 2022

20 to 23 February 2022



Under the patronage of His Royal Highness, Prince Mohammed bin Salman bin Abdulaziz Al Saud, Saudi Arabia's Crown Prince, Deputy Prime Minister and Minister of Defense, Riyadh hosted the "International Petroleum Technology Conference for 2022" (IPTC), from 20 to 23 February 2022. Experts from 70 countries, and more than 300 international companies participated in the event, which included 107 technical sessions, in which more than 800 scientific papers were presented.



His Royal Highness Prince Abdulaziz bin Salman bin Abdulaziz, Minister of Energy, inaugurated the conference, on behalf of His Royal Highness the Crown Prince. IPTC focused this year on promoting global recovery through sustainable energy, in which senior leaders of the energy sector in the region and the world discussed common visions about the latest developments and trends in the energy fields,

as well as, current and emerging technologies that will shape the future of the energy sector.

The conference began with a ministerial session on the main theme of the conference, which is “Promoting Global Recovery through Sustainable Energy”. The ministers who took part in the session included: His Royal Highness Prince Abdulaziz bin Salman bin Abdulaziz, Minister of Energy of the Kingdom of Saudi



His Royal Highness Prince Abdulaziz bin Salman bin Abdulaziz

“ IPTC FOCUSED THIS YEAR ON PROMOTING GLOBAL RECOVERY THROUGH SUSTAINABLE ENERGY ”

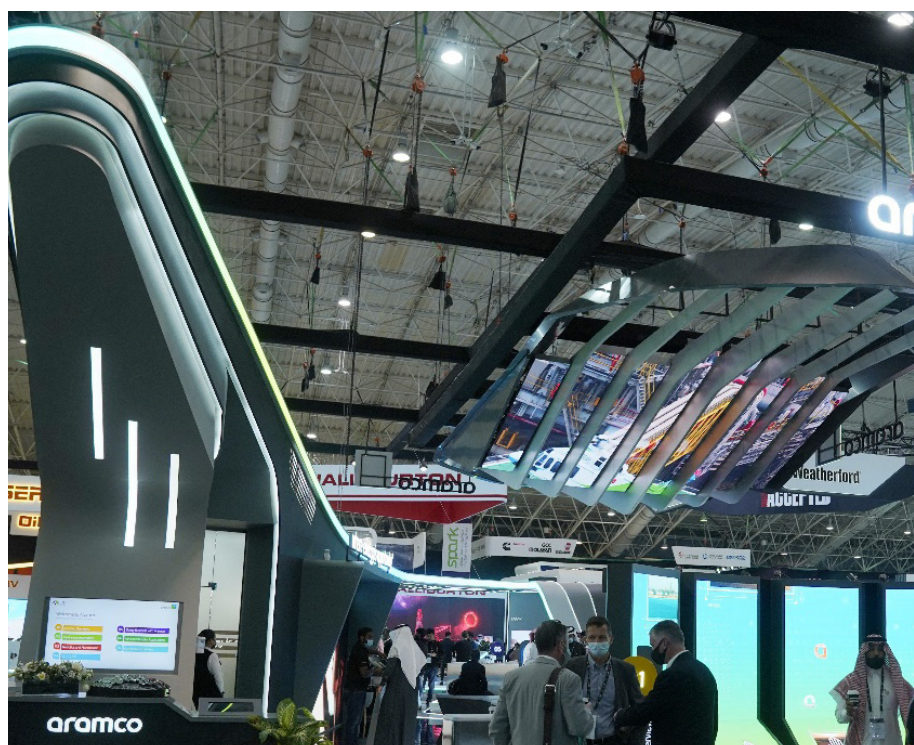


Arabia; Minister of Energy and Infrastructure of the United Arab Emirates His Excellency Eng. Suhail Mohammed Al Mazrouei; Deputy Prime Minister and Minister of Oil and Minister of Electricity, Water and Renewable Energy and Acting Minister of Interior of the State of Kuwait Dr Mohammed Abdul Latif Al Faris; His Excellency the Minister of Oil of the Kingdom of Bahrain Sheikh Mohammed bin Khalifa Al Khalifa, His Excellency the Minister of Oil of the Republic of Iraq, Mr. Ihsan Ismail; and His Excellency the Minister of Petroleum and Mineral Resources of the Arab Republic of Egypt, Eng. Tarek El Mulla .

During the course of its sessions, the conference discussed many



topics, including: the role played by major petroleum companies, and the petroleum industry in general, in leading the global recovery for a sustainable future; methods of dealing with the nonstop movement of global markets; and the transformations witnessed by the energy sector towards achieving a sustainable and economically viable future. A symposium on the circular carbon economy, and the policies and legislations related to it, was held with the aim of benefitting all concerned parties. Another seminar was held on the technologies of the Fourth Industrial Revolution. A panel discussion was also held on the importance of building resilience, response, and recovery in the midst of changes in the oil industry and its global markets.





