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LAUNCH OF THE 50TH EDITION OF OAPEC SECRETARY-GENERAL'S ANNUAL REPORT

The Cover

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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.

- **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 (The Arab Energy Fund) 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.

LAUNCH OF THE 50TH EDITION OF OAPEC SECRETARY-GENERAL'S ANNUAL REPORT

By: Jamal Essa Al Loughani
OAPEC Secretary General

OAPEC Secretariat General has launched the 50th edition of the Secretary-General's Annual Report for the Year 2023, which reviews the most important Arab and global developments in various activities of the energy industry in general and oil and gas in particular.

The release of the 50th edition of this report comes as the organization has completed its 55th year since its founding on 9 January 1968, which was considered one of the pioneering and important achievements in the process of joint Arab action, especially in the field of Arab energy cooperation. Throughout these decades, and with great support from its member countries, the organization sought to encourage cooperation between its member countries in various aspects of economic activity in the petroleum industry. OAPEC has established a distinguished and active presence in most activities and events related to the oil, natural gas and energy industry in general.

This year's report is issued at a time when the global oil market witnessed remarkable fluctuations, affected by many factors, including the slow and unbalanced recovery of global economies from the impact of the repercussions of the COVID19 pandemic and the Russian-Ukrainian crisis. This is in addition to the severe turmoil in the American banking sector, and the state of uncertainty associated with monetary policies, as central banks continued to tighten those policies during the first half of the year, before taking less stringent decisions, with the expectation of lowering interest rates during the year 2024, which played a role in the US dollar recording its first annual loss since 2020.

The escalation of geopolitical unrest in the Middle East region during the last quarter of 2023 also negatively affected supply chains and the global trade movement. On the positive side, the end of China's Zero Covid policy played a major role in the rise in global oil demand.

The report seeks to highlight the various issues referred to above with some thoughtful, objective analysis, to paint a clear picture of the developments witnessed by the energy industry during the year 2023. It also highlights the efforts made by the member countries to develop their petroleum industries through the vital projects they have implemented in various stages of the industry. This is in addition to the oil and gas discoveries they have announced, the number of which has reached 25 explorations during the year 2023, including 11 oil explorations and 14 gas explorations, which demonstrate the leading and important position of the Arab region in the oil and gas industry now and in the future, and these countries' efforts to mitigate the effects of oil prices fluctuations in the global market on their national economies.

Using an analytical method supported by statistical data, the first chapter of this report deals with Arab and global developments in the energy industry and their repercussions on the economies of OAPEC member countries. It also reviews the various factors affecting energy markets, including supply, demand, and oil reserve levels. This is in addition to other factors that influence the trends of supplies, demand and prices, such as geopolitical factors energy policies trends in major industrial and other countries. The second chapter deals with the most important developments in energy sources exploration and production as well as reserves.

The third chapter reviews developments in expansion and development projects in the refining and petrochemical industries and the consumption, trade, and manufacturing of natural gas.

The fourth chapter deals with the follow-up of environmental and climate change issues, including developments of the Framework Convention on Climate Change (UNFCCC) and the most important outputs of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI). This is in addition to tackling the outcomes of COP 28, which was held in the UAE by the end of 2023.

The report highlights some of the key energy indicators that reflect the important position of our member countries in global energy markets as explained below.

The report showed that proven crude oil reserves of OAPEC member countries amounted to about 717.4 billion barrels in 2023, accounting for a 54% share of the global total, which amounted to 1335 billion barrels. As for natural gas, the member countries' reserves reached about 55.7 trillion cubic metres, representing a share of 26.2% of the global total, which amounted to 212.7 trillion cubic metres.

With regard to production, the member countries' production of crude oil in 2023 reached 23 million b/d, which constitutes about 26% of the global total of about 88.1 million b/d. The member countries' production of marketed natural gas (excluding re-injected and flared quantities) currently amounts to about 580 billion cubic metres, which is a share of about 14% of the world's total.

As for renewable energies at the level of the Arab countries as a whole, the installed wind energy in the Arab countries reached 5.2 gigawatts, representing only 0.5% of the world's total.

The installed capacity of solar energy in the Arab world reached over 17 gigawatts, constituting 1.1% of the global total, while hydroelectric energy in the Arab countries reached 9.15 gigawatts, constituting 0.5% of the global total.

Regarding the refining industry, the number of refineries in the member countries reached 54, with a total refining capacity of 9.54 million b/d, representing 10% of the global refining capacity of 96 million b/d.

Moreover, Arab countries' natural gas exports amounted to about 212.3 billion cubic metres, representing 17.3% of the global total. The nominal production capacity of liquefied natural gas reached 138.5 million tons annually at the end of 2023, with a share of 29% of the global production capacity.

By continuing to release this report year after year, OAPEC Secretariat General hopes that this report will contribute to familiarizing readers with the current developments in the energy industry, both Arab and global, and that they will find in it a useful reference for the information they seek.

SPECIAL LAUNCHING EVENT OF THE 50TH EDITION OF OAPEC SECRETARY-GENERAL'S ANNUAL REPORT

OAPEC Secretariat General held a special ceremony, on Thursday 18 July 2024, to launch the 50th edition of the Secretary-General's Annual Report for 2023 at its headquarters in the State of Kuwait. The report reviews the most important Arab and global developments in various activities of the energy industry in general and oil and gas in particular. The ceremony was attended by a group of diplomats, high-level officials, oil sector personnel, and various media outlets.


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فؤاد بلخير
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SYMPOSIUM ON "PATHWAYS TO REDUCING CARBON EMISSIONS IN DOWNSTREAM PETROLEUM INDUSTRIES"

The Secretariat General of the Organization of Arab Petroleum Exporting Countries (OAPEC), in cooperation with the Ministry of Energy of the Kingdom of Saudi Arabia and the Japan Cooperation Center for Petroleum and Sustainable Energy (JCCP), organized a symposium on "Pathways to Reducing Carbon Emissions in the Downstream Petroleum Industries" in its first edition. The event took place over the course of two days, 25-26 June 2024, in Riyadh, Kingdom of Saudi Arabia.

At the opening session of the symposium, His Excellency Dr Khalid Al Muhaid, Deputy Minister of Energy for Sustainability and Climate Change in the Kingdom of Saudi Arabia welcomed the participants. In his speech, he stressed the importance of the symposium's topic in the context of the developments taking place in the Kingdom of Saudi Arabia in the field of climate change and working on reducing carbon emissions. He pointed out that all forecasts indicate that the demand for oil will continue for many decades to come, and therefore we must consume hydrocarbon sources in an appropriate manner that is compatible with international standards by adopting the circular economy, which depends on managing and rationalizing energy consumption and encouraging the production and consumption of renewable energy of all kinds. He also referred to the role of modern technology and its importance in implementing the requirements of legislation to limit global warming. His Excellency Dr Al Muhaid concluded his speech by reviewing the initiatives of the Kingdom of Saudi Arabia in confronting climate change, such as the Green Saudi Arabia Initiative and the Green Middle East Initiative, in addition to many activities implemented by the Kingdom to reduce carbon emissions.

