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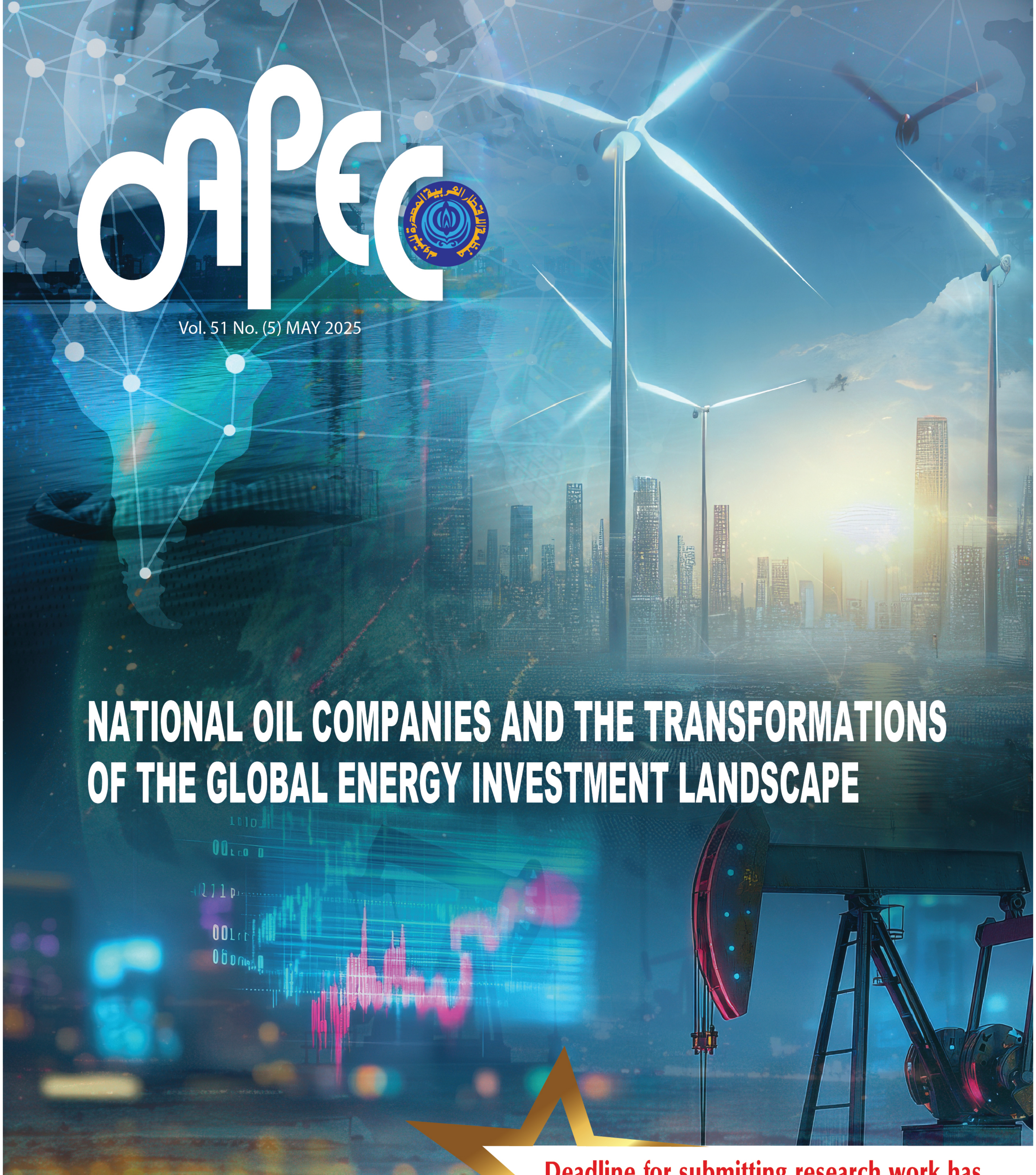

NATIONAL OIL COMPANIES AND THE TRANSFORMATIONS OF THE GLOBAL ENERGY INVESTMENT LANDSCAPE

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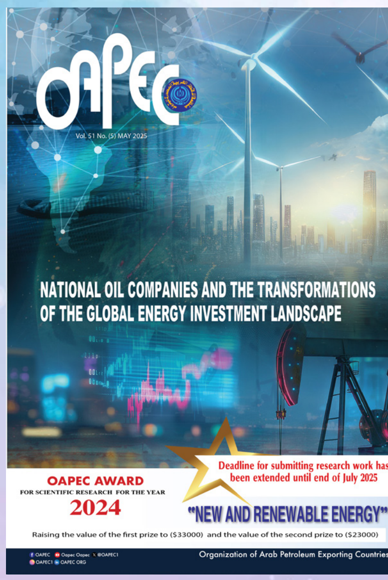
Organization of Arab Petroleum Exporting Countries

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.

PRESS RELEASE FROM THE 114TH MEETING OF THE COUNCIL OF MINISTERS OF THE ORGANIZATION OF ARAB PETROLEUM EXPORTING COUNTRIES (OAPEC) – DELEGATE-LEVEL MEETING

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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.

NATIONAL OIL COMPANIES AND THE TRANSFORMATIONS OF THE GLOBAL ENERGY INVESTMENT LANDSCAPE

By: Jamal Essa Al Loughani
OAPEC Secretary General

Global oil and gas investments are increasingly shifting to the Middle East, where national oil companies (NOCs) are playing a growing role in driving investment and production. From the perspective of producers, the increasing share of NOCs in exploration and production investments represents a strategic turning point. In 2015, the contribution of national oil companies in the Middle East did not exceed 10% of global investments, while today it exceeds 20%. This shift gives these companies the ability to cope with volatility, as national oil companies can continue investing even during times of price drops and uncertainty. National companies also enjoy cost leadership, operating some of the lowest-cost assets in the world, enhancing their competitiveness. These investments thus ensure continued supply, especially as private sector investment declines amid market volatility. National oil companies therefore take center stage as a pillar of energy security and market stability.

Between transition, sustainability, and their pivotal role in the world, national oil companies face increasing challenges and opportunities in light of this transformation. They are required not only to maintain investments in oil and gas and bear the bulk of investment risks to ensure energy security, but at the same time they are also required to accelerate investment in emissions-reducing technologies such as hydrogen, biogas, bioenergy, and carbon capture, utilization, and storage. All this comes amid growing global calls for energy transition and reducing dependence on fossil fuels. It is no secret that implementing all these projects requires a significant increase in investment. Moreover, reducing methane emissions, which the world calls for as an urgent priority, requires significant initial investments and close cooperation between government policies and the private sector.

The past ten years have witnessed a significant shift in the IEA's view of oil and gas investments, reflected in its annual reports and policy recommendations. The agency had previously focused primarily on the need to reduce dependence on fossil fuels, accelerate the transition to clean energy, and direct capital toward renewable energy and electricity. However, recent geopolitical and economic developments have prompted the agency to adopt a more realistic view and reassess the importance of oil and gas investments, particularly in light of energy security issues and market volatility. In its latest 2025 report, the agency acknowledges that the decline in oil investments for the first time since 2020 will have significant implications for energy security, especially given the slowdown or delay of some clean energy projects due to financing and supply chain challenges. Perhaps for the first time, questions are being raised about who will fill the investment gap, and, as ever, national oil companies are at the heart of the energy security equation.

In short, national oil companies in general and in member countries in particular are emerging as pivotal forces in the new global energy landscape. Not only are they a guarantor of stable supplies and energy security, but they are also capable of leading the transition to a more sustainable future with supportive policies and effective partnerships. They will remain a key player in striking a balance between energy security, sustainability, and economic growth.

OAPEC ORGANIZED SECOND
"PATHWAYS TO REDUCE CARBON EMISSIONS IN PETROLEUM DOWNSTREAM INDUSTRIES" SYMPOSIUM

The Secretariat of the Organization of Arab Petroleum Exporting Countries (OAPEC), in cooperation with the Ministry of Energy of the Kingdom of Saudi Arabia, organized a symposium entitled "Pathways to Reduce Carbon Emissions in Petroleum Downstream Industries" from 23 to 24 April 2025, in Riyadh, Kingdom of Saudi Arabia.

The symposium aimed at highlighting potential pathways for reducing carbon dioxide emissions in the refining and petrochemical industries, and to review the efforts of OAPEC member countries in reducing carbon emissions in the petroleum downstream industries. The second edition of this symposium witnessed outstanding participation, with approximately 150 participants, including 80 in person and 64 via videoconferencing, from OAPEC member and non-member states, in addition to the participation of approximately 21 speakers.

The symposium featured an expanded international participation base, with representatives from the International Energy Forum taking part, as well as the first African participation from the African Refiners and Marketers Association, reflecting the growing global interest in reducing carbon emissions in the petroleum industry.

The symposium was also distinguished by its rich scientific content, with more than 23 working papers presented on the latest technologies and solutions

for reducing carbon emissions. Moreover, it featured panel discussions by a select group of leading global technology companies operating in this field. Several petroleum research institutes and centers from member countries, along with government-owned companies operating in the refining and petrochemical sectors, participated in the papers and sessions. Latest modern technology developments were reviewed, underscoring the petroleum industry's ability to transform into low-carbon, environmentally friendly industries.