ARAMCO

FINALIZES SECOND MAJOR INFRASTRUCTURE TRANSACTION IN LESS THAN A YEAR

Saudi Arabian Oil Company (“Aramco”) and an international investor consortium, led by affiliates of BlackRock and Hassana, announced the successful closing of the lease and leaseback deal previously announced on December 6, 2021. The consortium has acquired 49% stake in Aramco Gas Pipelines Company, a subsidiary of Aramco, for \$15.5 billion. The consortium comprises leading institutional investors including, amongst others, Keppel Infrastructure Trust, Silk Road Fund, and China Merchants Capital.



- Consortium comprises a cross-section of renowned investors, led by affiliates of BlackRock and Hassana
- One of the world's largest energy infrastructure deals demonstrates progress in Aramco's ongoing program to unlock value of its assets

This long-term investment by the consortium represents further progress in Aramco's portfolio optimization program and highlights the strong investment opportunities presented by Aramco's significant infrastructure assets. It also underlines Aramco's strong long-term outlook and the appeal of the Kingdom of Saudi Arabia to leading institutional investors.

As part of the transaction, first announced in December 2021, Aramco Gas Pipelines Company and Aramco entered into a 20-year lease and leaseback arrangement in connection with Aramco's gas pipeline network. Under this

arrangement, Aramco Gas Pipelines Company will receive a tariff payable by Aramco for the specified gas products that flow through the network, backed by minimum commitments on throughput. Aramco retains a 51% majority stake in Aramco Gas Pipeline Company, and also retains full ownership and operational control of the gas pipeline network. The transaction does not impose any restrictions on Aramco's production volumes.

The announcement follows the closing of a \$12.4 billion infrastructure transaction in connection with Aramco's stabilized crude oil pipeline network in June 2021.

Concurrent with closing of this transaction, Aramco has also signed a memorandum of understanding (MoU) with BlackRock, to explore joint opportunities in future energy transition projects related to low carbon energy infrastructure. The MoU reinforces the relationship with BlackRock, enhancing opportunities for possible future collaborations.



- Consortium comprises a cross-section of renowned investors, led by affiliates of BlackRock and Hassana
- One of the world's largest energy infrastructure deals demonstrates progress in Aramco's ongoing program to unlock value of its assets



أرامكو السعودية
saudi aramco



Aramco President & CEO, Amin H. Nasser, said: "This agreement is our second landmark infrastructure transaction in less than a year and another major step forward in our long-term value creation strategy. The participation of the consortium led by BlackRock and Hassana underlines the appeal of Aramco's portfolio to leading global investors as Saudi Arabia's economic transformation builds momentum, requiring a robust energy infrastructure and network that are vital to meet the needs of an expanding industrial sector.