For his part, Mr. NAKAI Tsuyoshi, CEO of the Japanese Cooperation Center for Petroleum and Sustainable Energy (JCCP), praised the fruitful cooperation relationship between the Japanese Center and the Arab countries. He underscored the importance of the topic of the symposium, which the two sides are organizing in cooperation with the Ministry of Energy in the Kingdom of Saudi Arabia, to discuss the various pathways of energy transition towards carbon neutrality, which is a good opportunity to exchange opinions and experiences between specialists, experts, scientific research centers and companies specialized in the field of renewable fuels, and in carbon removal, capture, storage and use technology.

In turn, His Excellency Engineer Jamal Al Loughani, OAPEC Secretary-General, praised the efforts of the Ministry of Energy in the Kingdom of Saudi Arabia, especially the great support provided by His Royal Highness Prince Abdulaziz bin Salman bin Abdulaziz Al Saud, Minister of Energy, to make this symposium a success.

The Secretary-General also indicated that the symposium comes within the framework of OAPEC's commitment to follow developments and international and regional initiatives on cutting carbon emissions, to achieve carbon neutrality and meet international requirements to combat climate change. He highlighted the efforts of OAPEC member

countries to fulfill international agreements on achieving climate goals to reach net-zero emissions by the middle of the current century. He also stressed the importance of cooperation between technology companies and research centers, to develop solutions for producing low-carbon fuels from oil, and cutting carbon emissions at all stages of the value chain of the oil industry.

The Secretary-General noted that OAPEC member countries have implemented various initiatives aimed at reducing carbon emissions. He added that oil and petrochemicals companies are also using technology to produce low-carbon products. He showcased a number of notable examples of these initiatives.

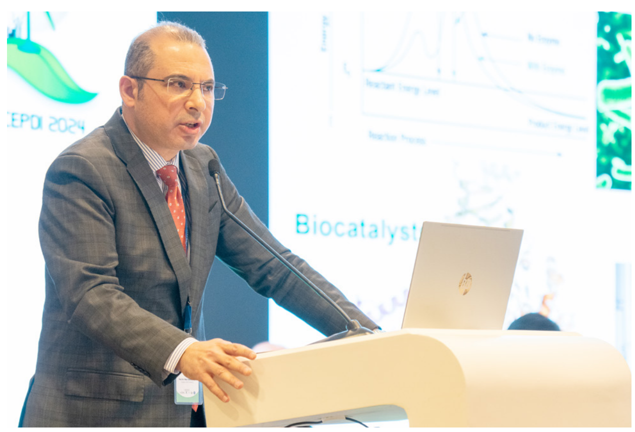
At the conclusion of his speech, His Excellency the Secretary-General thanked all those organizing the symposium, and particularly mentioned Their Highnesses and Excellencies the Ministers of Petroleum and Energy and members of the Executive Bureau of OAPEC for their continued support. He also thanked the Japan Cooperation Center for Petroleum and Sustainable Energy (JCCP), and the taskforce at the Ministry of Energy in the Kingdom of Saudi Arabia.

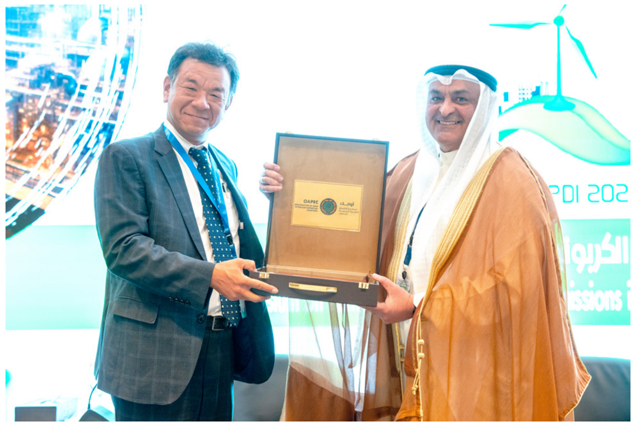
Closing of the Symposium Activities

Talking to Kuwait News Agency (KUNA) following the closing of the symposium activities, OAPEC Secretary-General stressed the importance of strengthening cooperation with countries that enjoy significant energy experience on cutting carbon emissions. Al Loughani said, “Such seminars are an opportunity to exchange ideas and recommendations and present innovative solutions that contribute to reducing carbon emissions for the petroleum downstream industries. This is in addition to enhancing cooperation between participating institutions for the benefit of the organization’s member countries and enabling them to keep pace with global trends on climate change and preserving the environment.”

He added, “In our symposium in Riyadh, for example, we discussed 24 technical papers and held discussion sessions that enabled us to review many options for reducing carbon emissions in the petroleum industries and showcase the projects being implemented to enhance the role of the petroleum industry in producing sustainable, low-carbon fuels, improving energy efficiency, and opportunities for using renewable energy and hydrogen, in addition to the application of carbon capture, utilization and storage technologies.” Al Loughani explained that the organization will continue to hold seminars and workshops that will serve to develop staff in the ministries of energy in the member countries.

The organization held the symposium (Pathways to Reducing Carbon Emissions in the Downstream Petroleum Industries) in





Riyadh, with the participation of more than 150 companies and institutions specialized in energy and sustainability affairs, research institutes and universities in OAPEC member countries, in addition to many Japanese companies and bodies specialized in the field of sustainable energy technology. This symposium was based on a memorandum of understanding signed between OAPEC and Japan in 2011 regarding organizing seminars and workshops and preparing studies and research related to the downstream petroleum industry.

PETROLEUM MEDIA AND ENVIRONMENTAL MEDIA: HARMONY NOT RIVALRY!

By Ala'a Al Omran

Intense campaigns and counter-campaigns are currently launching between the "petroleum media" and the "environmental media." They may not be noticed by the public eye, but they are crystal clear to every specialist. The term Environmental Media - despite its novelty - appears clearly in English language texts, while we do not find the term Petroleum Media used clearly in these texts (except in Arab news agencies' English news bulletins). In general, even when conducting a search in English on the Internet, we often find topics related to petroleum media listed under Economic Press or The Economy Press, with no mention of petroleum media. If this indicates anything, it indicates a clear acknowledgment that "environmental media" is a specialized branch of media, while the absence of "petroleum media" and the inclusion of oil and its news under economic media indicates an attempt to limit its influence.