Representatives of OAPEC member countries participated in the symposium, including the Kingdom of Bahrain with three participants, the Republic of Algeria with four participants, the Kingdom of Saudi Arabia with sixty-eight participants, the State of Kuwait with two participants, and the Arab Republic of Egypt with sixty-four participants via video conference. In addition, there were (2) online participants from Nigeria.

Moreover, there was participation of speakers and representatives from the League of Arab States (five participants), in addition to a number of speakers from major international companies that are leaders in providing services and expertise related to reducing carbon emissions, such as BECHT, Chart Industries Global, Baker Hughes, Alleima, TOPSOE, and BASF.

Participations also included speakers from refining and petrochemical companies in member countries: SATORP, PetroRabigh, SAMREF, Sonatrach of Algeria, and the Kuwaiti Ministry of Oil, The Kuwait Institute for Scientific Research, the King Abdullah Petroleum Studies and Research Center (KAPSARC) from the Kingdom of Saudi Arabia, Suez University in the Arab Republic of Egypt, the Arabian Gulf University in the Kingdom of Bahrain, as well as the African Refiners and Distributors Association.

Main Topics of Symposium Sessions

The symposium addressed a number of key topics that focused on various aspects of reducing carbon emissions in the downstream petroleum industry, including:

- Global Trends in Reducing Carbon Emissions, which reviewed the most prominent global initiatives and trends aimed at reducing the carbon footprint and promoting sustainability practices in the energy sector.
- Advanced Technologies for Emission Reduction in Refining and Petrochemicals, showcasing the latest technological solutions and applications that contribute to improving process efficiency and reducing emissions.
- Future Trends and Innovation in the Energy and Petroleum Industries, where experts discussed expected developments and the importance of adopting innovative solutions to ensure the sector's future sustainability.
- Advanced Technologies and Strategic Transitions: Challenges and Opportunities, highlighting ways to manage the transition to low-carbon industries and address the accompanying technical and strategic challenges.
- Strategies for Reducing Carbon Emissions in the Petroleum Industry: Challenges, Opportunities, and Future Perspectives, where a comprehensive discussion of best practices and future action plans took place.
- OAPEC Member Countries Practices in Reducing Emissions, with detailed presentations on the initiatives and projects implemented by Member Countries to achieve environmental sustainability goals.

Conclusions and Recommendations

At the conclusion of the presentations and discussions, participants agreed on the following key recommendations:

- Using artificial intelligence and data analytics tools to improve energy efficiency and reduce emissions, particularly in refineries and ammonia production plants.
- Encouraging investments in hydrogen and ammonia as sustainable fuels, and supporting the development of their supply chains to drive national and regional energy transitions.
- Support research and development (R&D) in separation technologies and gas extraction methods, especially for carbon dioxide, and work to expand the scope of application of these technologies.
- Developing methane emission monitoring capabilities using satellite and digital tools, and establishing national programs to address leaks in various oil and gas operations.
- Implementing integrated industrial solutions that combine operational excellence with environmental sustainability, by integrating carbon reduction strategies into all phases of project planning and implementation.
- Supporting efforts to reduce emissions in non-industrial sectors, such as clean cooking solutions, with a focus on their environmental and public health benefits, particularly in African countries.
- Strengthening Arab cooperation to facilitate the exchange of knowledge and technologies, and unifying efforts towards a collective transition to a low-carbon economy in manufacturing and downstream industries.

PRESS RELEASE FROM THE 114TH MEETING OF THE COUNCIL OF MINISTERS OF THE ORGANIZATION OF ARAB PETROLEUM EXPORTING COUNTRIES (OAPEC) – DELEGATE-LEVEL MEETING

The Council of Ministers of the Organization of Arab Petroleum Exporting Countries (OAPEC) held its 114th meeting at the level of representatives of Their Highnesses and Excellencies the Ministers of Energy and Oil of member countries in Kuwait City on Thursday, 8 May 2025 (10 Dhu al-Qi'dah 1446 AH).

The meeting was chaired by HE Sheikh Dr. Nimer Fahad Al-Malik Al-Sabah, Undersecretary of the Ministry of Oil and Kuwait's representative on the Executive Bureau, with Kuwait presiding over the 2025 session. Opening Remarks HE Sheikh Dr. Nimer Al-Sabah welcomed the esteemed delegates, representatives of energy and oil ministers from the member countries, as well as HE Eng. Jamal Al Loughani, Secretary-

General of the Organization. He expressed his appreciation to the Secretariat for the excellent preparations that ensured the success of the meeting. He also extended his deep gratitude to the specialized committee formed by the member countries for their intense efforts in supporting the Secretariat during Phase Two of the Organization's Development and Restructuring Project. The goal is to evolve OAPEC into a comprehensive Arab Energy Organization that addresses all sources of energy and related issues, in line with global energy sector developments.

His Excellency reaffirmed Kuwait's strong and continuous support for OAPEC, offering all necessary institutional facilitation to enable the organization to perform its duties effectively and serve the collective Arab interests in oil and gas. He emphasized that Kuwait considers the organization's development a strategic priority, aligned with the profound transitions in global energy markets and Kuwait's national vision for sustainable development. He expressed hope that the next phase would be a true turning point toward expanding OAPEC's role to include both conventional and renewable energy sectors, and to strengthen its status as a dynamic Arab platform in regional and international forums.

HE Al Sabah also commended the growing role of OAPEC as a bridge for Arab energy integration, affirming Kuwait's firm support for its transition into a more inclusive, responsive organization — capable of adapting to rapid global shifts by strengthening its institutional structure, technical tools, and expanding its regional and global partnerships.

For his part, HE Eng. Jamal Al Loughani, Secretary-General of the Organization, expressed his appreciation to the State of Kuwait for hosting and presiding over the council's current session. He extended his wishes for a successful and productive meeting.

The Council reviewed several important agenda items, including approval of the 2024 final accounts (for the Secretariat and Judicial Tribunal), formalized through Resolution No. 1/114. Updates on Phase Two of the Development and Restructuring Project, including the general framework and execution mechanism for the 15 strategic initiatives (based on Resolution No. 3/113), as well as the decision on the consulting firm to carry out the next implementation phase. Also presented at the meeting: the Secretary-General's report on the Secretariat's activities during the first half of 2025, which included technical and economic studies, global oil market monitoring, environmental and climate change issues, database progress, and participation in various events. The Council stressed the importance

of continuing and boosting such activities. Additionally, the Council approved all Executive Bureau recommendations and encouraged the Secretariat to begin implementing them without delay. It also extended the submission deadline for OAPEC's 2024 Scientific Research Award by two months — now closing at the end of July 2025 — to allow for broader participation.

The meeting concluded with thanks and appreciation to both OAPEC Secretariat and the State of Kuwait for their dedicated efforts in organizing and ensuring the success of the meeting. The Council wished all participants continued success in advancing the organization's mission.

RCREEE DELEGATION VISITED OAPEC TO ENHANCE COOPERATION BETWEEN THE TWO SIDES

His Excellency Eng. Jamal Al Loughani, Secretary General of the Organization of Arab Petroleum Exporting Countries (OAPEC), received on Tuesday, 13 May 2025, at the organization's headquarters, His Excellency Eng. Ahmed Al-Dosari, Chairman of the Board of Trustees of the Regional Center for Renewable Energy and Energy Efficiency (RCREEE), Dr. Zuhair Hamedi, the Center's Executive Director, and the accompanying delegation. The delegation visited the organization to learn about its current activities and future directions following the completion of the organization's development and restructuring project.

During the meeting, several topics on the agenda were discussed, including cooperation opportunities and prospects between the organization and the regional center, particularly in the areas of preparing studies and reports and organizing events of common interest. After deliberations and a review of all activities undertaken by each side, it was agreed to conclude a memorandum of understanding between the two sides as soon as possible and working together to implement what was agreed upon.

FIRST VIRTUAL COORDINATION MEETING FOR REPRESENTATIVES OF OAPEC MEMBER COUNTRIES ON THE INTERNATIONAL AGREEMENT TO REDUCE PLASTIC POLLUTION

His Excellency Eng. Jamal Al Loughani, Secretary-General of the Organization of Arab Petroleum Exporting Countries (OAPEC), inaugurated the first coordination meeting, held virtually with the participation of representatives of the organization's member countries, to discuss unifying Arab positions on the international agreement to reduce plastic waste. In his opening remarks, the Secretary-General stressed the importance of this meeting within the framework of ongoing coordination among OAPEC members, in preparation for the next and final round of negotiations of the Intergovernmental Negotiating Committee, which will be held in Geneva in August 2025. This round is expected to focus on approving the final legal texts of the agreement, resolving outstanding issues, and defining implementation mechanisms at the national and international levels.

The Secretary-General also noted that upcoming negotiations are expected to discuss setting clear environmental targets to reduce plastic pollution by 2040, as well as examining the comprehensive scope of the agreement and determining whether it will cover the entire life cycle of plastics or be limited to specific phases, such as waste management. He addressed the important issue of whether the obligations stipulated in the agreement would be voluntary or binding, a point of debate among member countries.

