



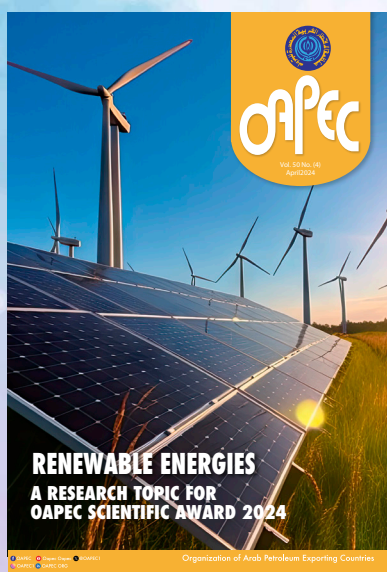
OAPEC

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RENEWABLE ENERGIES A RESEARCH TOPIC FOR OAPEC SCIENTIFIC AWARD 2024



The Cover



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ORGANIZATION OF ARAB PETROLEUM EXPORTING COUNTRIES (OAPEC)



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

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

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

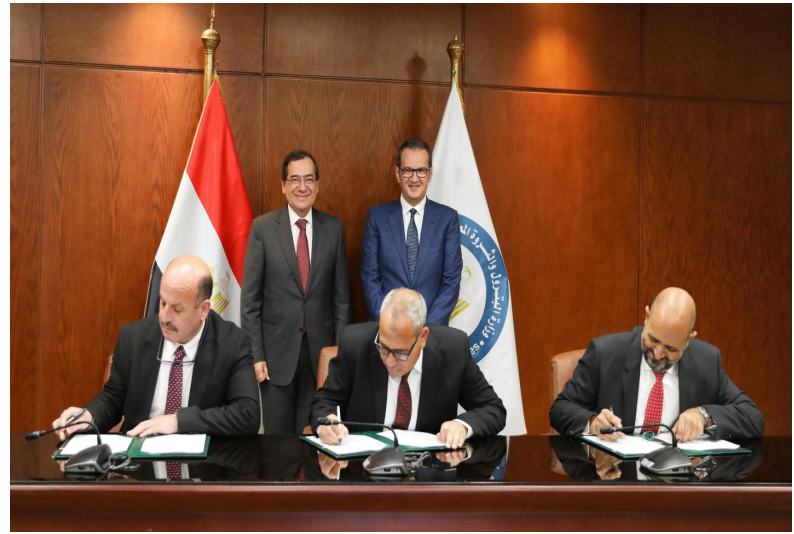


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• **OAPEC-Joint Ventures:**

OAPEC has sponsored the creation of four companies: The Arab Maritime Petroleum Transport Company (AMPTC), established in 1972 with headquarters in Kuwait City, the Arab Shipbuilding and Repair Yard Company (ASRY) established in 1973 with headquarters in Bahrain, the Arab Petroleum Investments Corporation (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.



“RENEWABLE ENERGIES” A RESEARCH TOPIC FOR OAPEC SCIENTIFIC AWARD 2024



By: Jamal Essa Al Loughani
OAPEC Secretary General



The interest of OAPEC member countries in renewable energies has increased with the aim of diversifying the national mix of energy sources on the one hand, and to confront challenges related to climate change, achieve energy security and promote sustainable development on the other hand.

Oil and gas producing and exporting member countries seek to achieve a sustainable and comprehensive energy transition in a gradual manner that ensures the needs of consumers are met. Therefore, we see them paying significant attention to expanding renewable and clean energy projects in light of their abundant sources of solar and wind energies. This is also evident in their future national sustainability strategies, and their investments in the field of low-carbon hydrogen - including green hydrogen produced from renewable energy.

The huge abundance of renewable energy resources in the member countries on the one hand, and the successful experiences of many countries around the world in exploiting these energies on the other, confirm the possibility of bringing about a tangible change in how to optimally use these resources in the member countries to form a strong backing to petroleum resources and contribute to boosting income by liberating more oil and gas for export. These energies also contribute to stimulating economic growth, creating diversification opportunities, and encouraging technological innovation.

As part of its keenness to encourage researchers and support scientific research in various fields of energy, the Organization of Arab Petroleum Exporting Countries (OAPEC) allocated its award for the year 2024 to the field of renewable energies, which includes many topics. These topics include, but are not limited to, modern technologies for producing renewable energy, including technologies for storing renewable energy sources and smart grid technologies, national and international policies that promote the dissemination of renewable energy, the challenges facing the dissemination and use of renewable energy, and other relevant issues.

The Secretariat General is pleased to invite all researchers and those interested in energy issues to participate by submitting their research to win this award. The announcement will be posted soon on the General Secretariat's website "www.oapecorg.org", wishing everyone all success.



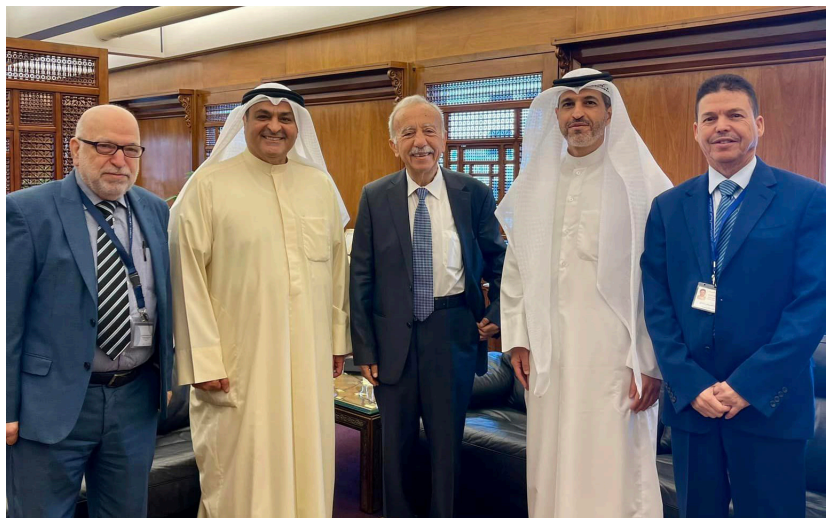
AL LOUGHANI RECEIVES WINNERS OF OAPEC AWARD FOR SCIENTIFIC RESEARCH 2022



His Excellency Eng. Jamal Essa Al Loughani, Secretary-General of the Organization of Arab Petroleum Exporting Countries (OAPEC), received on Wednesday, 3 April 2024, at the Secretariat General headquarters, the winners of the OAPEC Award for Scientific Research for the year 2022.