The attempt to "lure" the public audience into seeing "environmental" messages in a specific persistent and repetitive way in their various forms, tools, and goals, to the extent that the media that serves this agenda is categorized as "environmental media," indicates the ferocity of these campaigns to consolidate the concepts of environmental awareness, and this in itself is praiseworthy, however, the issue is not that simple. It is a more complex and profound issue, and its goals are revealed when "environmental awareness" campaigns sometimes lead to creating an environment and public opinion that are hostile to fossil fuels (especially oil and gas). Accordingly, the Arab media must get rid of "media dependency" on everything published around the world, they should adopt a proactive approach and show parallel equal reaction that refutes such propaganda campaigns that are sometimes far from reality.

A simple comparison shows that the petroleum media has remained inclined toward officialism, reservedness and stagnation in broadcasting its news and covering its events, while environmental media has become more colourful and its tools have diversified - especially in recent years. Global environmental awareness campaigns have made the best use of all available means, ranging from direct, frank messages - such as celebrating the "World Environment Day" in the summer of each year and "Earth Day" in the spring of each year - to indirect hidden messages by taking advantage of "soft power" through figures close to the audience, including actors, artists, athletes, and even politicians. This is in addition to using the widespread influential social media platforms, whose messages spread like wildfire and incite public opinion against fossil fuels. Repeated demonstrations in Europe against fossil fuels are only a manifestation of the environmental media's strong influence.

Recent history tells us that many of these energy-related crises are artificial, and it seems that the environment is a new episode in the series of energy crises that began in the seventies and eighties of the last century when the oil-producing countries began to be accused of being behind the energy crises in the world when barrel prices were rising, and of being against renewable energy projects when prices were falling. Not to mention the strategies of announcing "oil stocks" and their sudden and sometimes illogical rise and fall to serve specific agendas, which threatens the stability of the oil market and the rise and fall of oil prices. In this regard, OPEC's role must be praised in its effort to maintain market stability throughout its history by responding quickly to any developments to prevent any energy disasters. Nowadays, environmental and climate change issues are used to create new accusations against fossil fuels and consequently imposing restrictions and sometimes illogical measures in an attempt to limit their role or even eliminate them, while ignoring the interests of the producing and consuming countries alike.

For our oil-producing and exporting Arab countries, this issue cannot pass unnoticed. Since the birth of the petroleum media in the form of printed bulletins issued by the giant oil companies at the beginning of the industry in order to convey the latest news and developments in their production, the petroleum media has established its role of promoting the industry and its products. The petroleum media also sought, in the early stages, to link oil and sustainable development, especially in our Arab countries. In the era of energy transitions that we currently live in, it is necessary for the petroleum media (or energy media in general) to develop its role from broadcasting news to creating "petroleum awareness" - similar to "environmental awareness". This is in order to convey to the public the true picture of the extent of technological development in this industry and the possibilities of producing clean fuel that coexists with environmental requirements and prevents the creation of an energy crisis that may result from the adoption of far from realistic legislation whose goal is to "exclude fossil fuels" without considering the specific circumstances of each country- after all, not all countries have the potential for energy transition in the near future. This is in addition to the need to highlight the efforts made by oil-producing and exporting countries in using the latest technology to produce clean, environmentally friendly fuel, in addition to their multiple environmental initiatives, such as the Green Saudi Initiative and the Green Middle East Initiative.

From this standpoint, the Arab Petroleum Media or more precisely the Arab Energy Media must integrate with the Arab Environmental Media to develop their tools, campaigns and messages to create real and factual awareness in the face of campaigns that distort fossil fuels and to refute negative claims, through joint media campaigns to avoid conflicting messages between the two fields and remove confusion and misconceptions. It may also be useful to launch an annual World Cleaner Fuels Day to highlight the joint oil-environment development achieved.

Furthermore, let us not forget here the role of academic institutions, which are responsible for devoting departments or planning curricula specialized in petroleum media (or energy media) and environmental media in colleges of mass communication and media. They should train students to be primarily petroleum/energy media professionals and not just economic news professionals. They must also adopt research and projects that seek to develop this field. Specialized conferences and forums, whether on media, oil, or the environment, can play an extremely important role in discussing, researching, and coming up with recommendations that can be useful to decision-makers in drawing up effective national and regional strategies that defend the interests of oil-producing countries and ward off the suspicion of "polluting the earth" that is being promoted globally these days!

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

KUWAIT'S MINISTRY OF OIL LAUNCHES "PARTNERS IN CONSERVATION AND SAVINGS" CAMPAIGN TO RATIONALIZE ELECTRICITY CONSUMPTION

As part of its efforts to raise community awareness and educate the public, the Public Relations and Petroleum Media Department launched the "Partners in Conservation and Savings" campaign, through which it seeks to rationalize electricity consumption and preserve the state's resources. In this context, the Director of Public Relations and Petroleum Media at the Ministry of Oil in the State of Kuwait, Sheikha Tamadur Khaled Al-Ahmad Al-Jaber Al-Sabah, said that the Ministry of Oil, within the framework of its societal responsibility and within the state's directions to follow a rationalization policy, launched a campaign to improve the efficiency of electricity consumption, especially during peak times, when total energy consumption increases. She pointed out that the campaign includes awareness and education about the importance of rationalizing electricity and ways to achieve this in homes and offices. She stated that the Ministry of Oil aims through the "Partners in Rationalization and Savings" campaign to contribute to changing individuals' behaviour by adopting new habits that lead to rationalizing electricity consumption and saving energy, which contribute to reducing waste, improving energy efficiency, and protecting the environment by cutting carbon emissions.

Sheikha Tamader Al-Sabah explained that the Ministry of Oil has published, during the recent period, a number of posts on social media sites urging rationalization of electricity consumption and providing advice to consumers to use electrical appliances, lighting, and air conditioning efficiently, noting that the Ministry is also working on preparing a podcast containing advice for rationalization. She said that the model project for using solar photovoltaic energy in the oil sector complex was reviewed, which is considered a complementary source for supplying the building with electrical power, as the production of renewable energy that the project will accomplish amounts to about 10% of the total power consumption of the oil complex building. This project is considered an exemplary step towards practical application of renewable energy and contributes to enhancing public awareness regarding the use of solar energy technologies. She indicated that the Public Relations and Petroleum Media Department will organize a symposium in cooperation with the Ministry of Electricity and Renewable Energy on Wednesday, 10 July 2024, with the participation of specialists from the Ministry of Electricity to talk about methods of rationalization and learn about the incentive program for rationalization, which includes incentives and discounts for consumers to achieve the common benefit for both the Ministry of Electricity and consumers alike.

KOC: DISCOVERY OF SUBSTANTIAL QUANTITIES OF LIGHT OIL AND GAS EAST OF FAILAKA ISLAND

The Kuwait Oil Company (KOC) announced on Sunday 14 July 2024 the discovery of substantial commercial quantities of light oil and associated gas in the Nokhatha offshore field, which is located east of Failaka Island in Kuwaiti waters.