The Secretary-General added that key issues to be discussed in the negotiations include agreeing on a mechanism for financing projects to reduce plastic pollution, as well as implementation and oversight mechanisms, and imposing sanctions on countries that do not comply with the agreement. The issue of transboundary pollution will also be addressed, requiring the development of mechanisms to regulate the transfer of plastic waste between countries, thus ensuring that the impact of pollution that crosses national borders is reduced.

He pointed out to the importance of discussing environmental justice and how to ensure the agreement is fair to developing countries and affected communities, in addition to supporting innovation in developing circular economy processes and recycling as a key component of reducing plastic waste.

The Secretary-General also called on the meeting participants to work on formulating recommendations that contribute to unifying the visions of the member countries on issues related to the agreement, in line with the positions of OAPEC members and GCC countries in supporting flexible solutions that meet the needs of the member states of the international agreement to reduce plastic pollution. He emphasized the importance of supporting sustainable innovations that contribute to environmental protection, as well as the need for regional and international coordination to combat plastic pollution. Participants in the meeting emphasized their commitment to unifying visions in accordance with the Arab positions agreed upon by the League of Arab States, thus enhancing joint cooperation among member countries.

Participants in the meeting also continue ongoing coordination to reach a unified position that reflects Arab countries' commitment to protecting the environment and achieving sustainable natural resources, while emphasizing the need to support innovation in the areas of the circular economy and recycling as part of long-term environmental solutions.

OAPEC AT KUWAIT SUSTAINABLE ENERGY CONFERENCE AND EXHIBITION

His Excellency Eng. Jamal Al Loughani, Secretary General of the Organization of Arab Petroleum Exporting Countries (OAPEC), recently participated in the Kuwait Sustainable Energy Conference and its accompanying exhibition, where he represented the organization in a high-level dialogue session entitled: "Regional Policies: Collaborative Pathways for Renewable Energy Solutions and Gateways for Hydrogen Trade."

In his remarks, the Secretary-General reviewed the role played by OAPEC in supporting its member countries covering all types of energy sources, including renewable energy and hydrogen, noting that the organization, in cooperation with member countries, is paying increasing attention to this promising field, given the available resources of wind and solar energy, in addition to the accumulated expertise in the energy sector.

Al Loughani explained that OAPEC is contributing to this transition by preparing technical studies and periodic reports, and organizing specialized workshops and seminars in cooperation with experts from within and outside the region, including an annual symposium on hydrogen developments. He also noted that the organization encourages scientific research and innovation through memoranda of understanding with Arab research centers. OAPEC offers the "OAPEC Scientific Award" to encourage researchers to submit projects that serve the future of energy in Arab countries.

Regarding regional policies, Al Loughani highlighted the need to establish clear regulations and develop an attractive investment environment through incentives and long-term purchase agreements, which would help reduce uncertainty and encourage investment in this sector.

During the session, Al Loughani highlighted the OAPEC Hydrogen Guidance Initiative (ArabH2), an awareness initiative that was included in the recommendations of the third annual hydrogen symposium held in Cairo last April. It aims to transfer expertise, exchange information, and highlight recent developments in the field of hydrogen and renewable energy sources. He explained that the initiative is based on five main axes, including supply chain challenges, regional integration opportunities, and international experiences. The initiative is currently forming a team of experts from member countries to develop recommendations and implement steps to support its objectives.

The Secretary-General concluded his remarks by emphasizing that OAPEC will continue its efforts to provide dialogue and cooperation platforms that support Arab integration in the energy sector and keep pace with the global transitions towards more sustainable energy sources.

THE 19TH REGIONAL WORKSHOP ON DEVELOPING ARAB NEGOTIATORS' SKILLS IN CLIMATE CHANGE NEGOTIATIONS

The 19th Regional Workshop on Developing Arab Negotiators' Skills in Climate Change Negotiations was held at the headquarters of the Arab Organizations in the State of Kuwait on 12 and 13 May 2025. The event was in collaboration with the United Nations Economic and Social Commission for Western Asia (ESCWA), the League of Arab States, and for the first time the Arab Fund for Economic and Social Development. This is the fourth time the organization has hosted the regional workshop.

More than 80 participants from Arab countries and representatives of international bodies and organizations took part in the workshop.

More than 27 technical papers were presented at the workshop, discussing the topics of the climate change agreement and its potential impacts on member countries. The most prominent of these papers was OAPEC Secretariat's paper on the outcomes of COP29 and preparations for the upcoming COP30 in light of global economic changes and the role of the Organization of Arab Petroleum Exporting Countries (OAPEC).

OAPEC Secretary-General, HE Eng. Jamal Al Loughani, inaugurated the workshop and welcomed the attendees. He pointed out that the Organization is constantly and continuously following up on all developments related to climate change agreement issues at the Arab and international levels based on the directives of the Organization's Council of Ministers. He stated that the organization reiterates the importance of preparing Arab negotiating personnel and

coordinating positions in cooperation with Arab, regional and international organizations concerned with this field. He also stressed the importance of adhering to the agreement's objectives and principles and implementing them by reaching fair and satisfactory solutions without bias, taking into account the circumstances and priorities of developing countries. Al Loughani also added that the organization works to highlight the efforts made by its member countries in adopting renewable and environmentally friendly energy policies and reducing carbon emissions, as well as their plans for nationally determined contributions, which intend to increase emission reductions in economic sectors, with the aim of formulating a clear position and vision without bias

regarding different energy sources and all technologies used to reduce carbon emissions.

His Excellency the First Undersecretary of the Ministry of Petroleum and Mineral Resources and Supervisor of Safety, Environment and Energy Efficiency in the Arab Republic of Egypt, Geologist Alaa Abdel Fattah Al-Batal, also pointed out to the importance of climate change issues and the escalating climate challenges. He stated that climate change is no longer a future threat but has become a tangible reality. In this regard, the Egyptian government continues to implement structural reforms that enhance the transition to a green economy, through the launch of the National Climate Change Strategy 2050, updating the Sustainable Development Strategy 2030, improving the investment climate, and strengthening the role of the private sector to attract more investments in clean energy projects. This is in addition to issuing the region's first green bonds to finance clean transportation and sustainable water management projects, working to increase the proportion of renewable energy in the national energy mix to 42% by 2030, and setting ambitious targets for low-carbon hydrogen production.

For his part, the representative of the Arab Fund for Economic and Social Development, Dr Mirza Hassan, the Fund's senior advisor, stressed the importance of holding

such technical workshops to highlight the importance of the issues of climate change and climate justice, which the world has proven to be realistic, and the importance of preparing Arab negotiating personnel. This is in addition to the necessity of implementing Arab initiatives to build capacity in the field of climate change, climate change adaptation, reducing carbon emissions, the importance of clean energy, the role of the private sector in financing issues, food security issues, desertification, the importance of technology transfer to reduce carbon emissions, find solutions, strengthen skills, prepare studies, and strengthen the knowledge aspect.

The representative of the Economic and Social Commission for Western Asia, Mr Tariq Sadiq, also stressed the importance of providing technical support to Arab countries to prepare capacity development programs, prepare regional databases and accurate scientific reports, and launch innovative financing initiatives, including classifications and standards for green investments.

The head of the Arab negotiating team from the Kingdom of Saudi Arabia Mr. Abdulaziz Al butti pointed out to the importance of these workshops in qualifying Arab negotiators. He clarified that the importance of this workshop lies in preparing for the next round in Bonn in June 2025, as well as COP30 in Brazil, and for Arab negotiators to have a unified position to reach international decision-making and combine efforts to preserve our strategic development interests in various negotiating issues.

At the end of the opening remarks, the representative of the League of Arab States, Dr Mahmoud Fathallah, indicated (via video call) the interest of the Arab League in the issue of climate change stating that the Arab negotiating position is at the top of the priorities of the work of the League of Arab States, and even at the level of the LAS summit held in Baghdad. This issue was presented on the agenda of the Arab Summit under the item of Arab interacRtions on climate change issues. The League of Arab States cooperates with many international and regional organizations to assess the situation in Arab countries regarding issues of adaptation to climate change.

The following highlights technical papers presented at the workshop:

The Secretariat's paper reviewed four main topics, including the outcomes of the 29th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29) in Baku, Azerbaijan, 2024, developments in the Convention during 2025,

and related agreements such as the Bamberg Climate Dialogue in March 2025, the High-Level Virtual Summit in April 2025, the International Maritime Organization (IMO) Agreement, and developments in negotiations at the World Trade Organization (WTO). This is in addition to global strategic developments and their role in shaping the negotiating process on climate change, such as geopolitical shifts, economic crises, energy security, the shift in the positions of developing countries, and the demand for climate justice. Finally, the results, expectations, and role of the Organization of Arab Petroleum Exporting Countries (OAPEC) were also introduced and highlighted.

The Kuwaiti negotiators presented several technical papers that covered the history of climate change negotiations, the basic elements and procedures of the Climate Change Agreement, as well as the latest developments regarding Article 6 of the Paris Agreement. They also presented a simulation exercise (between a developed and a developing country) that demonstrated how to negotiate negotiating texts and how to build positions and decisions during negotiating sessions.