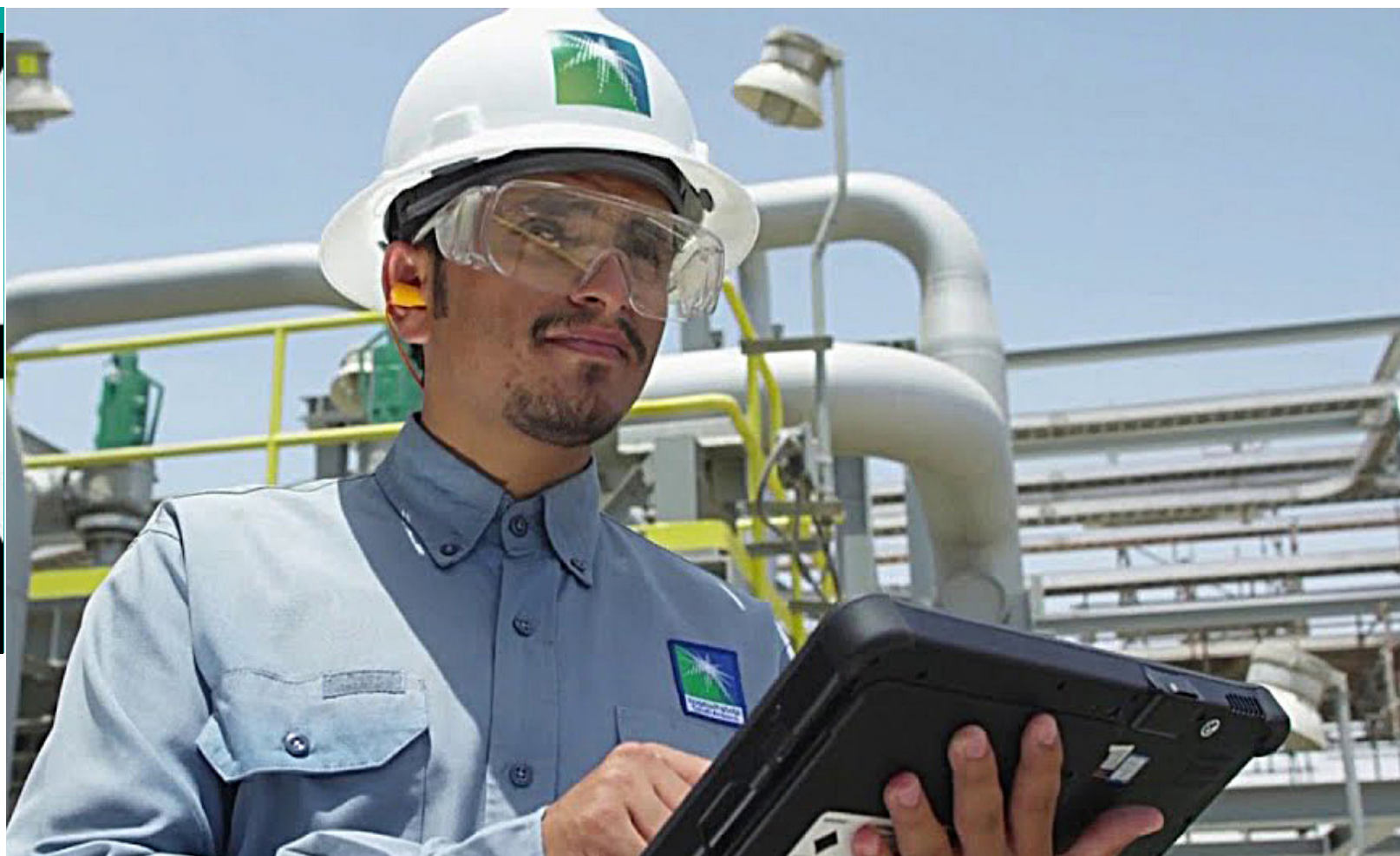
At the same time as Aramco raises gas production and seeks new opportunities in low-carbon energy sources over the next decade, the importance of our energy infrastructure in relation to global energy security and reliability is expected to grow in significance."

Abdulaziz M. Al Gudaimi, Aramco Senior Vice President of Corporate Development, said: "We remain focused on maximizing the potential of our assets and assessing new investment opportunities to further enhance our robust balance sheet. The gas infrastructure transaction with BlackRock and Hassana is a testament of

the relationship with the global investors and emphasizes gas as a key pillar to grow in domestic and international markets."

Larry Fink, Chairman and CEO of BlackRock, said: "We are pleased to close this landmark transaction and deepen our partnership with Aramco by signing a Memorandum of Understanding to develop low carbon energy infrastructure together. Getting to a net zero world will not happen overnight. It requires us to shift the energy mix in incremental steps to achieve a green energy future. Bold, forward-thinking incumbents like Aramco have the technical expertise and capital to play a crucial role in this transformation, and we look forward to our future collaboration."

Saad A. AlFadly, CEO of Hassana Investment Company, added: "We are delighted to achieve closing of this landmark transaction which highlights our focus to invest in critical infrastructures in the Kingdom of Saudi Arabia. We look forward to working with our partners at Aramco and BlackRock to make this a successful long-term investment."



SAUDI ARABIA ANNOUNCES DISCOVERY OF NEW NATURAL GAS FIELDS

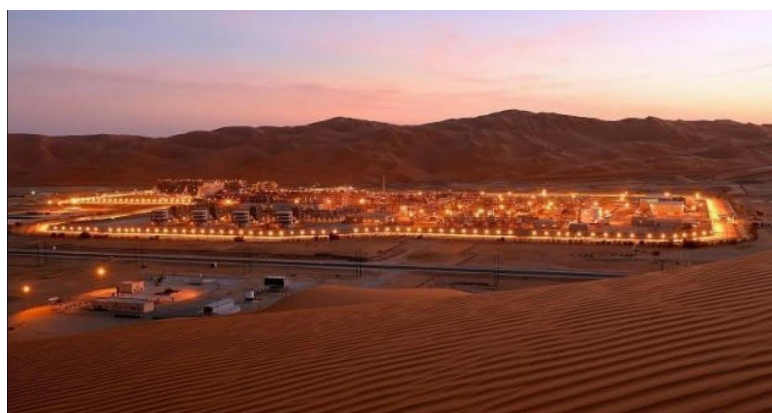
The Kingdom of Saudi Arabia has discovered natural gas fields in four regions of the Kingdom, the Saudi Press Agency (SPA) reported, quoting Energy Minister HRH Prince Abdulaziz bin Salman.