In a statement to Kuwait News Agency (KUNA), the company said that the initial estimated area of the field is approximately 96 square kilometers, pointing out that this discovery represents an important turning point in its ongoing efforts to explore hydrocarbon resources in the Kuwaiti marine region. It explained that the daily production from the well (Nukhadha - 1) in the Manaqish geological layer amounts to about 2,800 barrels of light oil and 7 million cubic meters of associated gas. It reported that preliminary estimates of the hydrocarbon reserves in the layer are estimated at approximately 2.1 billion barrels of light oil and 5.1 trillion standard cubic feet of gas, equivalent to 3.2 billion barrels of oil equivalent.

The company pointed out that this data "is considered preliminary" with great potential to enhance and increase the amount of hydrocarbon resource reserves in different layers and reservoirs in the discovered marine field. It stated that the launch of the current marine exploration project was based on two-dimensional seismic surveys of the Kuwaiti marine region and geophysical and geological studies that were prepared to know the details of the earth's layers and compositions, identify and secure the best marine drilling sites, and prepare for logistical operations.

KOC revealed that the marine area represents approximately one-third of the total land area of the State of Kuwait, with an area of more than 6,000 square kilometers, while the current phase of exploration includes drilling 6 exploratory wells to explore oil and gas as a first phase. Based on the results of drilling in this phase, the subsequent phases will be determined successively.

The company stressed the importance of the marine exploration project as a national project that aims to enhance the State of Kuwait's reserves of hydrocarbon resources, in addition to ensuring the sustainability of new hydrocarbon resources to meet global demand. It pointed out that the project places the State of Kuwait on the map of leading regional producers as a prominent marine operator in accordance with international standards and contributes to developing new technical skills in the fields of drilling and marine production, which opens broad horizons for creating new and diverse job opportunities for national cadres.

KOC indicated that based on the results of the initial tests, a development plan will be drawn up to begin actual production from the field as soon as possible. The field will contribute to increasing the production capacity of the Kuwait Oil Company and laying another building block for achieving its strategy for the year 2040. The company confirmed that this discovery comes as a result of cooperation between all its sectors on the one hand and continuous support from the management of the Kuwait Petroleum Corporation on the other hand, in addition to continuous cooperation between the company and all relevant government agencies, which paved the way for the success of the discovery of the Noukhatha offshore field.

DURING THE FIRST HALF OF 2024

IRAQI DRILLING COMPANY: COMPLETION OF DRILLING AND RECOVERY OF 105 OIL WELLS

During the first half of the current year 2024, the Iraqi Drilling Company completed drilling and recovery operations for 105 oil wells in various oil fields in the Republic of Iraq. The Director General of the Iraqi Drilling Company, Mr Khaled Hamza Abbas, said that the company's technical and engineering teams succeeded in drilling 33 oil wells and reclaiming 72 other wells, for the benefit of national extraction companies and international companies operating in Iraq.

He stressed that these achievements reflect the high efficiency and accumulated experience of the company's technical and engineering personnel, which is the active national arm in the field of drilling and reclamation of oil wells.

Abbas added that the Iraqi Drilling Company is committed to implementing its projects according to the specified timetables, which enhances its vital role in supporting the national economy. He pointed out that the company continues to enhance its technical and human capabilities to be able to tackle future challenges and deliver more achievements.

TA'ZIZ SIGNS LAND RESERVATION AGREEMENTS WITH UAE AND INTERNATIONAL COMPANIES FOR LIGHT INDUSTRIAL AREA

AGREEMENTS WITH 31 COMPANIES TO ENABLE MANUFACTURING AND INDUSTRIAL SERVICES CAPABILITIES IN AL DHAFRA REGION

TA'ZIZ, a chemicals and industrial ecosystem under development in Al Ruwais Industrial City, Abu Dhabi, announced recently the signing of 31 land reservation agreements with tenants for its Light Industrial Area.

The initial cohort of tenants, who represent sectors critical to the industrialization and diversification of the economy of the United Arab Emirates (UAE), including manufacturing, logistics, maintenance and training services, have reserved spaces across several phases of the project.

Mashal Saoud Al-Kindi, CEO of TA'ZIZ, said: "These land reservation agreements demonstrate the enhanced value proposition of the TA'ZIZ Light Industrial Area. By leveraging the purpose-built infrastructure TA'ZIZ offers in close proximity to our Industrial Chemicals Zone and the Al Ruwais Industrial City, regional and industry leaders can participate fully in the industrialization and diversification of the UAE's economy and become key partners in the creation of hundreds of new value chains."

The tenants are expected to gain access to their plots in 2025 to begin providing manufacturing capacities and industrial services for the Al Dhafra region, leveraging the synergies offered by the TA'ZIZ ecosystem and the close proximity to the TA'ZIZ Industrial Chemicals Zone and the wider Al Ruwais industrial area.

Once completed, the TA'ZIZ Light Industrial Area

COMPANIES TO BENEFIT FROM SYNERGIES OFFERED BY TA'ZIZ, INCLUDING PURPOSE-BUILT INFRASTRUCTURE AND WAREHOUSING SPACE

TA'ZIZ LIGHT INDUSTRIAL AREA HAS EXPERIENCED SIGNIFICANT DEMAND FOR SERVICED PLOTS AND WAREHOUSING SPACE, WHICH WILL BE FULFILLED OVER A SERIES OF PHASES

will span 226,000 square meters of purpose-built warehousing and 249 serviced plots across 3.71 square kilometers. With capacity for hundreds of manufacturing and industrial services businesses, the Light Industrial Area is set to enable over $1 billion (AED3.67 billion) of investment and generate thousands of jobs in the region.

The TA'ZIZ Light Industrial Area is in line with the UAE's vision for industrialization and diversification of the domestic economy. By providing a robust and competitive ecosystem built around new chemical value chains, TA'ZIZ offers highly scalable opportunities that are geared for rapid growth across the chemicals manufacturing and industrial services sectors.

QATARENERGY ENTERS 10-YEAR NAPHTHA SUPPLY AGREEMENT WITH JAPAN'S ENEOS CORPORATION

QatarEnergy has entered into a long-term agreement to supply ENEOS Corporation, a prominent refining and petrochemical company based in Japan, with up to 9 million tons of Naphtha over 10 years starting July 2024.

In remarks on this occasion, His Excellency Mr. Saad Sherida Al-Kaabi, the Minister of State for Energy Affairs of the State of Qatar, the President and CEO of QatarEnergy said, "This agreement builds on our successful and long-standing relationship with one of our valued Japanese partners. We look forward to creating more value and opportunities for the mutual benefit of both parties and to further strengthen our partnership."