The title of the award-winning research was “Capturing, Utilizing and Storing Carbon: Prospects for Decarbonization in the Oil and Gas Industry,” submitted by Dr Mamoun Absi Halabi, principal scientific researcher and independent energy consultant, and Dr Faisal Salman Al Humaidan, scientific researcher at the Petroleum Research Centre, Kuwait Institute for Scientific Research. During the meeting, the two researchers presented a translated copy of the research into Arabic to the Secretary General.

The Secretary-General praised the researchers’ efforts and for their participation in the OAPEC Award for Scientific Research on “Decarbonization Technologies in the Petroleum Industry and the



Circular Carbon Economy.” His Excellency indicated that the presented research will be a valuable reference in the Arab Library. He added that it will be an added value to the Organization’s endeavours on providing reliable sources of information to those working in the oil and gas industry in the member countries, within the framework of OAPEC’s contribution to global efforts aimed at reducing emissions resulting from the petroleum industry and making it a clean industry free of negative impacts on the environment.



FORMER SECRETARIES- GENERAL

HE ABDUL AZIZ AL TURKI

OAPEC's Fourth Secretary-General

01/03/1990 / 29/02/2008

**Birth, Upbringing and Education**

He is Abdulaziz Al Abdullah Al Turki, born on 12 August 1936 in Jeddah, Saudi Arabia. He obtained a bachelor's degree in business administration from Cairo University in 1964.

Career

- He worked for the Arabian-American Oil Company, Saudi Arabia, 1954-1966.
- Member of the Board of Directors of the Arabian-American Oil Company, Kingdom of Saudi Arabia, 1980-1989.
- Director of the Office of the Minister of Petroleum and Mineral Resources, Kingdom of Saudi Arabia, 1966-1968.
- Director General of Public Affairs, Directorate of Mineral Resources, Kingdom of Saudi Arabia, 1968-1970.
- Assistant Secretary-General of the Organization of Arab Petroleum Exporting Countries (OAPEC), 1970-1975.
- Member of the Board of Directors of the Arabian Oil Company Limited, 1980-1989.
- Chairman of the Board of Directors of the Arab Maritime Petroleum Transport Company, Kuwait, 1981-1987.
- Chairman of the Board of Directors of Petromin Mobil Yanbu Refinery Company Limited, 1982-1989.
- Member of the Board of Directors of the General Ports Authority, Kingdom of Saudi Arabia 1987-1989.
- Member of the Board of Directors of Petromin Company, 1975-1989.
- Deputy Minister, Office of the Minister of Petroleum and Mineral Resources, Kingdom of Saudi Arabia, 1975-1990.
- Secretary-General of the Supreme Council for Petroleum and Mineral Affairs, Kingdom of Saudi Arabia, 1975-1990.
- Governor of the Organization of Petroleum Exporting Countries (OPEC) in the Kingdom of Saudi Arabia, 1975-1990.
- Secretary-General of the Organization of Arab Petroleum Exporting Countries (OAPEC) from 1990 until 2008.



THE 25TH FORUM FOR FUNDAMENTALS OF OIL AND GAS INDUSTRY



OAPEC Secretariat General held its 25th Forum for the Fundamentals of Oil and Gas Industry, during the period 23-25 April 2024 at the Secretariat headquarters in the State of Kuwait.



The Secretary-General, HE Engineer Jamal Al Loughani, confirmed that the Secretariat holds this forum every two years, WITH THE FULL support of the organization's Council of Ministers and the Executive Bureau since its launch in back 1976. The forum aims to introduce the petroleum industry's middle management in the member countries, to the fundamentals of the industry and its various aspects and activities. It also seeks to develop employees' capabilities by examining the

various stages of the industry, keep pace with rapid developments by presenting topics relevant to the oil industry (whether directly or indirectly), and provide an opportunity to strengthen professional relationships between participants. Lectures are presented by specialists from the Secretariat General, the Ministry of Oil of the State of Kuwait, the Arab Energy Fund, and the Kuwait Institute for Scientific Research.

Al Loughani added that the forum presents



an overview of the organization and its JVs. It consists of 11 sessions, covering four areas that address various topics in a simplified manner to suit all administrative and technical specializations for the energy sector staff. The first axis deals with technical issues related to the pre- and post-production stages, starting from basic information on petroleum exploration, passing through methods of oil and natural gas production, the refining industry, clean fuel production, transportation and marketing operations, all the way to the basics of the petrochemicals industry, in addition to the future of renewable energy. The second axis covers the most important economic aspects related to energy, including the factors that affect oil consumption and prices, the role that oil

plays in the economic growth of Arab countries, issues related to financing petroleum projects, the basics of oil and gas project contracts, and the developments that occur in global oil markets and their backgrounds.

He pointed out that due to the wide interest at the local, regional and international levels, and the questions raised about the relationship of energy and the environment, and their relationship to climate change, the third axis deals with climate change negotiations developments, and their impact on oil and gas exports, consumption and global demand, especially in the long term. The fourth axis deals with the role of the petroleum media and its impact on the global petroleum market, the oil industry and energy in general.