The Energy Minister said that Saudi Aramco has discovered natural gas fields in the central area of the kingdom, in the Empty Quarter desert, near its northern border and in the eastern region.

The fields, he mentioned, are Shadoon, in the central region, Shehab and Shurfa, in the Empty Quarter, in the southeastern region, Umm Khansar, near the northern border with Iraq, and Samna, in the eastern region.

Two of the gas fields, Samna and Umm

Khansar, are “non-conventional,” he said. Non-conventional deposits, also known as shale, are usually trapped in tight pore spaces, requiring special extraction techniques. (WAM)





IRAQ'S OIL MINISTRY ANNOUNCES COMPLETION OF 51% OF WORK IN HALFAYA GAS INVESTMENT PROJECT

Iraq's Ministry of Oil announced the completion of (51%) of the work under the Associated Gas Investment Project of Halfaya oilfield in Missan Province, which aims to invest 300 mmscfd. The Director General of the Missan Oil Company, Ali Jassim, said that this achievement comes within the framework of the efforts and plans of the Ministry of Oil and the Iraqi National Oil Company, represented by Missan Oil Company, to invest in associated gas and convert it into usable energy.

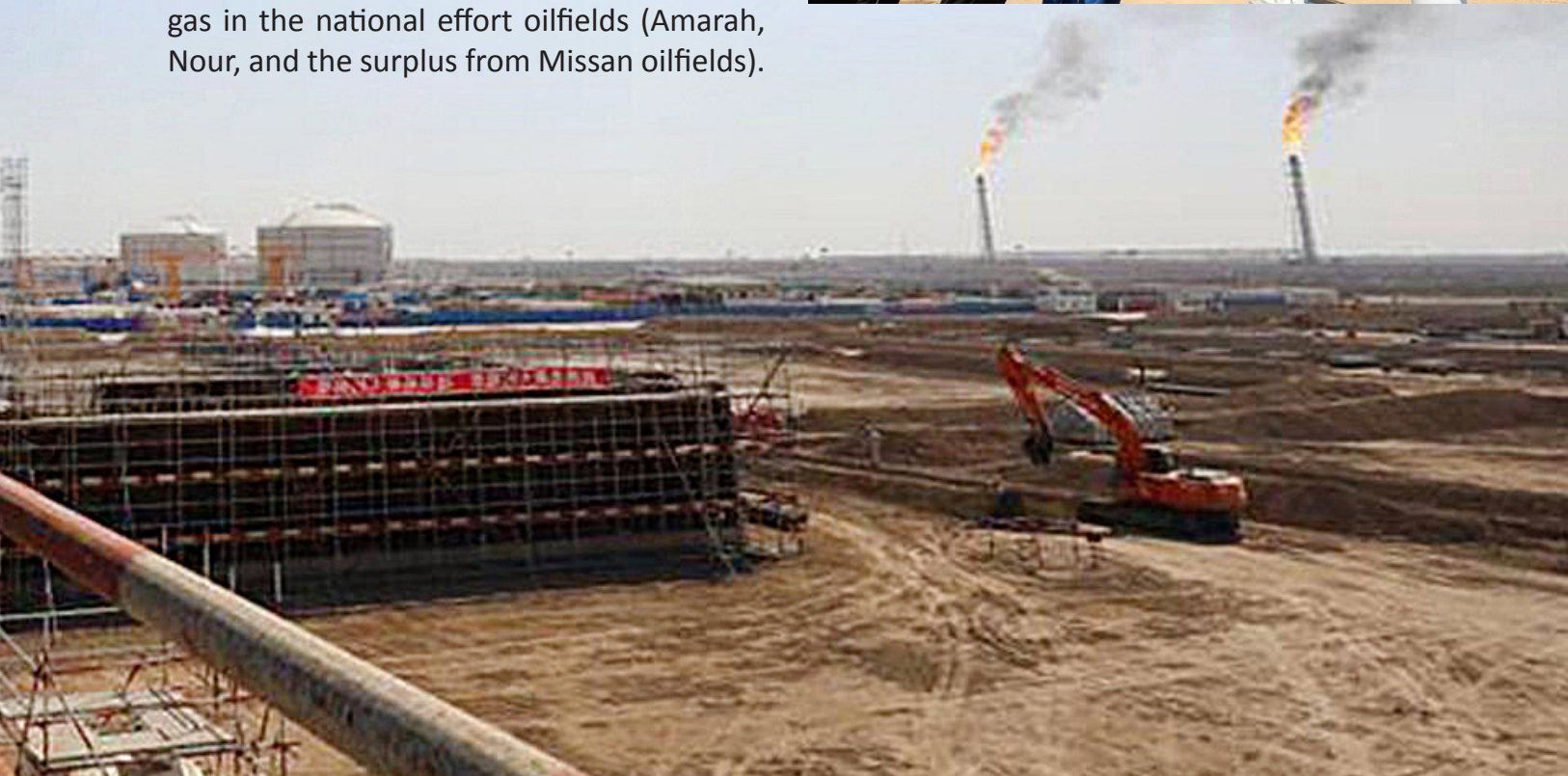
Jassim indicated that the company is continuing its efforts to develop this sector by implementing vital projects of economic feasibility that affected the lives of Iraqi people in the first place, by supporting the electricity sector and implementing the gas treatment project in Halfaya field with a capacity of (300) million standard cubic feet. He added that the project is implemented by the Chinese companies PetroChina and CPECC, as well as a group of sub-contractors,