This agreement is the largest and longest commitment in more than a decade of collaborations between the two companies.

ENEOS Corporation is the largest refining and petrochemical company in Japan and is wholly owned by ENEOS Holdings, Inc. The Japanese conglomerate has been in the business of refining, manufacturing, and selling of petroleum products for over 135 years since it was established in 1888 under the name of Nippon Oil Corporation.

USTDA PARTNERS WITH EGYPT ON SAFETY, HEALTH AND ENVIRONMENT

The Arab Republic of Egypt and the USA signed a feasibility study grant from the United States Trade and Development Agency (USTDA) to support the Alexandria Petroleum Company (APC) in its efforts to improve the health, safety, and environmental protocols of its El Max refinery in Alexandria, Egypt. The protocol was signed by Eng. Alaa Hagar, Ministry Undersecretary for Technical Office and Enoh T. Ebong, USTDA's Director.

The grant will fund a series of studies to identify and address the facility's priority safety and fire protection needs. The USTDA-funded feasibility study will advance APC's priority to upgrade and expand its safety programs and equipment, augment forecasting and emergency response capabilities, and update protocols and training. By adopting these cutting-edge technologies and best practices, the El Max refinery, founded in 1962, will increase safety for workers and limit greenhouse gas emissions and environmental damage in the event of a fire or other emergency. The feasibility study will also serve as a model as Egypt considers similar upgrades for its other refineries.

ARAMCO

TO ACQUIRE 10% EQUITY INTEREST IN HORSE POWERTRAIN LIMITED, THE NEW GLOBAL POWERTRAIN SOLUTIONS COMPANY ESTABLISHED BY RENAULT GROUP AND GEELY

Aramco has signed definitive agreements to acquire a 10% equity interest in HORSE Powertrain Limited ("HORSE") valuing the target at €7.4 billion enterprise value. Renault Group and Geely each retain 45% equity stakes

The investment by Aramco will support the growth of HORSE Powertrain limited and contribute to the development of competitive powertrains and synthetic fuel solutions

HORSE Powertrain Limited is expected to have an annual production of five million powertrain units, encompassing a complete portfolio of advanced powertrain technologies for partners around the world

Aramco, one of the world's leading integrated energy and chemicals companies, through a wholly owned subsidiary has signed definitive agreements recently to acquire a 10% equity interest in HORSE Powertrain Limited, the new global powertrain solutions company, alongside Renault Group, Zhejiang Geely Holding Group, and Geely Automobile Holdings Limited ("Geely"). HORSE Powertrain Limited was formed on May 31, 2024, by Renault Group and Geely and is incorporated and headquartered in London, UK.

Aramco will acquire a 10% equity interest in HORSE Powertrain Limited in equal parts from Renault Group and Geely, which will each retain 45% equity stakes. The price to be paid by Aramco at closing, which is subject to customary closing conditions including the receipt of regulatory approvals, will be based on a €7.4 billion enterprise valuation.

This investment aims to enhance Aramco's contribution to the global energy transition through the development and commercialization of more efficient mobility solutions. The agreements also include collaboration arrangements for Aramco and Valvoline on technologies, fuels, and lubricants to collectively improve the performance of HORSE Powertrain Limited internal combustion engines (ICE).

Aramco, Renault Group, and Geely share the view that the automotive industry will require a combination of various technologies — including highly efficient ICE, transmissions and hybrid powertrains, alternative fuels such as lower-carbon synthetic fuels and lower-carbon hydrogen, as well as vehicle electrification — to support an orderly energy and mobility transition around the world.

HORSE Powertrain Limited's mission is to lead the race towards lower emission next generation technologies, and Aramco's unique capabilities, including a global network of R&D centers where research on synthetic fuels, hydrogen, and ICE optimization is conducted, can help facilitate the development of more sustainable and accessible lower-carbon solutions.

Ahmad O. Al Khowaiter, Aramco Executive Vice President of Technology & Innovation, said: "Aramco's investment is expected to directly contribute to the development and deployment of affordable, efficient, and lower-carbon emission internal combustion engines globally. With Geely and Renault, we plan to leverage our collective expertise and resources to support ground-breaking advances in both engine and fuel technologies. With a strong emphasis on innovation, our goal is to provide solutions that can help reduce transport greenhouse gas emissions while meeting the needs of both vehicle manufacturers and motorists. In securing long-term partnership between Valvoline Global and HORSE Powertrain Limited, Renault Group, and Geely in connection with this investment, we are also demonstrating Aramco's ability to both create and capture value at the global level."

Luca de Meo, Renault Group CEO, said: "Mitigating carbon in the automotive industry won't be a solo play. It requires the best players to join forces to open new paths and come up with innovative solutions. That is what's happening today as we welcome Aramco as a strategic partner in HORSE Powertrain Limited. A dream team is born to reinvent the future of ICE and hybrid technologies."

Daniel Li, Geely Holding CEO, said: "Mitigating greenhouse gas emissions will require global synergies, multi-faceted technological solutions, and the sharing of expertise. With Aramco's support and expertise in fuel technologies, HORSE Powertrain Limited further cements its role as a leader in pioneering low-carbon and carbon-free fuel technology solutions such as methanol and hydrogen."

Matias Giannini, HORSE Powertrain Limited CEO, said: "I am delighted that Aramco has joined HORSE Powertrain Limited. Their expertise in fuels and hydrogen makes them a great partner for us to deliver cutting-edge, lower-emission powertrain solutions, driving our industry's carbon mitigation efforts forward. Together, we will set new benchmarks for innovation in the automotive sector."

HORSE Powertrain Limited factsheet:

- 17 global plants
- 9 industrial customers in 130 countries, including vehicle manufacturers
- 5 R&D centers
- c. 19,000 employees
- Strategic footprint focused on China, Europe, and Latin America
- Expected c. 5 million powertrain units per year

All types of powertrain solutions covered – full hybrids and long-range plug-in hybrids as well as internal combustion engines that use alternative fuels such as ethanol, methanol, LPG, CNG, hydrogen, etc.

ARAMCO'S STRATEGIC GAS EXPANSION PROGRESSES WITH $25BN CONTRACT AWARDS

Aramco, one of the world's leading integrated energy and chemicals companies, has recently awarded contracts worth more than $25 billion to progress its strategic gas expansion, which targets sales gas production growth of more than 60% by 2030, compared to 2021 levels.

The contracts relate to phase two development of the vast Jafurah unconventional gas field, phase three expansion of Aramco's Master Gas System, new gas rigs and ongoing capacity maintenance.