ENERGY TRILEMMA



Abdul Fattah Dandi

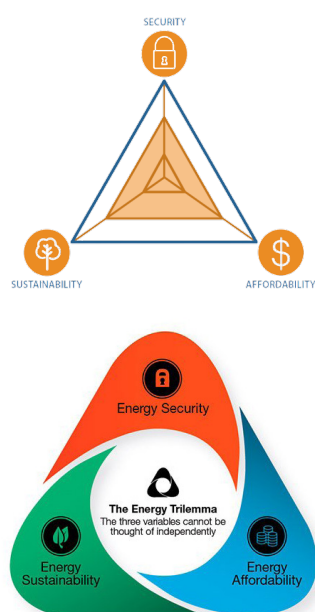
*Director of the Economic
Department and Supervisor
of Media and Library
Department*

With the world's population increasing steadily, and the proportion of people living in urban areas increasing, it is expected that this will be accompanied by a growth in demand for all energy sources for different and diverse purposes. According to OPEC estimates, the world population is expected to rise from 8 billion in 2022 to 9.5 billion in 2045, and the proportion of the global urbanization rate is expected to rise from 57% in 2022 to 66% in 2045.

Accordingly, global demand for various energy sources is expected to increase from 291 million barrels of oil equivalent per day in 2022 to 359 million barrels of oil equivalent per day in 2045, and the share of oil and gas in the forecasted energy mix for the year 2045 will reach 53.7%. To keep pace with global energy demand, investment requirements in the oil sector alone during the period 2023-2045 are expected to reach about \$14 trillion, or an average of \$610 billion annually.

It is noteworthy that there are three challenges that need to be addressed when facing investment in energy and its demand. These three challenges constitute what has become known as the "Energy Trilemma,"

which are Energy Security, Energy Sustainability, and Energy Affordability.



The Energy Trilemma can be considered as three independent axes, each of which has its own weight, and no single axis is necessarily more important than the other two. Therefore, the desired goal is to achieve high scores in each of the three axes. Thus, the challenge becomes the extent to which it is possible to determine the relative positioning between the three axes.

It is possible to develop an institutional social policy or strategy by determining the desired place for each of the three axes to be positioned at, and what is the desired flexible position after determining the current place. The strength and value of the trilemma tool lie in its ability to test whether the policies adopted in a country represent an obstacle to moving towards the desired position and what adjustments or changes are required to be made to new initiatives.

The first dilemma, Energy Security, is the effective management of primary energy supplies from domestic and external sources, the reliability of energy infrastructure, and the ability of energy service providers to meet current and future demand. Long-term energy security requires appropriate uninterrupted investments. The energy security index can be measured through 4 main components, the first of which is energy imports as a percentage of consumption (EIMP), the second is Reserve Margins (RMS), the third is Electricity Fuel Diversity (EFD), and the fourth is Macroeconomic Risks.

The second dilemma, Energy Sustainability, is linked to climate considerations, that is, it is an indicator of

the tendency to create harmful pollution. There is a great controversy surrounding the link between energy consumption and greenhouse gas emissions and their adverse impact on climate conditions, whether long-term global warming through the emission of carbon dioxide, increased fluctuations in climate that cause extremely destructive events, or an increase in pollutants. But is it fair to impose uniformly very strict sustainability commitments? Or should there be some adjustment or compensation for less mature economies? The Energy Sustainability Index consists of 4 main components of sustainability, the first of which is Energy Intensity per Capita (EI), the second is the share of low carbon electricity in the generation mix (LCE), the third is greenhouse gas emissions per capita (GHG/c), and the fourth is greenhouse gas emissions per GDP (GHG/GDP).

The third and final dilemma is Energy Affordability, as energy can be considered a public good and the property of the state, which has the responsibility of ensuring that all its residents can access and afford it. Energy is the commodity that can enable growth; without it, many daily functions are not possible. Much of energy policy has become centered around affordability. The energy affordability index consists of two main components: the % energy bills contribute to household income (ISEB), and industrial and residential retail electricity and gas prices (IRP). Affordability cannot be thought of in isolation of energy security and sustainability.

The three variables, namely security, sustainability and affordability, cannot be viewed in isolation from each other. For example, low-carbon and renewable energy require significant capital expenditure and government support, so these more sustainable sources of energy require a trade-off with affordability. In order to balance investment in renewable energy sources, energy prices will rise and the result will be an increase in the cost of energy. Energy security also means that there must be sufficient energy capacity to meet demand. Therefore, it is necessary to choose between cheaper energy sources to maintain affordability or more expensive renewable energy that is based on sustainability.

The bottom line is that when thinking about solving any of the three variables, i.e. security, sustainability, and affordability, the other two variables must be taken into account in order to reach a comprehensive and integrated solution.

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



QATARENERGY ENTERS TIME CHARTER AGREEMENTS WITH NAKILAT FOR THE OPERATION OF 25 LNG VESSELS



QatarEnergy signed time-charter party (TCP) agreements with Qatar Gas Transport Company Limited (Nakilat) for the operation of 25 conventional-size LNG vessels as part of the second ship-owner tender under QatarEnergy’s historic LNG Fleet Expansion Program.

The agreements were signed recently by His Excellency Mr. Saad Sherida Al-Kaabi, the Minister of State for Energy Affairs of the State of Qatar, the President and CEO of QatarEnergy and Mr. Abdullah Al Sulaiti, the CEO of Nakilat, in a special ceremony held at QatarEnergy’s headquarters in Doha, and attended by senior executives from QatarEnergy, QatarEnergy LNG, and Nakilat.

Seventeen of the 25 LNG vessels are being constructed at the Hyundai Heavy Industries (HHI) shipyards in South Korea, while the remaining eight are being constructed at Hanwha Ocean (formerly Daewoo Shipbuilding & Marine Engineering) also in South Korea.