The delegation of the Kingdom of Saudi Arabia also reviewed developments in the agreement and the most important outcomes of the Conference of the Parties (COP29) held in Baku, as well as the latest developments regarding the International Maritime Organization (IMO) and their potential impacts. The team also reviewed the latest developments in issues of financing, global inventory, transparency, and the negotiating position during the upcoming Conference of the Parties (COP30) scheduled to be held in Brazil.

Several participating parties also presented scientific papers on financing issues, Article 6 related to carbon markets, and national contributions.

One of the most important technical papers presented during the workshop, and which has a potential impact on our member countries, is the IMO Convention. A historic agreement was reached at the IMO Marine Environment Protection Committee meeting held in April 2025 regarding reducing greenhouse gas emissions from the shipping sector. An unprecedented global framework was agreed upon, including strict fuel standards and a carbon pricing mechanism applied across the entire sector. This move aims to push the sector towards carbon neutrality by 2050, with the agreement to enter into force in 2027. This requires the development of economic mechanisms to reduce maritime transport emissions and the imposition of a high carbon tax by 2040.

On the second day of the workshop, a closed meeting was hel1d for the Arab negotiating group concerned with the United Nations Framework Convention on Climate Change, with the aim of reaching a unified Arab position, especially with regard to international taxes and fees and their impact on Arab countries. The representative of the Kingdom of Saudi Arabia gave a comprehensive presentation on the impact of international taxes and duties on Arab economies. Negotiators also discussed the negotiating topics included in the agreement's provisions, such as adaptation, loss and damage, climate finance, global inventory, mitigation, just transition, and Article 6 on carbon markets and transparency. They also agreed on the Arab Group's position in climate change negotiations.

ENERGY TRANSITION: IS IT MAKING THE POOR EVEN POORER?!

By Eng. Turki Hassan Hemish

Senior Petroleum Expert, - Technical Affairs Department, OAPEC - Kuwait

This issue's editorial reveals the outstanding rise of national oil companies to the forefront of the investment landscape, leveraging their ability to adapt to market fluctuations and take risks to ensure security of supply. This comes amid growing challenges in attracting investment to the renewable energy sector.

In this context, the International Energy Agency's latest report, "Energy Investments 2025," indicates that investment in renewable energy no longer reflects solely emissions reduction efforts, but is also significantly influenced by industrial policies, energy security considerations, and the cost-competitive attractiveness of electricity solutions. China dominates this scene, accounting for nearly a third of global renewable energy spending, double that of Europe and nearly as much as the combined total investment of the United States and the European Union.

Perhaps the most prominent feature of this transformation is what the International Energy Agency has dubbed the "Electric Age," where investments in electricity generation, grid development, and storage solutions have surpassed those in fossil fuels for the first time. This increase is driven by growing demand from industrial sectors, cooling systems, electric vehicles, as well as data and artificial intelligence centers. However, significant infrastructure challenges remain. Investment in electricity grids, which amounts to $400 billion annually, still lags behind investment in generation and storage. The International Energy Agency emphasizes the need to double investment in grids by the early 2030s to ensure continuity and security of supply.

On another vein, the liquefied natural gas (LNG) sector is experiencing an unprecedented wave of expansion. Between 2026 and 2028, US export capacity is expected to nearly double thanks to mega-projects in the United States, Qatar, and Canada, adding significant flexibility to global markets. In contrast, coal remains a argumentative issue in the global investment landscape; while countries are moving toward phasing it out, China and India continue to add new capacity. China alone began construction of approximately 100 gigawatts of new coal plants in 2024, the highest level since 2015.

This big picture calls for consideration of financing challenges and regional disparities. Despite the boom in renewable energy investments, gaps between regions remain large. Africa, which is home to 20% of the world's population, receives only 2% of global investment in renewable energy, with capital flows to the region declining by a third over the past decade. The IEA report indicates that commercial financing accounts for approximately 75% of total financing available to the energy sector, while domestic public financing (government investments and incentives) plays an important role, but has seen a decline in support for renewable energy. International public finance (development finance institutions and climate funds) provides about 7% of renewable energy investments in emerging markets (excluding China). While households are increasingly investing in home solar energy, state-owned enterprises are increasingly focusing on fossil fuel investments, particularly in the Middle East, China, and India.

However, these types of financing are not without weaknesses. Commercial financing is highly sensitive to market conditions and interest rates, while domestic public financing is affected by declining government support, falling from $142 billion in 2022 to $83 billion in 2024. There are also limits to the ability of governments in emerging markets to increase financing due to economic pressures. Although international public financing is important, it is insufficient to bridge the growing financing gap, especially in Africa and Latin America, in addition to regulatory constraints and the impact of geopolitical tensions. The IEA report reveals that the weakest link in the financing system is emerging and developing markets outside of China. These countries have benefited from less than 10% of the growth in renewable energy investment since 2015 and face significant challenges in attracting international financing due to exchange rate risks, weak regulatory frameworks, and the high cost of capital.

The report also finds that investing in renewable energy represents a "trillion-dollar" opportunity to boost innovation, create jobs, and fulfill governments' commitments to transition to clean, affordable, and secure energy. However, to meet their energy needs, emerging and developing markets outside China need greater access to financing at more favourable interest rates, and must mobilize private sector capital, particularly from international sources, as domestic and public financiers alone will not be able to meet future needs. The report confirms that energy-related financing requirements could reach 6% of annual GDP in developing and emerging markets by 2035, a level that is difficult to meet. India invests less than 4.6% of its GDP in energy, while Africa suffers from a clear financing gap, investing less than 1.2% of its GDP.

The energy transition and the massive investments it entails will place a very heavy burden on poor and developing countries, especially those suffering from economic pressures and accumulated debt. The high cost of capital in these countries, compared to developed countries, makes them highly dependent on external financing, exposing them to fluctuations in global interest rates and difficult lending terms. In addition, the weak infrastructure constitutes an additional financial burden to develop, along with the cost of building renewable energy plants. In short, while the energy transition represents an opportunity for a sustainable future for some countries, it poses a significant challenge for the poorest countries, requiring a just and equitable transition that ensures they are not left behind and enables them to achieve energy security.

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

KUWAIT OFFICIALLY JOINS THE FRAMEWORK AGREEMENT OF THE INTERNATIONAL SOLAR ALLIANCE (ISA)

HE Eng. Jamal Al Loughani, Secretary-General of the Organization of Arab Petroleum Exporting Countries (OAPEC), stated that the State of Kuwait's official accession to the Framework Agreement of the International Solar Alliance (ISA), signed in Kuwait City on 22 December 2024, is a strategic step that reflects the country's commitment to promoting the transition to clean energy and supporting international efforts in the areas of sustainable development and combating climate change.

The Secretary-General explained that the issuance of Amiri Decree No. (81) of 2025 approving the agreement reflects the State of Kuwait's vision to diversify energy sources and make maximum use of its renewable resources.

The Secretary-General emphasized that Kuwait's accession to the International Solar Alliance represents an important strategic step within Kuwait's national energy policy, enhances its role in international forums concerned with climate and renewable energy issues, and opens the door to promising investment opportunities in the solar energy sector.

The Secretary-General added that the mission of the International Solar Alliance is to provide a platform for cooperation between solar-resource-rich countries and the international community, including international organizations, industry, and stakeholders, to support the increased use of solar energy.

The Secretary-General hopes that this accession will contribute to strengthening the State of Kuwait's efforts to evaluate the first phase of the Shegaya Renewable Energy Project, draw lessons and experiences, and analyze the challenges it faced, with the aim of improving future phases.

The Secretary-General concluded his statement by affirming OAPEC's full support for the national efforts of its member countries in the field of renewable energy, which serves their interests and contributes to enhancing energy security and sustainability in the Arab region.

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KUWAIT'S PETROCHEMICAL INDUSTRIES COMPANY (PIC) ACQUIRES 25% STAKE IN CHINA'S WANHUA CHEMICAL GROUP

The Petrochemical Industries Company (PIC), a subsidiary of the Kuwait Petroleum Corporation (KPC), has signed an agreement recently with Wanhua Chemical Group of China, under which PIC will acquire a 25% stake in a group of petrochemical plants located in Yantai, People's Republic of China. Kuwait Petroleum Corporation (KPC) stated that the agreement includes specialized industrial units for the production of propylene oxide, tert-butyl alcohol, as well as acrylic acid, butyl acrylate, and several other products, thereby contributing to the diversification of the company's portfolio of high-value products.

The corporation affirmed that this acquisition represents a major step forward in achieving the strategic directions of PIC and its subsidiaries for the year 2040, specifically within the petrochemical sector. It further explained that this strategic partnership opens a new chapter of cooperation between the Kuwaiti oil sector and the Chinese petrochemical sector, reflecting the shared interest in advancing the development of the industry at both the bilateral and global levels.

The statement quoted Sheikh Nawaf Saud Al-Nasser Al-Sabah, CEO of KPC, emphasizing that the signing of this strategic agreement between PIC and Wanhua Chemical "represents the largest Kuwaiti investment in the petrochemical sector in China and a major milestone in the growing relationship between the two countries." Sheikh Nawaf Al-Sabah added that this partnership is built upon a long history of cooperation and trade exchange and marks a significant shift from traditional petroleum product supply agreements to a strategic relationship aimed at creating added value for both sides. He said, "Our partnership with Wanhua at the Yantai Petrochemical Complex embodies our shared vision for industrial growth and long-term cooperation." On his part, Liao Zengtai, Chairman of Wanhua Chemical Group, highlighted the roots of collaboration between the two companies, dating back to 2013.