under the supervision and follow-up of a specialized technical committee in Missan Oil Company.

The project execution period is (30 months) for building facilities, and (30 months) for operation and maintenance. The actual completion rate of the project is (51%) until 14 February 2022, and it is scheduled to be completed and for trial operations to start in mid-2023.

As for the importance of the project, the Assistant Director-General for Production Affairs, Engineer Ahmed Rahim Ahmed, said that the joint efforts aim to treat all quantities of associated gas produced in Halfaya field with a capacity of (300) mmscfd, and to use it to provide electric power plants with dry gas, in addition to produce liquid gas (cooking gas) and sulfur, as well as oil condensate (C5 +). He added that the project, which will stop gas flaring in the field in order to preserve the environment, can be expanded to treat raw gas in the national effort oilfields (Amarah, Nour, and the surplus from Missan oilfields).





EGYPS 2022

His Excellency President Abdel Fattah El Sisi, President of the Arab Republic of Egypt, inaugurated the fifth edition of the Egypt Petroleum Show “EGYPS 2022”, which was held from 14 to 16 February 2022 under the slogan “North Africa and the Mediterranean ... Ensuring Energy Supplies” with wide local and international participation of petroleum and energy ministers, heads and leaders of international and local companies, international oil and gas organizations, and petroleum industry experts. The event is the largest and most important international and regional gathering of the oil and gas industry in the North African and Mediterranean regions.



The conference witnessed the participation of about 11 ministers of petroleum and energy from several countries, 19 heads of major international oil and energy companies, and 8 leaders of major international petroleum organizations, including OPEC, the International Energy Agency, the Eastern Mediterranean Gas Forum, the Union for the Mediterranean, African Oil Producers, the World Energy Forum and the Mediterranean Energy Observatory. EGYPS 2022 tackled new topics of interest to the global petroleum industry, especially in light of the ongoing preparations for the UN Climate Change Conference (COP27) in order to support and boost the petroleum sector's efforts to



HE Eng. El Molla

EGYPT'S POLICIES CONTRIBUTED TO TRANSFORMING THE CHALLENGES IT FACED INTO IMPRESSIVE SUCCESS STORIES

reduce carbon emissions and preserve the environment.

Throughout 73 panel discussions, about 26,000 participants from various countries; 25 international and local petroleum companies, 260 speakers; more than 1,900 representatives of companies, organisations, and participating entities; more than 450 exhibiting companies and 7 international pavilions participated in EGYPS 2022. Awards have been presented to outstanding research and innovations in the field of oil and gas, as well as, distinguished female figures in the sector.

In his speech during the opening ceremony, His Excellency Eng. Tarek El Molla, Minister of Petroleum and Mineral Resources of the Arab Republic of Egypt, stated that Egypt's policies contributed to transforming the challenges it faced into impressive success stories praised by the world. He listed the most prominent achievements during the past two years 2020 and 2021, including:

An increase in the Egyptian petroleum sector's exports during 2021 by 85% to reach about \$13 billion.

Achieving a surplus in the petroleum trade balance (as of 2020) for the first time after years of deficit, as the surplus in 2021 amounted to about \$2.9 billion.



The petroleum sector succeeded in signing 37 petroleum agreements with international companies to explore oil and gas with a minimum investment of \$8.1 billion.

The minister stated that in order to complement Egypt's pivotal role in the region to enhance regional cooperation and continue to promote and strengthen strategic partnerships in various fields of joint cooperation, Egypt initiated the idea of establishing the East Mediterranean Gas Forum three years ago, and within twelve months, member countries agreed on the forum's charter. Then, it was established as an international organization in the Eastern Mediterranean region, headquartered in Cairo.

Since its launch, the forum has received great global interest, represented in the desire of many countries and organizations to join the forum. France has already joined as member, and the United States of America, the European Union and the World Bank as observers.