Commenting on this occasion, His Excellency Mr. Saad Sherida Al-Kaabi said: “These agreements firm up last month’s selection of Nakilat as the owner and operator of up to 25 conventional-size LNG carriers, underscoring our continued confidence in Qatar’s flagship LNG shipping and maritime company. This is a testament to Nakilat’s world-class capabilities as well as to the significant contributions of Qatari listed companies to our country’s national economy.”

His Excellency Minister Al-Kaabi added: “The agreements we signed today play an important role in implementing QatarEnergy’s historic LNG shipping program, which will cater for our future requirements,



as we move forward with the expansion of our LNG production capacity to 142 million tons per annum by 2030, ensuring additional cleaner and reliable energy supplies to the world.”

Each of the 25 vessels will have a capacity of 174,000 cubic meters and will be chartered out by Nakilat to affiliates of QatarEnergy pursuant to the 15-year TCP agreements.



KUWAIT PETROLEUM INTERNATIONAL SIGNS AN AGREEMENT TO PURCHASE 50 PERCENT OF ECOFOX WITH THE AIM OF ACQUISITION

Kuwait Petroleum International, Italy branch, announced recently the signing of an agreement to purchase 50 percent of Ecofox, a company specialized in the manufacturing of biofuels, with the aim of acquisition, as the process will take place after obtaining the local legal approvals required in Italy for such deals.

The company's CEO, Engineer Shafi Al-Ajmi, confirmed in a statement to Kuwait News Agency (KUNA) that this deal constitutes a "pioneering step" to develop, produce, and distribute sustainable biofuels in line with the goals of reducing carbon emissions in fuels used for transportation, especially in a way that serves the strategy of the Kuwait Petroleum International Company for energy transition by 2050.

Al-Ajmi said, "This process clearly demonstrates our goal of leadership in developing and distributing alternative fuels to support our customers' transition to new and innovative types of fuel." He expressed his pride in this achievement, which is considered extremely important to the company, as this deal confirms the company's interest in energy transition in response to the desire of its customers in the Italian markets.

He added that this deal aims to enhance sustainability throughout the company's refining and marketing activities, noting the company's dedication to enhancing environmental, social and economic success in its operating units in Europe.

For his part, the company's Executive Vice President for Marketing Operations, Eng. Fadel Al-Faraj, told KUNA, "This agreement will enhance the competitive position in the Italian markets, which confirms our interest and commitment to strengthening the company's brand, especially in the long term, whether within Europe or Italy."

He added that the agreement "not only aims to diversify sources of income in terms of energy

transition, but it also demonstrates the company's commitment to implementing the United Nations sustainable development goals for partnership." Al-Faraj stated, "We at (Kuwait Petroleum International) believe in the importance of partnership in order to achieve our common goals in energy transition and reducing harmful emissions to the environment, in addition to achieving the strategic goals of the Kuwait Petroleum Corporation as the first of the subsidiaries to move towards manufacturing biofuels."

Ecofox is considered the leading operator in the biofuel market since the 1990s and owns a factory located in the Italian city of Vasto with a production capacity of 200,000 tons annually. It also produces a range of advanced biodiesel fuels of the highest quality, in addition to associated products for industrial use.

Kuwait Petroleum International was established in 1983 and is a global marketing company affiliated with the Kuwait Petroleum Corporation. It operates a huge and wide network of retail fuel stations and stations serving designated transportation routes in Europe, with more than 4,700 stations. The company also supplies the global aviation industry with aviation fuel at more than 70 international airports, in addition to manufacturing and marketing one of the best and finest types of oils in the world. It owns shares in three international refineries in Italy, Vietnam and Oman through partnerships with international oil companies. The company includes more than 2,800 retail fuel stations in Italy and specializes in marketing and distributing multiple products, most notably vehicle fuel for companies and individuals. The company works through the refining division on retail sales in cooperation with the management of the Milazzo Refinery in a 50 percent partnership with the Italian company Eni.



SIGNING TWO EXPLORATION AND PRODUCTION SERVICES AGREEMENTS IN SOME OBSOLETE FIELDS IN THE GULF OF SUEZ

His Excellency Engineer Tarek El Molla, Minister of Petroleum and Mineral Resources of the Arab Republic of Egypt, and Dr. Mohamed Farouk, President of ADES Drilling Holding Company, witnessed the signing of two agreements for exploratory and production services in some areas of the obsolete fields in the Gulf of Suez between the alliance of ADES Holding, Gharib Oil Services Company, and SOCO and OSOCO Petroleum Companies. The two agreements are the result of the first global bidding of its kind proposed by the Egyptian General Petroleum Corporation for obsolete fields in 2023 in the Gulf of Suez.

Following the signing, Al-Mulla confirmed that the two agreements aim to achieve the maximum benefit from obsolete fields by selecting the best companies that possess advanced capabilities, especially since these areas are still full of promising potential. He pointed out that maintaining and increasing production rates in obsolete fields improves economic performance and reduces the import bill, in addition to exploiting the distinguished infrastructure that the two companies possess in their areas.

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ARAMCO AWARDS \$7.7 BILLION CONTRACTS TO ADD 1.5 BSCFD OF RAW GAS TO FADHILI GAS PLANT

Aramco, one of the world’s leading integrated energy and chemicals companies, recently awarded engineering, procurement and construction (EPC) contracts worth \$7.7 billion for a major expansion of its Fadhili Gas Plant in the Eastern Province of Saudi Arabia. The project is expected to increase the plant’s processing capacity from 2.5 to up to 4 billion standard cubic feet per day (bscfd).

This additional 1.5 bscfd of processing capacity is expected to contribute to the company’s strategy to raise gas production by more than 60% by 2030, compared to 2021 levels. The Fadhili Gas Plant expansion, which is expected to be completed by November 2027, is also expected to add an additional 2,300 metric tons per day to sulphur production.