Amin H. Nasser, Aramco President & CEO, said: "These contract awards demonstrate our firm belief in the future of gas as an important energy source, as well as a vital feedstock for downstream industries. The scale of our ongoing investment at Jafurah and the expansion of our Master Gas System underscores our intention to further integrate and grow our gas business to meet anticipated rising demand. This complements the diversification of our portfolio, creates new employment opportunities, and supports the Kingdom's transition towards a lower-emission power grid, in which gas and renewables gradually displace liquids-based power generation. To get where we are today, a lot of hard work, innovation and a strong 'can do' spirit has been demonstrated by teams across our vast network of suppliers and service providers, who have joined Aramco on this journey to build and expand our world-class energy infrastructure."

PHASE TWO OF AMBITIOUS JAFURAH GAS DEVELOPMENT COMMENCES WITH AWARD OF CONTRACTS WORTH AROUND $12.4BN

CONTRACTS WORTH AROUND $8.8BN AWARDED FOR PHASE THREE EXPANSION OF COMPANY'S MASTER GAS SYSTEM

23 ADDITIONAL UNCONVENTIONAL GAS RIG CONTRACTS VALUED AT $2.4BN AND TWO DIRECTIONAL DRILLING CONTRACTS WORTH $612 MILLION ALSO AWARDED, WHILE 13 WELL TIE-IN CONTRACTS AT JAFURAH WORTH $1.63BN HAVE BEEN AWARDED BETWEEN DECEMBER 2022 AND MAY 2024

PROJECTS AIM TO SUPPORT GROWTH OF ARAMCO'S GAS PRODUCTION, DIVERSIFY ITS PORTFOLIO, AND ADD SIGNIFICANT VOLUMES OF ETHANE, NGL AND CONDENSATE

Contract awards

The Company has awarded 16 contracts, worth a combined total of around $12.4 billion, for phase two development at Jafurah. The work will involve construction of gas compression facilities and associated pipelines, expansion of the Jafurah Gas Plant including construction of gas processing trains, and utilities, sulfur and export facilities. It will also involve construction of the Company's new Riyas Natural Gas Liquids (NGL) fractionation facilities in Jubail — including NGL fractionation trains, and utilities, storage and export facilities — to process NGL received from Jafurah.

Another 15 lump sum turnkey contracts, worth a combined total of around $8.8 billion, have been awarded to commence the phase three expansion of the Master Gas System, which delivers natural gas to customers across the Kingdom of Saudi Arabia. The expansion, being conducted in collaboration with the Ministry of Energy, will increase the size of the network and raise its total capacity by an additional 3.15 billion standard cubic feet per day (bscfd) by 2028, through the installation of around 4,000km of pipelines and 17 new gas compression trains.

An additional 23 gas rig contracts worth $2.4bn have also been awarded, along with two directional drilling contracts worth $612 million. Meanwhile, 13 well tie-in contracts at Jafurah, worth a total of $1.63bn, have been awarded between December 2022 and May 2024.

Progress at Jafurah

The Jafurah unconventional gas field is estimated to contain 229 trillion standard cubic feet of raw gas and 75 billion Stock Tank Barrels of condensate. Phase one of the Jafurah development program, which commenced in November 2021, is progressing on schedule with initial start-up anticipated in the third quarter of 2025. Aramco expects total overall lifecycle investment at Jafurah to exceed $100 billion and production to reach a sustainable sales gas rate of two billion standard cubic feet per day by 2030, in addition to significant volumes of ethane, NGL and condensate.

Master Gas System expansion

Aramco's Master Gas System is an extensive network of pipelines that connects Aramco's key gas production and processing sites throughout the Kingdom of Saudi Arabia. Its expansion will increase access to domestic gas supplies for customers in the industrial, utility and other sectors — providing a lower greenhouse gas emission alternative to oil for power generation. From 1982, the network transported associated gas, also known as "waste gas" released during oil production, instead of being flared — illustrating Aramco's innovation and early adoption of solutions that help mitigate emissions. This pioneering network, which now transports associated gas and sales gas, has helped Aramco achieve near-zero routine gas flaring and maintain a flare volume of less than 1% of total raw gas production since 2012, contributing to the Company having one of the lowest upstream carbon intensities in the industry.

ADNOC AND JBIC SIGN $3 BILLION GREEN FINANCING AGREEMENT

Abu Dhabi National Oil Company (ADNOC) PJSC (ADNOC) has signed a general agreement with the Japan Bank for International Cooperation (JBIC) for a $3 billion (AED11 billion) green financing facility. It follows the signing of a Heads of Agreement (HOA) between ADNOC and JBIC in January this year and builds on their long-standing successful partnership.

The credit facility is part of JBIC's Global action for Reconciling Economic growth and ENvironmental preservation (GREEN) lending program and is partially supported by Japanese commercial banks.

Khaled Al Zaabi, ADNOC Group Chief Financial Officer, said: "We are very pleased to once again partner with JBIC on ADNOC's first green funding to accelerate our decarbonization and energy transition initiatives. Proceeds of this credit facility will enable ADNOC's strategy to support a just, orderly and equitable global energy transition. The agreement also marks the next milestone in the long-standing strategic energy relationship between the UAE and Japan, and we look forward to further collaboration with JBIC as ADNOC delivers against its ambitious growth strategy."

ADNOC'S FIRST GREEN FUNDING WILL SUPPORT ITS ONGOING DECARBONIZATION AND ENERGY TRANSITION INITIATIVES

ADNOC is one of the least carbon-intensive oil and gas producers in the world and is further reducing its carbon intensity by 25% by 2030 while investing $23 billion (AED84.4 billion) to decarbonize its operations and accelerate the growth of the energies of the future, including hydrogen, geothermal, renewables and carbon capture technologies. ADNOC has also set out its ambition to achieve net zero by 2045 and zero methane emissions by 2030. The Company is also a founding member of the Oil and Gas Decarbonization Charter (OGDC), a coalition of International and National Oil Companies that have committed to zero methane emissions by 2030 and net zero by or before 2050.