In his speech, the minister also addressed plans to transform Egypt into a regional energy hub, as Egyptian gas plays an important role in securing part of the energy needs of European countries, through the export of surplus gas, whether imported or produced from Egyptian gas fields. He also referred to the global interest in switching to low-carbon energy systems and reducing emissions, and mentioned that the petroleum sector has taken the initiative to expand the uses of natural gas in homes and vehicles as a low-emission and environmentally



friendly fuel, and execute projects to improve energy efficiency and decarbonization, in addition to participating in the preparation of The National Hydrogen Strategy in Egypt.

Egypt's hosting of the upcoming climate summit in Sharm El Sheikh is a good opportunity to boost the country's efforts regionally and internationally, as a joint African initiative will be put forward taking into account the different dimensions of African countries in order to find balanced and realistic solutions to confront the phenomenon of climate change. This is in addition to achieving energy transformation without compromising the rights of countries and nations to benefit from their natural resources.





A ministerial session has been held during the opening of EGYPS 2022 under the title “Unified Vision for Energy Transformation in Africa,” which was attended by President Abdel Fattah El Sisi. It tackled the African vision in the energy transformation, which is currently being discussed in preparation for its presentation at the COP27 Summit hosted by Egypt Next November in Sharm El Sheikh.

Dr Fatih Birol, Executive Director of the International Energy Agency, announced, during his speech at the opening of EGYPS 2022, that Egypt officially joined the agency as a member, praising Egypt’s remarkable success stories, adding that Egypt, Africa and the world are at a defining moment in terms of energy and climate. He expressed full support for Egypt in light of its hosting of the COP27 to come up with decisions that are suitable for the continent, which faces great challenges.



On the first day of the conference, His Excellency Eng. Tarek El Molla, Minister of Petroleum and Mineral Resources in the Arab Republic of Egypt, and His Excellency Eng. Suhail Al Mazrouei, Minister of Energy and Infrastructure of the United Arab Emirates, witnessed the signing of a cooperation protocol

between the Cooperation Petroleum Company and the Emarat Misr Company in the field of labour training and the exchange of experiences regarding marketing of petroleum products, oils mix, and marketing mechanisms.

HE Eng. Tarek El Molla, Minister of Petroleum and Mineral Resources of the Arab Republic of Egypt, and his Yemeni counterpart, HE Abdel Salam Bouaboud, Minister of Petroleum and Minerals, signed a memorandum of understanding for cooperation between Egypt and Yemen in the fields of oil, natural gas and mining.

The memorandum aims to exchange scientific, technical and technological expertise in the field of oil and natural gas, discuss the participation of Egyptian petroleum sector companies specialized in the design and construction of petroleum projects in Yemen, and develop the institutional framework and organizational structures for Yemeni oil, gas and mining companies.





26TH OPEC AND NON-OPEC MINISTERIAL MEETING

Following the conclusion of the 26th OPEC and non-OPEC Ministerial Meeting, held via videoconference on 2 March 2022, and based on internal consultation held exclusively by the OPEC and participating non-OPEC oil-producing countries in the Declaration of Cooperation of (DoC), it was noted that current oil market fundamentals and the consensus on its outlook pointed to a well-balanced market, and that current volatility is not caused by changes in market fundamentals but by current geopolitical developments.

The OPEC and participating non-OPEC oil-producing countries decided to:

- Reaffirm the decision of the 10th Ministerial Meeting on 12 April 2020 and further endorsed in subsequent meetings including the 19th Ministerial Meeting on 18 July 2021.
- Reconfirm the production adjustment plan and the monthly production adjustment mechanism approved at the 19th Ministerial Meeting and the decision to adjust upward the monthly overall production by 0.4 mb/d for the month of April 2022.
- Reiterate the critical importance of adhering to full conformity and to the compensation mechanism taking advantage of the extension of the compensation period until the end of June 2022. Compensation plans should be submitted in accordance with the statement of the 15th Ministerial Meeting.
- Hold the 27th OPEC and non-OPEC Ministerial Meeting on 31 March 2022.