Wail Al Jaafari, Aramco Executive Vice President of Technical Services, said: “The award of these contracts reflects Aramco’s goal to increase supplies of natural gas, help efforts to reduce greenhouse gas emissions, and free up more crude oil for value-added refining and export. Together with leading international companies, we are advancing our goal to increase gas production. The expansion also supports our ambitions to develop a lower-carbon hydrogen business, while associated liquids from gas are an important feedstock for the petrochemical industry.”

Aramco awarded EPC contracts for the Fadhili Gas Plant increment project to SAMSUNG Engineering Company, GS Engineering & Construction Corporation, and Nesma & Partners.

• **COMPANY AWARDS EPC CONTRACTS FOR DEVELOPMENT OF FADHILI GAS PLANT INCREMENT**

• **PROJECT TO ADD UP TO 1.5 BILLION STANDARD CUBIC FEET PER DAY TO THE CAPACITY OF THE FADHILI GAS PLANT**

ADNOC ANNOUNCES FIRST PRODUCTION FROM BELBAZEM OFFSHORE BLOCK



BELBAZEM IS OPERATED BY A JOINT VENTURE BETWEEN ADNOC AND CNPC AND IS MAXIMIZING VALUE BY LEVERAGING OPERATIONAL SYNERGIES, AI AND DIGITAL TECHNOLOGIES

ADNOC announced the start of crude oil production from its Belbazem offshore block, underscoring the company’s commitment to responsibly meet the world’s growing demand for energy.

The Belbazem offshore block is operated by Al Yasat Petroleum, a joint venture between ADNOC and China National Petroleum Corporation (CNPC). ADNOC’s innovative approach in developing the block includes leveraging operational synergies with adjacent fields, artificial intelligence (AI) and digitalization to enhance efficiency and safety while reducing emissions and cost.

Abdulmunim Saif Al Kindy, ADNOC Upstream Executive Director, said: “The start of crude oil production from the Belbazem offshore block is testament to the success of our strategic partnership with CNPC and the robust bilateral energy relationship between the UAE and China. ADNOC continues to maximize value from Abu Dhabi’s resources, while reducing our carbon footprint to ensure a secure, reliable, and responsible supply of energy to customers locally and internationally.”

Production capacity at the Belbazem

offshore block is set to progressively ramp up to 45,000 barrels per day (bpd) of light crude and 27 million standard cubic feet per day (mmscfd) of associated gas, contributing to ADNOC’s target of reaching 5 million bpd by 2027 and enabling UAE gas self-sufficiency for the UAE.

Al Yasat is pioneering the implementation of AI modelling and analysis tools across its offshore concession area. The Belbazem block uses WellInsight, an AI tool developed by AIQ, to analyze reservoir data and manage operations for enhanced safety and performance. The block will also integrate advanced technologies already deployed at Al Yasat’s Bu Haseer offshore field, to optimize production and reservoir management.

The Belbazem block is leveraging operational synergies by utilizing the facilities of Satah Al Razboot (SARB), an offshore field operated by ADNOC Offshore, resulting in cost savings and reduced environmental impact. Located 120 kilometers northwest of Abu Dhabi city, the Belbazem Block consists of three offshore fields; Belbazem, Umm Al Salsal and Umm Al Dholou.



ADNOC SIGNS SECOND LONG-TERM HEADS OF AGREEMENT FOR RUWAI'S LNG PROJECT



**15-YEAR
LNG SUPPLY
AGREEMENT WITH
SEFE FOR 1 MMTPA
REINFORCES
ADNOC'S POSITION
AS A RELIABLE
GLOBAL NATURAL
GAS PROVIDER**

Abu Dhabi, UAE – March 18, 2024: ADNOC announced the signing of a 15-year Heads of Agreement (LNG agreement) with SEFE Marketing & Trading Singapore Pte Ltd., a subsidiary of Germany's SEFE Securing Energy for Europe GmbH, for the delivery of 1 million metric tonnes per annum (mmtpa) of liquefied natural gas (LNG).

The LNG will primarily be sourced from ADNOC's lower-carbon Ruwais LNG project, currently under development in Al Ruwais Industrial City, Abu Dhabi. The Ruwais LNG plant has been designed to run on clean power and will leverage the latest technologies and Artificial Intelligence (AI) tools to drive efficiency. This is the second long-term LNG supply agreement from the Ruwais LNG project, following the 15-year agreement with China's ENN Natural Gas signed in December 2023. The deliveries are expected to start in 2028, upon commencement of the facility's commercial operations.

Fatema Al Nuaimi, Executive Vice President, Downstream Business Management at ADNOC said: "This LNG agreement, the first with a European company from the Ruwais lower-carbon LNG project, underscores ADNOC's position as a reliable and responsible global energy provider. Gas accounts for almost a quarter of Germany's primary energy use, and we look forward to supporting its efforts to diversify its energy sources and enhance its energy security."

This LNG supply agreement reinforces the Energy Security and Industry Accelerator (ESIA) agreement, signed by the UAE and Germany in 2022, further strengthening bilateral cooperation in energy

security, decarbonization and climate action. It builds upon ADNOC's delivery of the first LNG cargo from the Middle East to Germany in 2023.

Frédéric Barnaud, Chief Executive Officer of SEFE Marketing & Trading and Chief Commercial Officer of SEFE, said: "SEFE and ADNOC have a long and productive partnership, spanning over 15 years. This LNG supply agreement for the Ruwais LNG project, set to be one of the lowest-carbon intensity LNG projects in the world, marks the start of a new chapter. We aim to further build on our existing relationship and explore joint low-carbon energy developments.

Natural gas plays a crucial role as a transitional fuel, generating lower-carbon emissions compared to other fossil fuels. The Ruwais LNG project is set to be the first LNG export facility in the Middle East and North Africa region to run on clean power. When completed, the project, which consists of two 4.8mmtpa LNG liquefaction trains with a total capacity of 9.6mmtpa, will more than double ADNOC's LNG production capacity to around 15mmtpa, to help meet increased global demand for natural gas. The project is being designed to leverage AI, digitalization and the latest advanced technology to drive efficiency and safety across the new facility.