He noted that the relationship has developed over the years based on shared values and complementary capabilities. Zengtai stated that this new partnership adds significant momentum to their shared vision and supports the growth of the petrochemical industry in Yantai and beyond.

Meanwhile, Nadia Al-Hajji, CEO of PIC, stressed the importance of the project in realizing the company's petrochemical strategy, enhancing opportunities for innovation and

mutual growth. Al-Hajji affirmed that the cooperation with Wanhua Chemical reflects mutual trust, a shared vision, and closely aligned ambitions towards innovation and sustainable growth.

For his part, Kou Guangwu, Chairman of Wanhua Chemical, emphasized his company's commitment to smart manufacturing technologies and green technology, pointing out that the collaboration with PIC aims to strengthen both parties' capabilities across the petrochemical industry value chain. Guangwu noted that the agreement represents a key milestone in their relationship with PIC and ushers in a new phase of cooperation with Kuwaiti oil companies, leveraging geographic advantages, resource sharing, mutual benefits, and revitalization of the industry.

Additionally, Sheikh Khaled Ahmed Al-Sabah, Managing Director for Global Marketing at KPC, emphasized the depth of the relationship between KPC and Wanhua, which began years ago through petroleum product supply agreements that established a foundation of trust and mutual respect. He pointed out that this partnership not only strengthens industrial ties between Kuwait and China but also represents a joint commitment to innovation, economic growth, and achieving sustainable strategic value in the global chemicals sector. He added that, as part of this transaction, PIC engaged leading global consulting firms to assist in evaluating the acquisition.

Citigroup Global Markets Limited acted as the financial advisor, while Ashurst LLP served as the legal advisor. The agreement was officially signed in Yantai, China, by Nadia Al-Hajji, CEO of PIC, and Kou Guangwu, Chairman of Wanhua Chemical, in the presence of Sheikh Nawaf Al-Sabah and Liao Zengtai. The signing ceremony was attended by senior figures and officials from both sides, including Sheikh Khaled Al-Sabah, Managing Director, Faisal Al-Shammari, Advisor at the Embassy of the State of Kuwait in Beijing, Waleed Al-Mukhaizeem, Deputy Managing Director, Firas Al-Awad, Deputy CEO for Projects and Business Development at PIC, as well as a high-level Kuwaiti delegation, senior executives, and members of the teams involved in the agreement from both companies. Founded in 1963, the Petrochemical Industries Company (PIC) is the petrochemical arm of KPC and is considered a regional leader in the petrochemical sector with a global presence spanning Asia, the Middle East, Europe, and North America. Wanhua Chemical Group is one of the world's leading suppliers of innovative chemical products, offering customers highly competitive solutions through continuous innovation, state-of-the-art facilities, and operational excellence.

ADNOC LAUNCHES "MAKE IT WITH ADNOC" APP TO BOOST LOCAL MANUFACTURING AND INDUSTRIAL GROWTH

The app, launched in support of the Make it in the Emirates initiative, offers real-time visibility into products ADNOC intends to purchase. Manufacturers, small and medium-sized enterprises (SMEs) and entrepreneurs will gain a clear pathway to capitalize on long-term local manufacturing opportunities through Make it with ADNOC app.

The innovative app will enable smarter engagement for businesses with ADNOC, enhance transparency in the procurement process, de-risk investment decisions and facilitate supplier onboarding.

Yaser Saeed Almazrouei, ADNOC Executive Director, People, Commercial & Corporate Support, said: "We are delighted to launch Make it with ADNOC mobile app as it will provide businesses with real-time visibility into the products we plan to purchase and offer them a more streamlined, integrated process to capitalize on the significant local manufacturing opportunities we are creating. As a key catalyst of the Make it in the Emirates initiative, ADNOC continues to drive new and innovative ways to boost local manufacturing and strengthen the resilience of the UAE's industrial base. We encourage new and existing businesses to leverage Make it with ADNOC app to directly engage with us and unlock mutual value."

Make it with ADNOC app was launched at an event at ADNOC HQ. In attendance were H.E Salama Alawadhi, Assistant Undersecretary of Industry Development at the Ministry of Industry and Advanced Technology, H. E Osama Amir Fadhel, Assistant Undersecretary of the Industry Accelerators Sector at the Ministry of Industry and Advanced Technology ; H.E Rashed Abdulkareem Al Blooshi, Undersecretary of Abu Dhabi Department of Economic Development; H.E Shamis Al Dhaheri, Second Vice Chairman and Managing Director of Abu Dhabi Chamber of Commerce and Industry; ; Mohammad Al Kamali, Chief Trade and Industry Officer at Abu Dhabi Investment Office; Mashal Alkindi, Chief Executive Officer of TA'ZIZ ; Fatima Al Hammadi, Chief Commercial Officer, KEZAD Group; Rabee AlMukhallalati, General Manager of Ali & Sons Oil and Gas; Dr. Ahmed El Tannir, General Manager of Al Masaood Energy ; Mr. Amer Kakish Chief Executive Officer at Ittihad International ;Yaser Saeed Almazrouei, ADNOC Executive Director, People, Commercial & Corporate Support , Dr. Saleh Al Hashimi, Director of ADNOC's Commercial and ICV Directorate , Ali Foolathi, ADNOC Senior Vice President - Procurement Excellence & In-Country Value; and

FIRST-OF-ITS-KIND APP, LAUNCHED IN SUPPORT OF THE MAKE IT IN THE EMIRATES INITIATIVE, OFFERS REAL-TIME VISIBILITY INTO PRODUCTS ADNOC INTENDS TO PURCHASE AND IS AVAILABLE ON APP STORES

Jasim Saeed, ADNOC Senior Vice President, Group Procurement Operations and senior members of the ADNOC Commercial and ICV directorate.

His Excellency Omar Al Suwaidi, Undersecretary of the Ministry of Industry and Advanced Technology (MoIAT), said: "In collaboration with strategic partners, MoIAT continues to advance the National Strategy for Industry and Advanced Technology, Operation 300bn, and enhance the competitiveness of the UAE's industrial sector.

His Excellency said: "Make it with ADNOC represents a new powerful enabler for the national industrial sector that complements Make it in the Emirates. It is a strategic partnership between MoIAT and ADNOC, which was among the first entities in the country to contribute to the industrial offtakes program, identifying products that could be manufactured locally."

He added: "This new platform will provide manufacturers and investors with real-time information on opportunities within ADNOC's value chain. This will enable companies to identify products that they can manufacture in line with ADNOC's procurement needs. This will empower them to make more informed investment decisions based on accurate data. It will also help enhance supply chain resilience and sustainability, support national self-sufficiency, and contribute to the objectives of the National ICV Program by stimulating local manufacturing and fostering long-term industrial partnerships."

HE Omar Al Suwaidi encouraged manufacturers, investors, and suppliers to participate in the largest and most comprehensive edition of Make it in the Emirates, taking place from May 19-22 at ADNEC, Abu Dhabi.

He noted that more than 500 companies will participate to explore new investment opportunities, industrial enablers, and incentives offered by government entities, national champions, financial institutions, and technology providers.

"This year's edition will unveil exceptional opportunities," HE Al Suwaidi said, "including new offtake agreements across 12 strategic sectors and thousands of products identified for local manufacturing – further reinforcing the UAE's position as a global hub for industrial innovation and sustainable growth."

H.E. Rashed Abdulkarim Al Blooshi, Undersecretary of the Abu Dhabi Department of Economic Development, said: "The launch of the 'Make it with ADNOC' app is a strategic step aligned with the objectives of the Abu Dhabi Industrial Strategy (ADIS) and the broader vision of Abu Dhabi's Falcon Economy; an economy defined by resilience, innovation, and global competitiveness. The app supports ADIS by boosting local supply chains, enabling smarter industrial investment, and encouraging deeper private sector participation in priority manufacturing sectors.

APP BUILDS ON THE SUCCESS OF ADNOC'S ICV PROGRAM AND WILL ENABLE SMARTER ENGAGEMENT FOR BUSINESSES WITH THE COMPANY, ENHANCE TRANSPARENCY, DE-RISK INVESTMENT DECISIONS AND FACILITATE SUPPLIER ONBOARDING

By enhancing transparency and streamlining access to ADNOC's procurement pipeline, it empowers businesses to align with national priorities and confidently invest in the UAE's industrial future, reinforcing Abu Dhabi's position as a leading economic and industrial hub in the region."

H.E. Badr Al-Olama, Director General of the Abu Dhabi Investment Office (ADIO), said: "The launch of the 'Make it with ADNOC' app is a powerful step towards reinforcing Abu Dhabi as a global hub for advanced industry and innovative investments. Streamlining access to local manufacturing opportunities enhances the competitiveness of our industrial ecosystem while creating a more compelling environment for investors. This initiative supports ADIO's mission to empower investors, enable industrial innovation, and unlock high-impact opportunities across priority sectors, starting with industry."