Organization of Arab Petroleum Exporting Countries

OAPEC



www.oapec.org.org



@OAPEC1



OAPEC



Monthly Report on Petroleum Developments in The World Markets

Monthly Report on Petroleum Developments In The World Markets March 2022

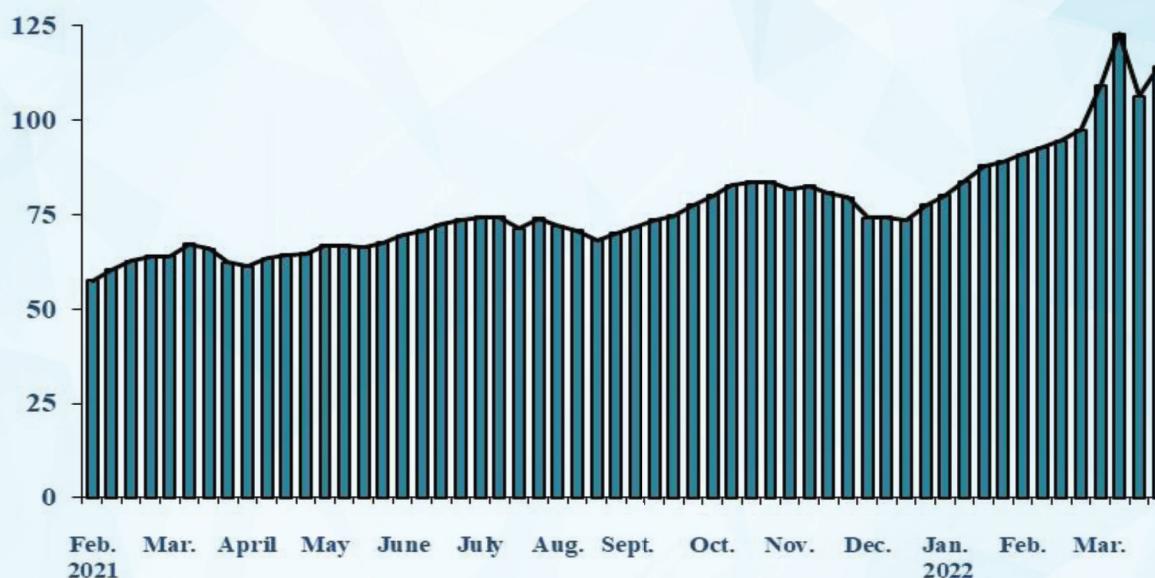
First: World Oil Markets

1. Oil Prices

OPEC primary estimates indicate that OPEC Reference Basket price increased in March 2022 by 20.7% compared to the previous month, to reach \$113.71/bbl. While annual price of OPEC Basket is estimated to increase in 2022 by 38% compared to 2021, to reach \$96.44/bbl.

It's worth mentioning that, OPEC Reference Basket increased in February 2022 by 10.3% or \$8.8/bbl compared to the previous month, to reach \$94.2/bbl. This is mainly attributed to worries about a significant supply disruption amid escalating geopolitical tensions in Eastern Europe and by strong physical crude oil market fundamentals, specifically in the Atlantic Basin.

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



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

2. Supply and Demand

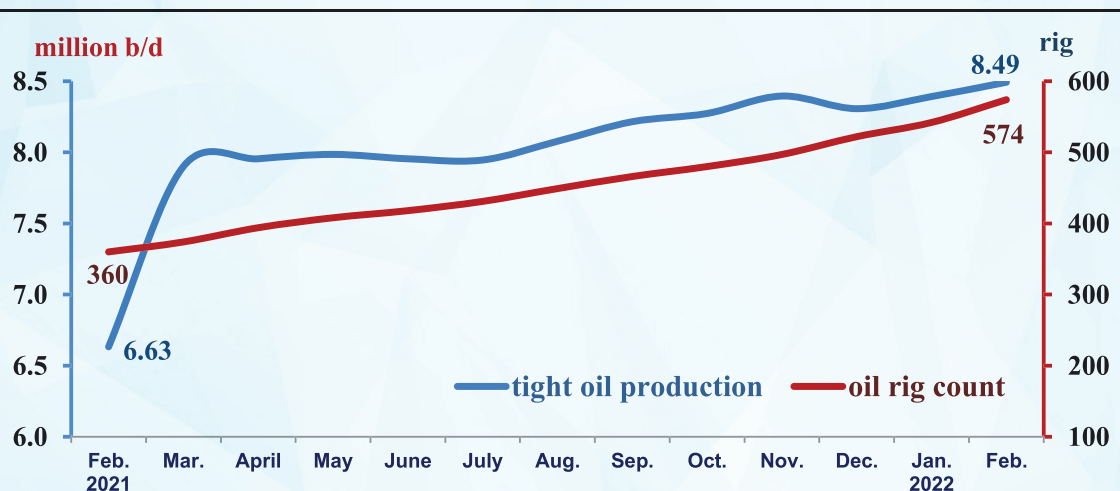
- Primary estimates indicate that world oil demand is decreased in Q1 2022 by 1% compared with previous quarter, to reach 99.1 million b/d. As demand in OECD countries decreased by 4.1% to reach 44.8 million b/d. Whereas demand in Non-OECD countries increased by 1.8% to reach 54.4 million b/d.



Projections indicate that world oil demand is expected to increase in Q2 2022 to reach 99.8 million b/d. As Demand in OECD countries is expected to increase to reach 45.8 million b/d. Whereas demand in Non-OECD countries is expected to decrease to reach 54 million b/d.