Monthly Report on Petroleum Developments in The World Markets

Monthly Report on Petroleum Developments in the World Markets
July 2024

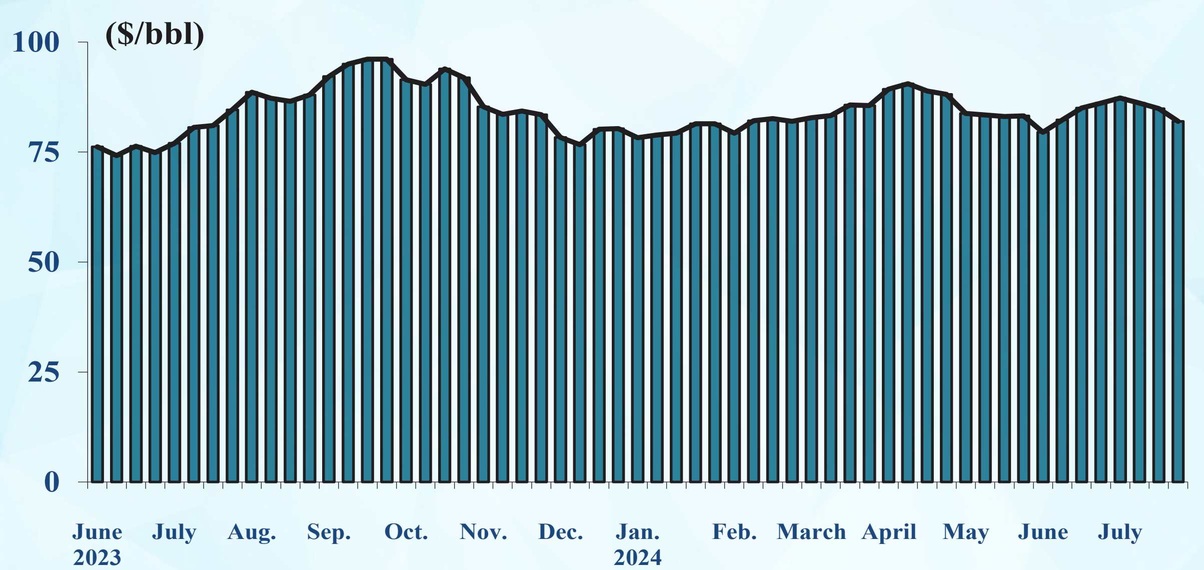
First: World Oil Markets

1. Oil Prices

OPEC primary estimates indicate that OPEC Reference Basket price increased in July 2024 by 2.4% compared to the previous month, to reach $85.22/bbl. Whereas annual price of OPEC Basket is estimated to increase in 2024 by 1% compared to 2023, to reach $83.8/bbl.

It's worth mentioning that OPEC Reference Basket decreased in June 2024 by 0.4% or $0.4/bbl compared to the previous month of May, to reach $83.2/bbl. This is mainly attributed to speculative activity in the oil futures market which was linked to selling pressure in the first week of June. In addition to, a rise in US crude stocks during the first half of the month, drop in refining products margins - particularly gasoline, and increasing availability of medium sour crude in the spot market.

Weekly Average Spot Prices of OPEC Basket of Crudes, June 2023 - July 2024



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

2. Supply and Demand

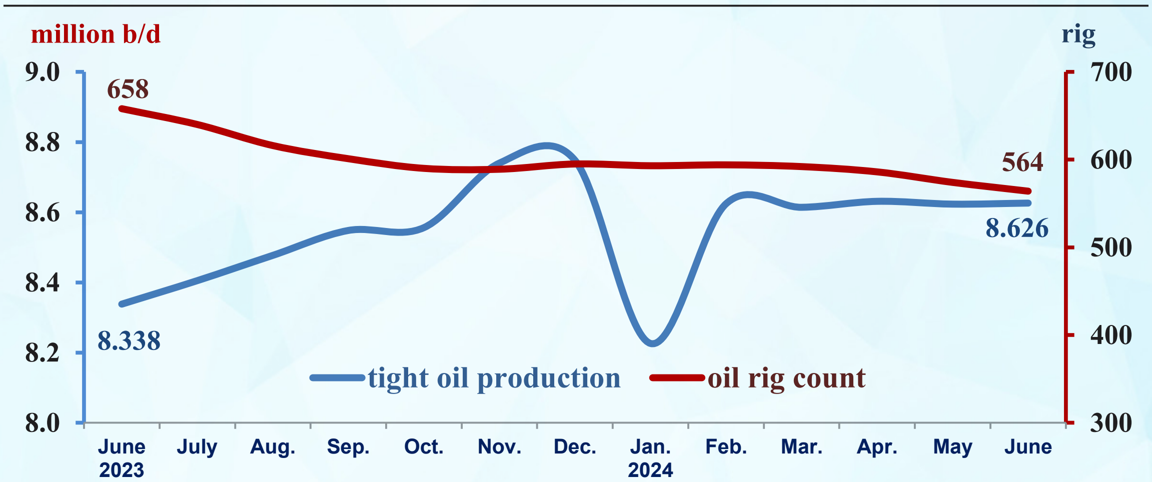
- Estimates indicate that world oil demand increased in Q2 2024 by 0.3% compared with the previous quarter, to reach 103.8 million b/d. As demand in OECD countries increased by 1.6% to reach about 45.8 million b/d, whereas demand in Non-OECD countries decreased by 0.7% to reach 58 million b/d.

Projections indicate that world oil demand is expected to increase in Q3 2024 to reach 104.9 million b/d. As demand in OECD countries is expected to increase by 450 thousand b/d to reach 46.3 million b/d, and demand in Non-OECD countries is expected to increase by 660 thousand b/d to reach 58.6 million b/d.

- Estimates indicate that **world** crude oil and NGLs/non-conventional supply in June 2024, increased by 0.1% to reach 102.3 million b/d. Non-OPEC supplies increased by 0.2% to reach 70.2 mb/d, whereas OPEC supply decreased by 0.2% to reach about 32.1 million b/d.

  OPEC+ crude oil supply in June 2024 decreased by 182 thousand b/d, or 0.5% compared with previous month level to reach about 35.5 million b/d. The supplies of OPEC-9[1], which are members in OPEC+, decreased by 0.6% to reach about 21.3 mb/d. And the supplies of Non-OPEC, which are members of OPEC+, decreased by 0.3% to reach about 14.2 million b/d.
- US tight oil production in June 2024 increased by 3 thousand b/d compared to previous month's level to reach about 8.626 million b/d. On other development, US oil rig count decreased by 10 rigs compared to the previous month level to reach 564 rigs.

US tight oil production and oil rig count



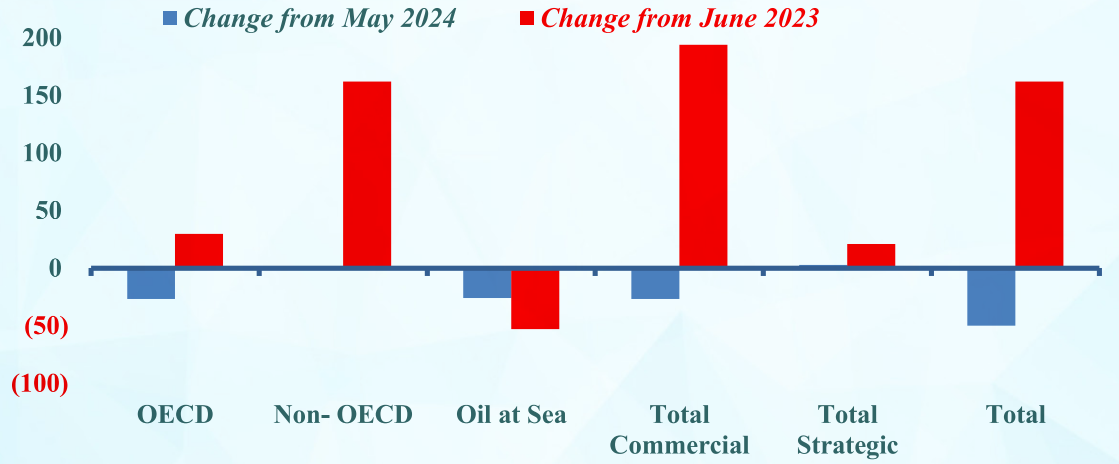
Source: EIA, Short-Term Energy Outlook, July 2024.