The LNG agreement is contingent upon a final investment decision (FID) on the project, including regulatory approvals, and the negotiation of a definitive Sale and Purchase Agreement between the two companies.

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THE ARAB ENERGY FUND RECORDS HIGHEST-EVER NET INCOME FOR THE SECOND YEAR IN A ROW

Saudi Arabia, 20 March 2024 – The Arab Energy Fund “TAEF” (previously APICORP) a multilateral impact financial institution focused on the MENA energy sector, announced the financial results for the fiscal year that ended on December 31, 2023.

For the second consecutive year, TAEF recorded its highest-ever net income, driven mainly by asset growth, capital gains, optimization of the Institution’s funding and liquidity profiles, cost management and lending portfolio diversification, as well as a favorable interest environment.

Growth in net income surged by 51% year-on-year (YoY) to reach USD 225mn along with capital gains of USD 20.6mn. In addition, total assets grew by 12% YoY to reach USD 9.88bn.

Commenting on the results, Khalid Ali Al-Ruwaigh, CEO of The Arab Energy Fund, said: “The record financial results come at the end to a transformative year for The Arab Energy Fund. In addition to launching our new trademark name and strategy and relocating to Riyadh, we recorded our highest-ever net income in our 50-year history.”

“Our business lines contributed to our record-setting results. Guided by our new five-year strategy, we continue to build a solid foundation for the future by aligning our debt and equity portfolios and innovative solutions with our vision of becoming a pre-eminent impact investor in the MENA region and support a more sustainable energy ecosystem and circular carbon economy,” Al-Ruwaigh added.

Net operating income from TAEF’s treasury nearly tripled from the previous year to USD 31.2mn. This was namely due to the restructuring of the fixed income portfolio to optimize the liquidity and funding profile and enhance yields while managing interest rate risk. Treasury assets stood at over USD 3.6bn as of December 2023.

As part of TAEF’s ambitious vision and redesigned business approach focused on long-term growth and impact, the Institution relocated to Riyadh, Saudi Arabia’s dynamic capital city and one of the region’s leading financial hub.



This was followed by participating as a Climate Supporter in COP28, where it publicly announced its new trademark name, “The Arab Energy Fund”, and its new strategy, which includes investing up to USD 1bn over the next five years in decarbonization and local supply chains.

In addition, the Institution leveraged the global event to launch “50+”, a training program which aims to enable the next generation of energy industry leaders by giving university graduates an immersive six-month training program in the field of energy finance.

Business line highlights

Investments & Partnerships As of the end of December 2023, TAEF’s Investments & Partnerships unit’s asset portfolio stood at USD 1.4bn, a 13% YoY growth. The unit’ gross operating income reached USD 110mn – a 9% YoY decrease – and scored strong capital gains of USD 20.6mn from the successful exit from Ashtead Technology.

Corporate Banking

TAEF’s Corporate Banking unit asset portfolio grew by 14% YoY at year-end 2023 to reach just under USD 4.8bn. Gross operating income increased by 82% YoY to USD 360mn as the unit continued to expand its range of financing solutions to include project bonds for the first time. It also entered new markets such as the United States and Nigeria and financed new energy subsectors and diversified its sector portfolio to include nuclear power and industrial waste management.



Monthly Report on Petroleum Developments in The World Markets



Monthly Report on Petroleum Developments in the World Markets April 2024

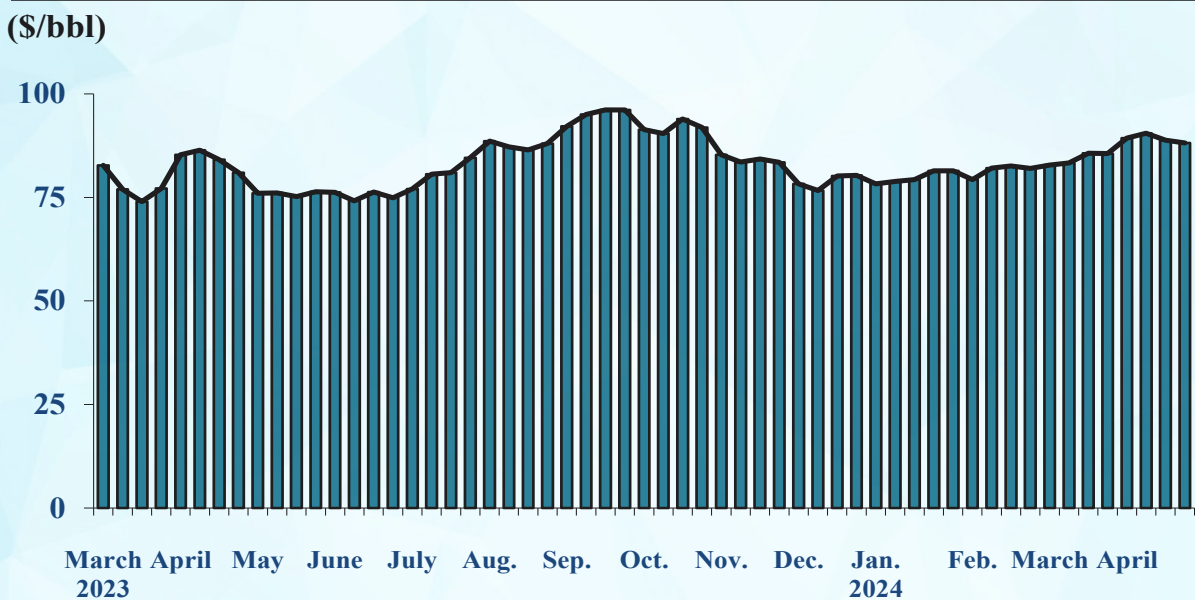
First: World Oil Markets

1. Oil Prices

OPEC primary estimates indicate that OPEC Reference Basket price increased in April 2024 by 5.8% compared to the previous month, to reach \$89.12/bbl. And annual price of OPEC Basket is estimated to increase in 2024 by 0.9% compared to 2023, to reach \$83.7/bbl.