H.E Shamis Al Dhaheri, Second Vice Chairman and Managing Director of Abu Dhabi Chamber of Commerce and Industry, said: "The launch of 'Make it with ADNOC' app marks a strategic leap in strengthening the UAE's industrial capabilities. By offering real-time access to procurement opportunities, ADNOC is fostering a more transparent, forward-looking, and collaborative ecosystem that empowers local manufacturers and SMEs to scale and innovate. As a longstanding partner in driving private sector growth, Abu Dhabi Chamber supports this bold initiative, which aligns with our national vision for industrial self-sufficiency and economic diversification — strengthening our industrial base and accelerating sustainable economic development."

The launch of the app comes ahead of the Make it in the Emirates forum which is set to take place from 19-22 May in Abu Dhabi. It builds on the success of ADNOC's ICV program which has driven AED242 billion ($65.9 billion) back into the UAE economy and enabled 17,000 Emiratis to be employed in the private sector since 2018.

As part of ADNOC's ICV program, the company aims to drive AED200 billion ($54.5 billion) into the UAE economy over the next five years.

US SECRETARY OF ENERGY CHRIS WRIGHT MEETS UAE ENERGY LEADERS AT ADNOC HQ

Abu Dhabi, UAE – 10 April 2025: The United States (US) Energy Secretary Chris Wright met with UAE energy, technology and investment leaders at ADNOC HQ to reinforce the growing ties between both nations, deepen collaboration and explore new partnership opportunities, during his first official overseas trip since assuming office.

His Excellency Dr. Sultan Ahmed Al Jaber, UAE Minister of Industry and Advanced Technology, Managing Director and Group CEO of ADNOC, Chairman of Masdar and Executive Chairman of XRG, greeted Secretary Wright and Martina Strong, US Ambassador to the UAE, at ADNOC HQ. They were joined by His Excellency Suhail Al Mazrouei, UAE Minister of Energy and Infrastructure, and senior energy, artificial intelligence (AI), and investment leaders, including Mohamed Al Ramahi, CEO of Masdar; Musabbeh Al Kaabi, ADNOC Upstream CEO; Khaled Salmeen, ADNOC Downstream CEO and XRG COO; Thomas Pramotedham, CEO of Presight; Mansoor Mohamed Al Hamed, Managing Director and CEO of Mubadala Energy; Dr. Bakheet

US ENERGY SECRETARY'S FIRST INTERNATIONAL VISIT MARKS THE ENDURING AND ONGOING ENERGY PARTNERSHIP BETWEEN THE UAE AND US

Al Katheeri, CEO of Mubadala UAE Investments Platform, and Magzhan Kenesbai, Acting Managing Director of AIQ.

During the visit, Secretary Wright was briefed on XRG, ADNOC's new transformational international investment company, which is actively exploring significant investments in the US. XRG is investing in projects across the energy value chain – from gas and infrastructure to chemicals and low-carbon solutions.

Dr. Sultan Al Jaber said: "It is an honor for the UAE to host Secretary Chris Wright on his first international visit since assuming office, which follows the successful UAE delegation visit to Washington D.C in March led by His Highness Sheikh Tahnoun bin Zayed Al Nahyan. In a dynamic global energy market, the UAE and US share a common goal of driving energy abundance, unlocking the power of AI to enhance cost-competitiveness, while deepening partnerships on cutting-edge technologies and creating new opportunities through a pro-growth, pro-investment, pro-energy and pro-people approach."

Following the meeting with the UAE's AI and energy leaders, Secretary Wright toured ADNOC's world-class AI center, where he was shown how the company is integrating AI from the control room to the boardroom to enhance safety, maximize value, and reduce emissions to support ADNOC's mission to become the world's most AI-enabled energy company, in order to maintain cost competitiveness in a rapidly evolving market.

As part of the visit, Dr. Sultan Al Jaber and Secretary Wright co-hosted the Future Energy Leaders Majlis, establishing dialogue with young engineers, scientists, technicians, technologists and analysts. Young Americans and Emiratis from ADNOC, ENEC, Masdar and XRG, together with representatives from the US Department of Energy and the UAE Ministry of Energy and Infrastructure came together to discuss how they can seize a pivotal moment in history, where the world increasingly views energy as a driver of global progress and prosperity.

SECRETARY WRIGHT MET UAE ENERGY, AI AND INVESTMENT LEADERS TO DEEPEN COLLABORATION AND EXPLORE NEW PARTNERSHIP OPPORTUNITIES

US DELEGATION BRIEFED ON ADNOC'S MISSION TO BECOME THE WORLD'S MOST AI-ENABLED AND TECHNOLOGICALLY ADVANCED ENERGY COMPANY

TOUR DEMONSTRATES ADNOC'S RESILIENT AND COST-EFFICIENT BUSINESS MODEL THAT ENSURES COMPANY IS ONE OF THE MOST COMPETITIVE PRODUCERS IN THE WORLD

ADNOC'S INTERNATIONAL INVESTMENT COMPANY, XRG, IS ACTIVELY EXPLORING SIGNIFICANT PRO-GROWTH, PRO-INVESTMENT AND PRO-PEOPLE OPPORTUNITIES IN US

ARAMCO AND BYD COLLABORATE ON NEW ENERGY VEHICLE TECHNOLOGIES

SIGNING OF JOINT DEVELOPMENT AGREEMENT AIMS TO DRIVE INNOVATION

DHAHRAN, 21 April 2025- Aramco, one of the world's leading integrated energy and chemicals companies, and BYD, a leading manufacturer of new energy vehicles and power batteries, have agreed to explore closer collaboration in new energy vehicle technologies.

A Joint Development Agreement signed by Saudi Aramco Technologies Company (SATC), Aramco's wholly-owned subsidiary, and BYD aims to foster the development of innovative technologies that enhance efficiency and environmental performance. This collaboration leverages the research and development teams of two leading global companies, with the aim of achieving new energy vehicle breakthroughs.

Ali A. Al-Meshari, Aramco Senior Vice President of Technology Oversight & Coordination, said: "The collaboration between SATC and BYD aims to support energy efficiency improvements, and it builds on Aramco's extensive research and development of new energy solutions. Aramco is exploring a number of ways to potentially optimize transport efficiency, from innovative lower-carbon fuels to advanced powertrain concepts. This work stems from our belief that multiple approaches are necessary to support a practical energy transition and we are delighted to collaborate with BYD on this journey."

Luo Hongbin, Senior Vice President of BYD, said: "At the crossroads of technological innovation and environmental protection, BYD always believes that true breakthroughs come from openness and collaboration. We expect that SATC and our cutting-edge R&D capabilities in new energy vehicles will break the boundaries of geography and mindset to incubate solutions that combine highly-efficient performance with a lower carbon footprint. We are confident that this will support the world's efforts to address the climate challenge."

I SQUARED CAPITAL AND THE ARAB ENERGY FUND SIGN MEMORANDUM OF UNDERSTANDING TO INVEST IN SUSTAINABLE ENERGY INFRASTRUCTURE THROUGH A NEW MIDDLE EAST INFRASTRUCTURE STRATEGY

Riyadh, Saudi Arabia and Miami, United States of America – 14 May 2025 – I Squared Capital, a leading independent global infrastructure investment manager, and The Arab Energy Fund (TAEF), formerly known as APICORP, an OAPEC joint venture and a leading multilateral impact financial institution focused on the MENA energy sector, have signed a non-binding Memorandum of Understanding (MoU) to invest in a dedicated infrastructure investment strategy focused on the Middle East and North Africa (MENA) region.

The investment fund aims to enhance connectivity across regional and global markets, investing in key infrastructure sectors across the region. As an Anchor investor, TAEF will help the fund in its energy investment strategy towards expanding energy infrastructure and supporting regional decarbonization efforts.

This partnership will leverage I Squared's global investment platform and extensive expertise in infrastructure investments. The firm's investment philosophy focuses on building businesses through direct engagement with management teams, applying a hands-on approach that drives both operational and commercial success. The collaboration will also deliver enhanced operational leverage, control, and transparency for these projects, while also creating opportunities for like-minded private capital partners from around the world to invest in the region.

Commenting on the agreement, Sadek Wahba, Chairman and Managing Partner of I Squared Capital, said:

"This collaboration with TAEF reflects our shared commitment to advancing sustainable development and accelerating the region's transition through transformative infrastructure investments. It also marks a significant milestone in I Squared's strategic expansion in the Middle East, reinforcing our long-term conviction in the region's potential as a global destination for infrastructure innovation and capital."

Commenting on the agreement, Khalid Ali Al-Ruwaigh, Chief Executive Officer of TAEF, said:

"We look forward to working closely with I Squared Capital as this MOU exemplifies our commitment to fostering impactful investments that drive energy security and sustainability across the MENA region and in our member countries. By anchoring this infrastructure fund, we aim to support energy infrastructure and promote economic diversification — while leveraging our shared deep industry expertise and regional insights."

Today's non-binding MoU is subject to satisfying certain necessary conditions including obtaining all necessary regulatory and internal approvals and fulfilling specified milestones.

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Deadline for submitting research work has been extended until end of July 2025

The value of the first prize is raised to ten thousand Kuwaiti Dinars (equivalent to about 33 thousand US Dollars), and the value of the second prize is raised to seven thousand Kuwaiti Dinars (equivalent to about 23 thousand US Dollars).