3. Oil Inventories

- OECD commercial inventories at the end of June 2024 decreased by 27 million barrels from the previous month level to reach 2818 million barrels, Non-OECD commercial inventories decreased by 1 million barrels from the previous month level to reach 3331 million barrels, whereas strategic inventories increased by 3 million barrels to reach about 1522 million barrels.

[1] It does not include Libya, Iran, and Venezuela, whose supplies of crude oil amounted to about 1.2 million b/d, 3.2 million b/d, and 0.8 million b/d, respectively, during June 2024.

Change in Global Inventories at the End of June 2024 (million bbl)



Source: Oil Market intelligence, July 2024 and Sept. 2023.

4. Oil Trade

US Oil Imports and Exports

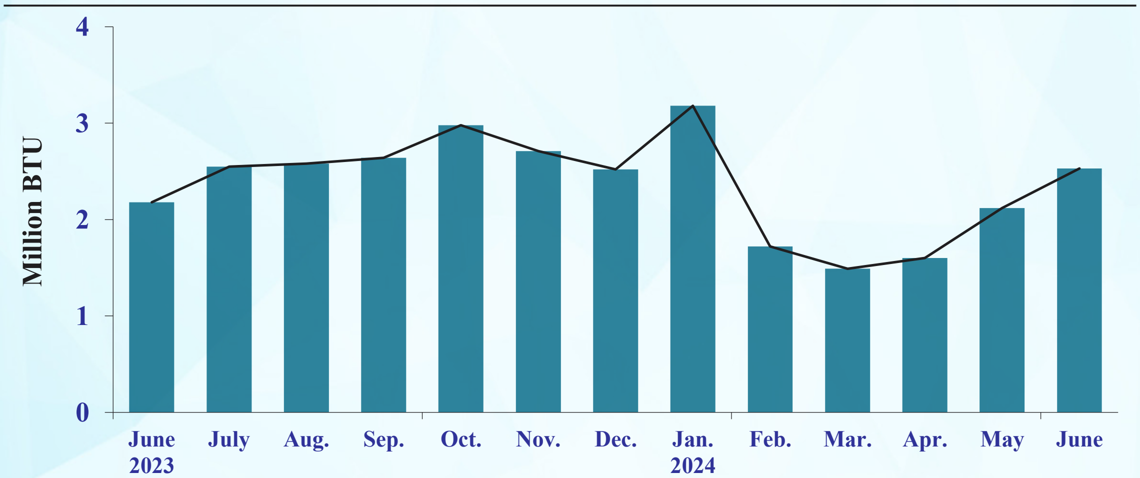
- US crude oil imports in June 2024 increased by 4.7% from the previous month level to reach about 7.1 million b/d, whereas US crude oil exports decreased by 9.5% to reach about 4 million b/d.
- US petroleum products import in June 2024 decreased by 1.9% from previous month level to reach about 2 million b/d, whereas US petroleum products exports increased by 8% to reach 6.9 million b/d.

Second: Natural Gas Market

1. Prices

- The average spot price of natural gas at the Henry Hub increased in June 2024 to reach $2.53/million BTU.

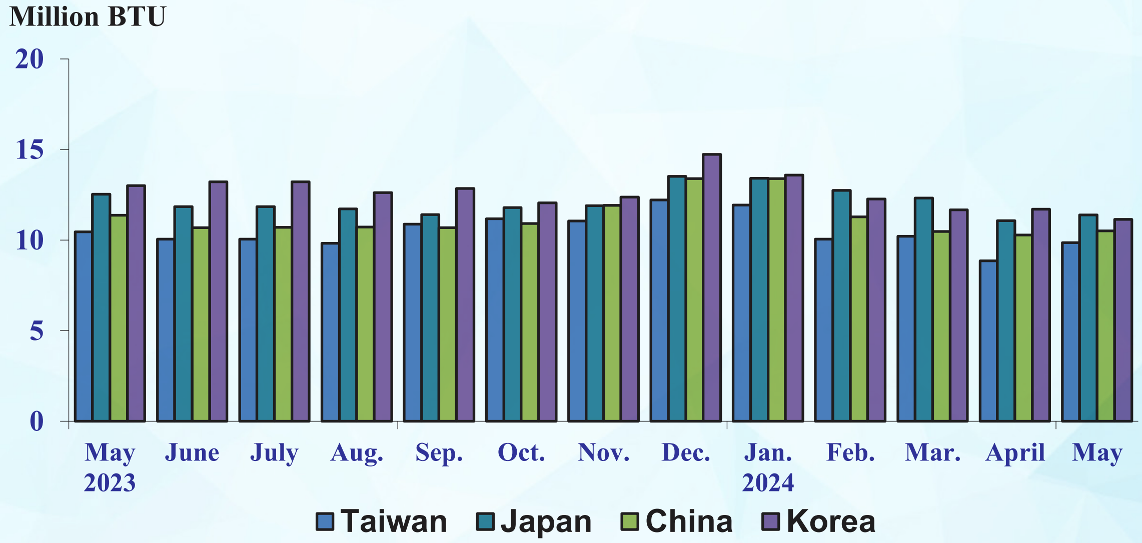
Average spot price of natural gas at the Henry Hub, June 2023 – June 2024



Source: EIA, Henry Hub Natural Gas Spot Price.

- The price of Japanese LNG imports in May 2024 increased by $0.30/m BTU to reach $11.38/m BTU, the price of Chinese LNG imports increased by $0.23/m BTU to reach $10.51/m BTU, and the price of Taiwan LNG imports increased by $0.99/m BTU to reach about $9.85/m BTU. Whereas the price of Korean LNG imports decreased by $0.56/m BTU to reach $11.15/m BTU.

The price of Northeast Asia LNG imports, May 2023 - May 2024



Source: Energy Intelligence - WGI, Various issues.

2. Exports

Arab LNG exports to Japan, South Korea and Taiwan were about 3.346 million tons in May 2024 (a share of 19.9% of total imports).

Tables Annex