It's worth mentioning that OPEC Reference Basket increased in March 2024 by 3.7% or \$3/bbl compared to the previous month of February, to reach \$84.2/bbl. This is mainly attributed to the rally in futures prices, improving sentiments regarding oil market fundamentals, supply risk related to geopolitical tensions, lower US crude stocks, and the steady recovery of crude demand from refineries, mainly in the US.

Weekly Average Spot Prices of OPEC Basket of Crudes, Jan. 2023-Feb. 2024



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

2. Supply and Demand

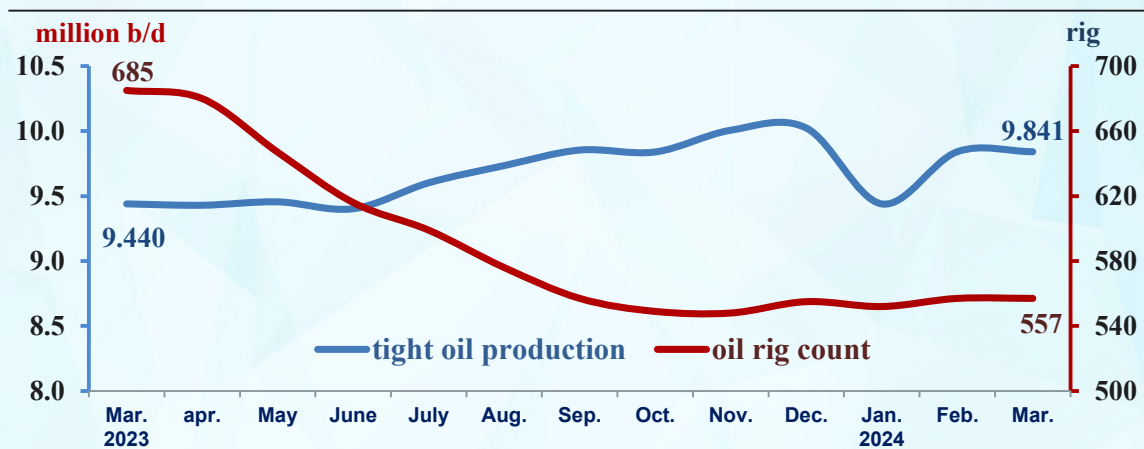
➤ Estimates indicate that world oil demand is expected to increase in Q1 2024 by 0.3% compared with the previous quarter, to reach 103.5 million b/d. As demand in non-OECD countries increased by 1.2% to reach about 57.9 million b/d, whereas demand in OECD countries decreased by 0.7% to reach 45.6 million b/d.

Projections indicate that world oil demand is expected to increase in Q2 2024 to reach 103.8 million b/d. As demand in OECD countries is

expected to increase by 280 thousand b/d to reach 45.9 million b/d, and demand in non-OECD countries is expected to increase by 10 thousand b/d to reach 57.9 million b/d.

- Estimates indicate that **world** crude oil and NGLs/non-conventional supply in March 2024, increased by 0.5% to reach 101.7 million b/d. OPEC supply increased by 0.01% to reach about 32.1 million b/d, and non-OPEC supplies increased by 0.7% to reach about 69.6 mb/d. **OPEC+** crude oil supply in March 2024 decreased by 49 thousand b/d, or 0.1% compared with previous month level to reach about 36.1 million b/d. The supplies of non-OPEC, which are members of OPEC+, decreased by 0.3% to reach 14.7 million b/d. And, the supplies of OPEC-9, which are members in OPEC+, decreased by 0.04% to reach about 21.4 mb/d.
- US tight oil production in March 2024 remained stable at the same previous month level of 9.841 million b/d. Production is expected to increase in April to reach 9.847 million b/d, and continue to increase in May to reach 9.863 million b/d. On other development, US oil rig count in February 2024 remained stable at the same previous month level of 557 rigs.

US tight oil production and oil rig count



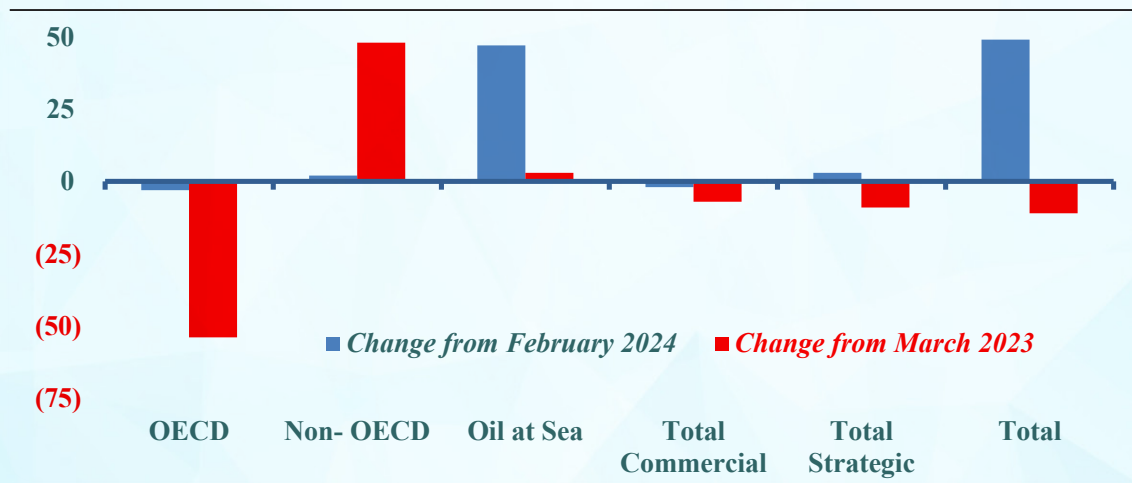
Source: EIA, Drilling Productivity Report for key tight oil and shale gas regions Apr. 2024.