OAPEC AWARD

OAPEC SCIENTIFIC RESEARCH FOR THE YEAR

2024

In line with OAPEC'S policy to encourage scientific research by awarding two prizes on a biennial basis (**First Prize** KD 7000 equivalent to USD $23000, **Second Prize** KD 5000 equivalent to USD $16000), upon the resolution number 1/169 of OAPEC Executive Bureau at its meeting dated **5 May 2024**. **The Organization of Arab Petroleum Exporting Countries (OAPEC)** is pleased to announce that **the research field** selected for the "OAPEC Award for Scientific Research for the Year 2024" is:

NEW AND RENEWABLE ENERGY

Research Field:

New and Renewable energy plays a pivotal role in confronting global challenges such as combating climate change, achieving energy security, and promoting sustainable development, It contributes to reducing greenhouse gas emissions and mitigating the effects of global warming. It can be relied upon as a clean fuel to meet the growing demand for energy. It also contributes to stimulating economic growth, creating diversification opportunities, and encouraging technological innovation.

Enormous resources of renewable energy sources available in the Arab countries on the one hand, and successful experiences of many countries around the world in exploiting such resources on the other hand, underline the possibility of bringing about a tangible change in how to optimally use these resources in the Arab countries.

Based on these inputs, the submitted research papers can address many main topics, including, but not limited to:

1. **Modern technologies for producing renewable energy, including renewable energy storage technologies and smart grid technologies.**
2. **National and international policies that promote the deployment of renewable energy, including goals, incentives, legislations, laws and regulatory frameworks.**
3. **Economic considerations, including cost trends in renewable energy technologies, and mechanisms for funding renewable energy projects (such as subsidies, tax incentives, and green bonds).**
4. **Existing infrastructure and renewable energy projects that are planned to be executed at the Arab and international levels.**
5. **Challenges facing the deployment and use of renewable energy, such as supply chain issues facing some technologies and irregular supplies.**
6. **The future outlook for renewable energy sources, and their integration into non-electricity sectors (such as transportation, cooling, and heating).**

Research Submission Requirements

1. Research may be submitted by one or not more than two researchers. Research submitted by legal entities will not be accepted.
2. The submitted research must be new. It must not have been published or received any award from any Arab or foreign body in the past.
3. The research must provide recommendations that are applicable and contribute to providing benefit to the energy industry in the Member Countries.
4. Research that relies on innovative laboratory work is given preferential marks in the evaluation.
5. The author of the research agrees in advance to grant the organization the copyright of his work in the event that he wins one of the two aforementioned awards, while retaining all his rights to the research. The Secretariat General has the right to print and publish the winning research according to what it deems appropriate.
6. The researcher adheres to the principles of citation in accordance with the standards of scientific and academic research.
7. An electronic version of the research- in both PDF and WORD format- should be submitted to the award's email address: **oapecaward@oapecorg.org**
8. The research can be submitted in either Arabic or English.
9. The participating researcher shall submit a summary of his academic and professional qualifications, in a separate file.
10. Participating research works must be submitted no later than the **end of May 2025**. After that date, no research will be accepted for the purpose of the award.
11. Researchers of all nationalities are welcome to participate in the award.
12. The award will not be granted to the same researcher twice in a row.
13. The research work must not contain any references or phrases indicating the researcher's name, workplace, or domicile.
14. Any research work that does not meet the requirements mentioned in the OAPEC Award Participants Guide attached to the announcement will be ignored.

Researchers will be notified by OAPEC Secretariat of the Award Committee's decision. The winners will be officially announced at the end of the OAPEC's Ministerial Council meeting in 2025.

For further information you may contact the OAPEC General Secretariat at:

Organization of Arab Petroleum Exporting Countries (OAPEC)
Secretariat of the Award Organizing Committee
Tel.: (+965) 24959784 - (+965) 24959763
E-mail:oapecaward@oapecorg.org

Organization of Arab Petroleum Exporting Countries (OAPEC)
OAPEC AWARD FOR SCIENTIFIC RESEARCH FOR THE YEAR 2024

In the Field of

NEW AND RENEWABLE ENERGY

Statement of relinquishment of printing and publication rights for the research

I, the undersigned:

....

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

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to the Organization of Arab Petroleum Exporting Countries (OAPEC), in the event of winning one of the two prizes of OAPEC Award for Scientific Research for the year 2024.

Name: ....

Signature: ....

Date: / /

Petroleum Developments in The World Markets

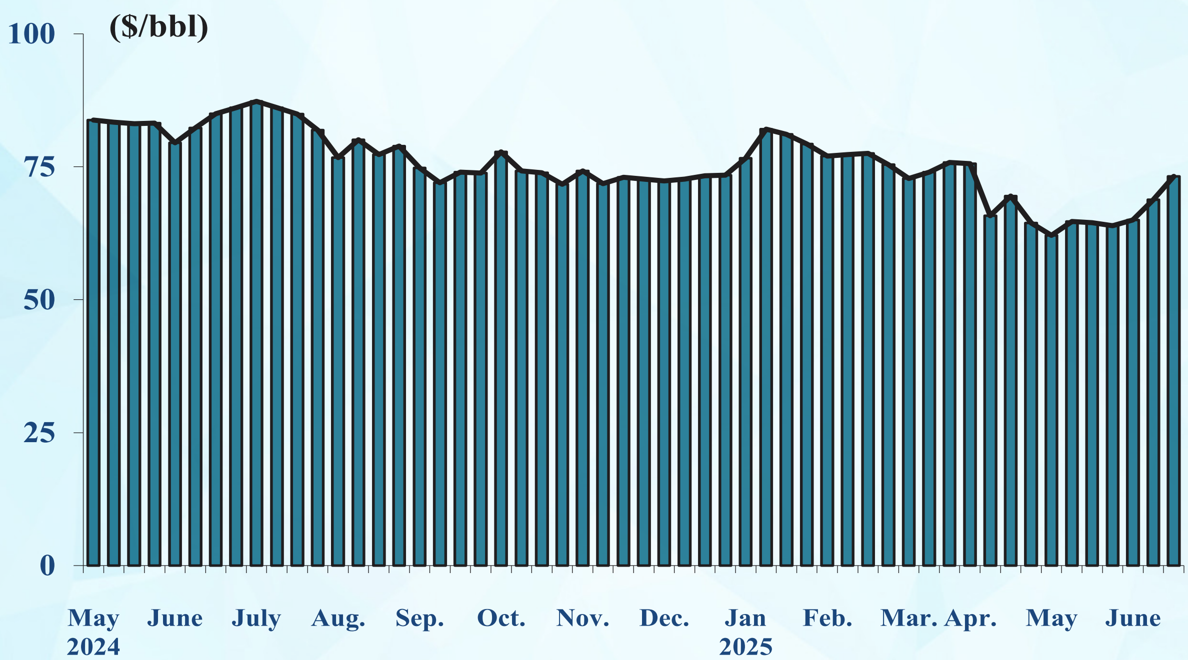
Petroleum Developments in the World Markets

First: World Oil Markets

1. Oil Prices

OPEC Reference Basket decreased in May 2025 by 7.8% or $5.4/bbl compared to the previous month of April, to reach $63.6/bbl. This is mainly attributed to continued selloffs in the futures market, weaker European refiners' demand – given refinery outages, easing geopolitical concerns, signs of a well-supplied crude market, and higher US petroleum product inventories.

Weekly Average Spot Prices of OPEC Basket of Crudes, May. 2024 – June. 2025



Source: OPEC, Monthly Oil Market Reports (June. 2024 – June. 2025), and the website.

2. Supply and Demand

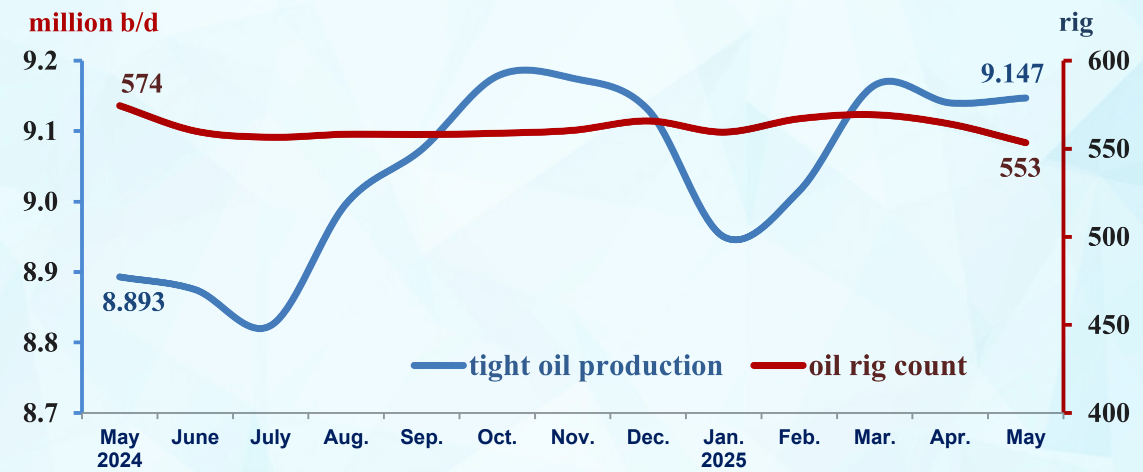
- Estimates indicate that world oil demand decreased in Q1 2025 by 1% compared with the previous quarter, to reach 104.4 million b/d. As demand in OECD countries decreased by 1.9% to reach about 45.4 million b/d, and demand in Non-OECD countries decreased by 0.3% to reach 59.1 million b/d.