- Primary estimates indicate that **world** crude oil and NGLs/condensates total supplies in February 2022, increased by 376 thousand b/d or 0.4% comparing with previous month level to reach 99.6 million b/d. Non-OPEC supplies decreased by 0.1% to reach 65.9 million b/d, whereas OPEC supplies increased by 1.3% to reach 33.7 million b/d.
- **OPEC+** crude oil total supplies in February 2022, is increased by 212 thousand b/d, or 0.5% comparing with previous month level to reach 39.9 million b/d. Non-OPEC supplies, which are members in OPEC+, decreased by 0.4% to reach 15.8 million b/d. Whereas OPEC-10 supplies, which are members in OPEC+, increased by 1.1% to reach 24.1 mb/d.
- US tight oil production increased in February 2022 by 101 thousand b/d compared to previous month level to reach 8.493 million b/d. Production is expected to continue rising in March and April 2022 to reach 8.708 million b/d. On other development, US oil rig count increased in February 2022 by 32 rigs, to stand at 574 rigs.

US tight oil production and oil rig count

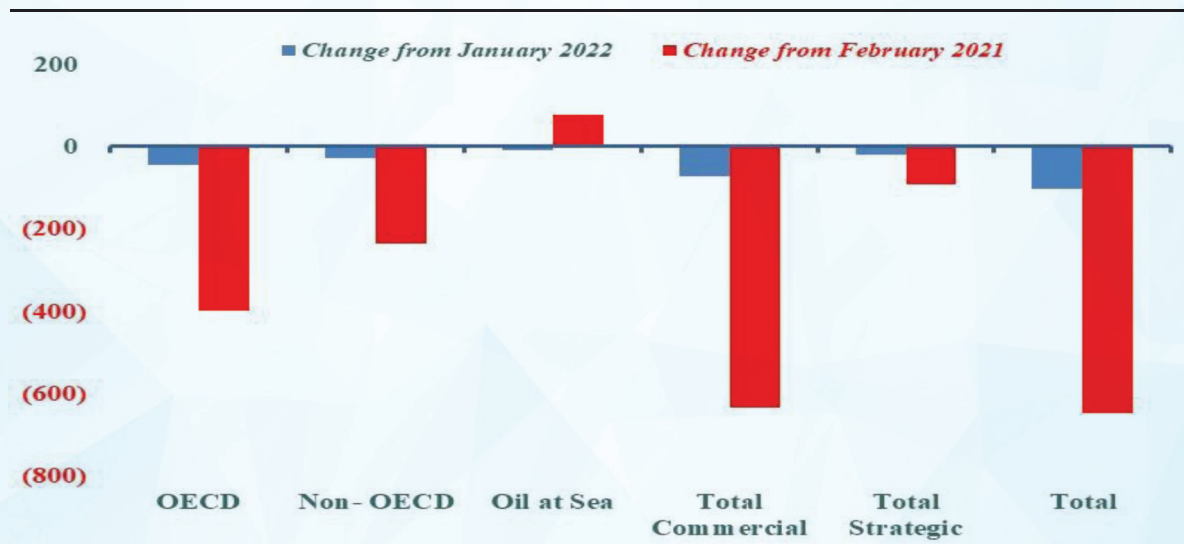


Source: EIA, Drilling Productivity Report for key tight oil and shale gas regions March 2022.

3. Oil Inventories

- OECD commercial inventories in February 2022 decreased by 44 million barrels from the previous month level to reach 2577 million barrels, and strategic inventories decreased by 19 million barrels from the previous month level to reach 1758 million barrels.

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



Source: Oil Market intelligence, May 2021 and March 2022.

4. Oil Trade

US Oil Imports and Exports

- US crude oil imports in February 2022, decreased by 5.2% from the previous month level to reach about 6.2 million b/d, whereas US crude oil exports increased by 21.7% to reach about 3 million b/d.
- US petroleum products imports in February 2022 increased by 20.6% from the previous month level to reach about 2.2 million b/d, and US petroleum products exports increased by 11.1% to reach 4.7 million b/d.

Second: Natural Gas Market

1. Prices

- The average spot price of natural gas at the Henry Hub increased in February 2022 to reach \$4.69/million BTU.
- The price of Japanese LNG imports in January 2022 decreased by \$0.60/m BTU to reach \$13.73/m BTU. Whereas the price of Korean LNG imports increased by \$4.71/m BTU to reach \$21.86/m BTU, and the price of Taiwan LNG imports increased by \$4.08/m BTU to reach \$21.29/m BTU.

2. Exports

Arab LNG exports to Japan, South Korea and Taiwan were about 1.122 million tons in January 2022 (a share of 8.5% of total imports). China did not release data on its LNG imports in January 2022.

Tables Annex