3. Oil Inventories

- OECD commercial inventories at the end of March 2024 decreased by 3 million barrels from the previous month level to reach 2770 million barrels, whereas non-OECD commercial inventories increased by 2 million barrels from the previous month level to reach 3306 million barrels, and strategic inventories increased by 3 million barrels to reach 1507 million barrels.



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



Source: Oil Market intelligence, Apr.2024 and June 2023.

4. Oil Trade

US Oil Imports and Exports

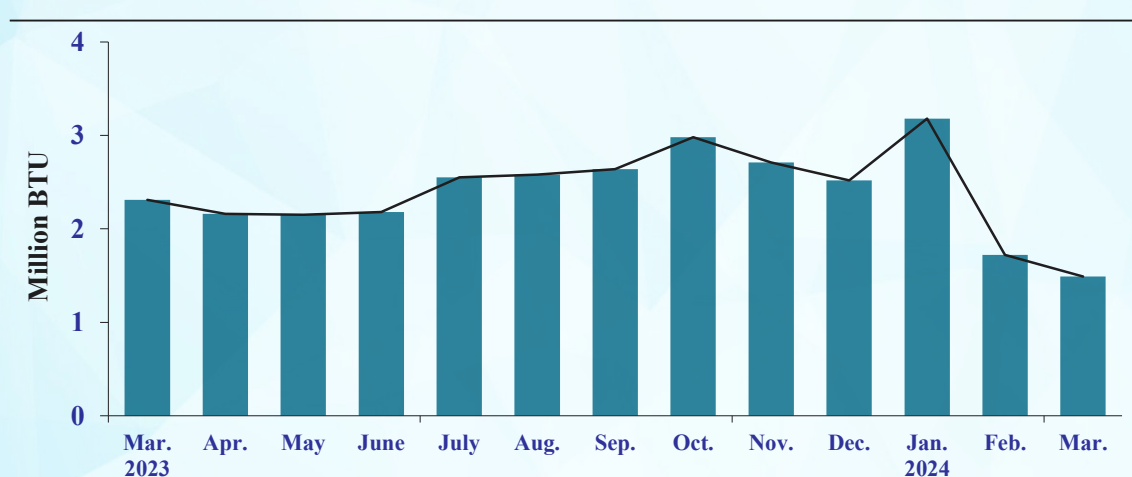
- US crude oil imports in March 2024 decreased by 6.1% from the previous month level to reach about 6.3 million b/d, and US crude oil exports decreased by 13.1% to reach about 4.1 million b/d.
- US petroleum products imports in March 2024 decreased by 2.2% from previous month level to reach about 1.7 million b/d, whereas US petroleum products exports increased by 0.04% to reach 6.4 million b/d.

Second: Natural Gas Market

1. Prices

- The average spot price of natural gas at the Henry Hub decreased in March 2024 to reach \$1.49/million BTU.

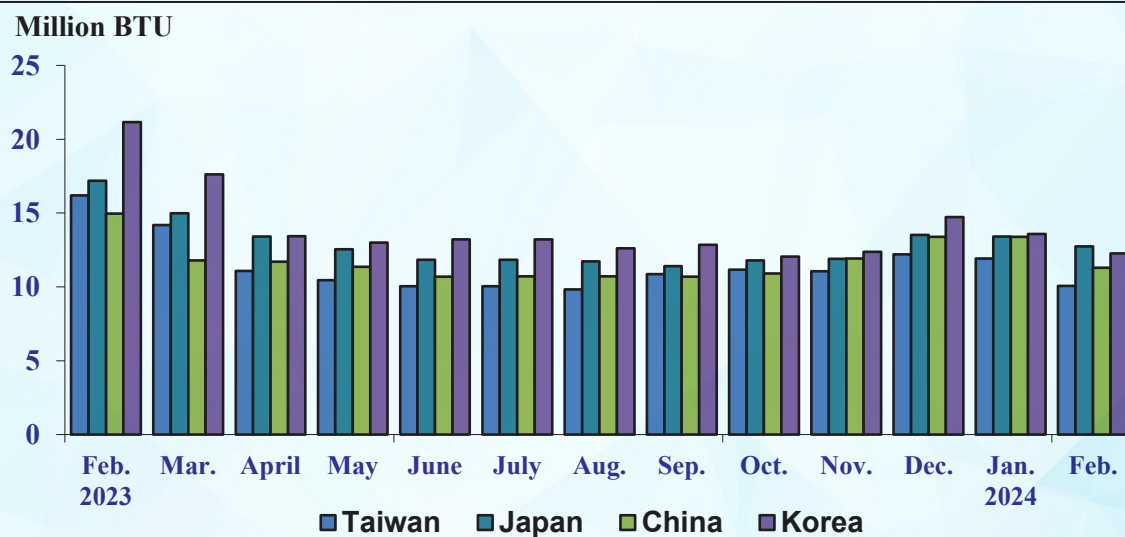
Average spot price of natural gas at the Henry Hub, Mar. 2023 – Mar. 2024



Source: EIA, Henry Hub Natural Gas Spot Price.

- The price of Japanese LNG imports in February 2024 decreased by \$0.67/m BTU to reach \$12.74/m BTU, the price of Korean LNG imports decreased by \$1.32/m BTU to reach \$12.27/m BTU, the price of Taiwan LNG imports decreased by \$1.87/m BTU to reach \$10.06/m BTU, and the price of Chinese LNG imports decreased by \$2.10/m BTU to reach \$11.29/m BTU.

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



Source: Energy Intelligence - WGI, Various issues.

2. Exports

Arab LNG exports to Japan, South Korea and Taiwan were about 4.498 million tons in February 2024 (a share of 25.5% of total imports).

Tables Annex