  Projections indicate that world oil demand is expected to increase in Q2 2025 to reach 104.2 million b/d. As demand in OECD countries is expected to increase by 160 thousand b/d to reach 45.5 million b/d, whereas demand in Non-OECD countries is expected to decrease by 410 thousand b/d to reach 58.7 million b/d.

- Estimates indicate that **world** crude oil and NGLs/non-conventional supply in My 2025 increased by 0.7% to reach 104.3 mb/d. OPEC supply increased by 0.6% to reach about 32.5 million b/d, and Non-OPEC supplies increased by 0.7% to reach 71.6 mb/d.

  OPEC+'s crude oil supply in May 2025 increased by 201 thousand b/d, or 0.6% compared with previous month level to reach about 35.7 million b/d. Supplies of OPEC-9[1], which are members in OPEC+, increased by 1% to reach about 21.5 mb/d. Whereas supplies of Non-OPEC, which are members of OPEC+, decreased by 0.02% to reach about 14.2 million b/d,
- US tight oil production in May 2025 increased by 7 thousand b/d compared to previous month's level to reach about 9.147 million b/d. On other developments, US oil rig count decreased by 11 rigs to reach 553 rigs.

US tight oil production and oil rig count



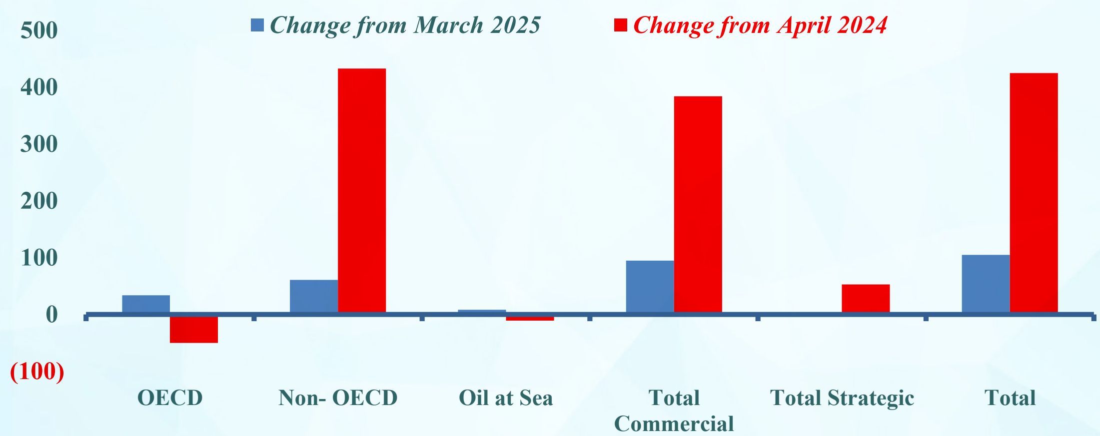
Source: EIA, Short-Term Energy Outlook, June 2025.

3. Oil Inventories

- OECD commercial inventories at the end of April 2025 increased by 34 million barrels from the previous month level to reach 2768 million barrels. Non-OECD commercial inventories increased by 61 million barrels from the previous month level to reach 3745 million barrels, and strategic inventories increased by 2 million barrels to reach about 1568 million barrels.

[1] It does not include Libya, Iran, and Venezuela, whose supplies of crude oil amounted to about 1.3 million b/d, 3.3 million b/d, and 896 thousand b/d, respectively, during May 2025.

Change in Global Inventories at the End of April 2025 (million bbl)



Source: Oil Market intelligence, July 2024 & May 2025.

4. Oil Trade

US Oil Imports and Exports

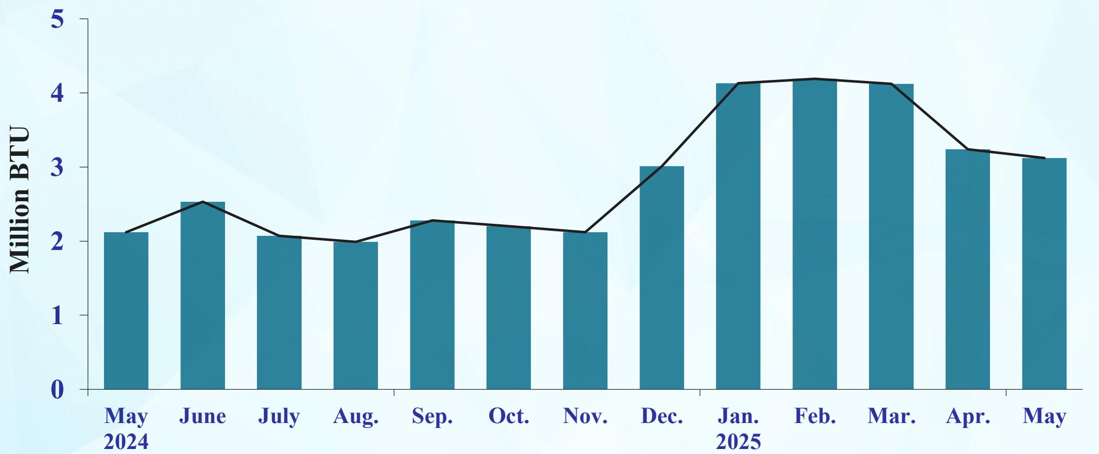
- US crude oil imports in May 2025 increased by 5.8% from the previous month level to reach about 6.2 million b/d, whereas US crude oil exports decreased by 5.8% to reach about 3.8 million b/d.
- US petroleum products import in May 2025 increased by 8.2% from previous month level to reach about 1.8 million b/d, and US petroleum products exports increased by 1% to reach 6.8 million b/d.

Second: Natural Gas Market

1. Prices

- The average spot price of natural gas at the Henry Hub decreased in May 2025 to reach $3.12/million BTU.

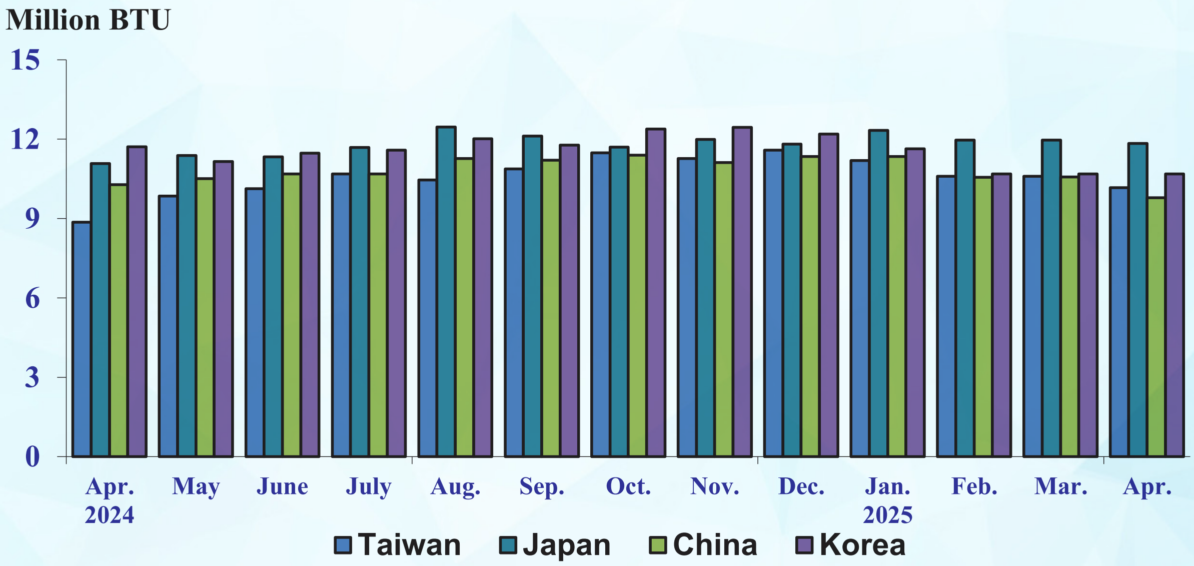
Average spot price of natural gas at the Henry Hub, Apr. 2024 – Apr. 2025



Source: EIA, Henry Hub Natural Gas Spot Price.

- The price of Japanese LNG imports in April 2025 decreased by \$0.13/m BTU to reach \$11.84/m BTU, the price of Taiwan LNG imports decreased by \$0.44/m BTU to reach about \$10.16/m BTU, and the price of Chinese LNG imports decreased by \$0.78/m BTU to reach about \$9.79/m BTU. Whereas the price of Korean LNG imports remained stable at the same previous month level of \$10.69/m BTU,

The price of Northeast Asia LNG imports, Apr. 2024 – Apr. 2025



Source: Energy Intelligence - WGI, Various issues.

2. Exports

Arab LNG exports to Japan, South Korea and Taiwan were about 3.778 million tons in April 2025 (a share of 24.7% of total imports).

Tables Annex