

# How Gulf Arab states are getting to grips with the energy transition challenge

Sun, 2022-04-24 22:19

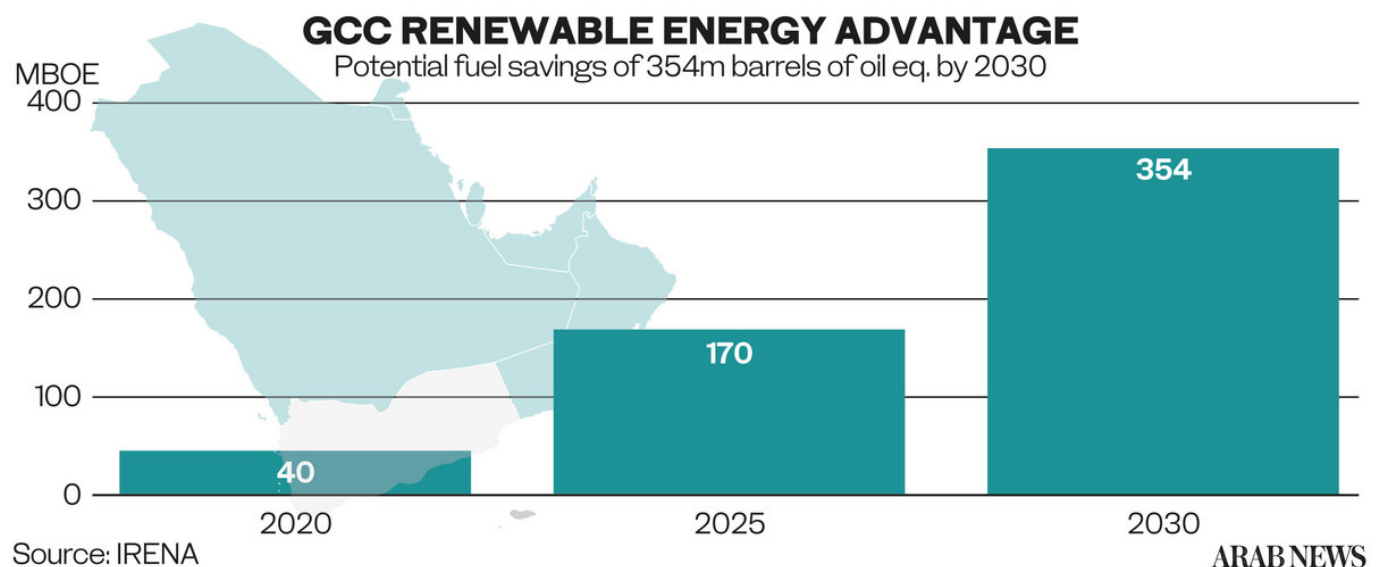
DUBAI: Even before the Ukraine war began, one thing became clear quickly – that demand for conventional energy was not going away. Now, with Brent crude hovering around \$107 per barrel and natural gas costing \$6.95 per MMBtu amid heightened risks of supply disruptions, the impending fiscal windfall gives the Gulf Arab states extra resources to accelerate their transformation into “green economies.”

From ambitious “circular carbon economy” and net-zero emission pledges to investments in renewables and electric vehicle production, the past year has already witnessed the launch of numerous initiatives by these energy-exporting countries in response to calls for accelerated action for combating climate change.

At the same time, the Gulf region has made notable progress in the development of utility-scale solar and wind power, including phase three of the Mohammed bin Rashid solar project in Dubai completed last year and the inauguration of Saudi Arabia’s first wind farm at Dumat Al-Jandal.

“These are breakthrough moments which build momentum through knowledge and experience,” Francesco La Camera, director-general of the International Renewable Energy Agency, better known as IRENA, told Arab News.

“These low-cost renewables projects also open the door to the production of cost-competitive green hydrogen. We believe hydrogen will have a pivotal role to play in the decarbonization of the energy system.”



IRENA’s “World Energy Transitions Outlook” shows hydrogen could account for 12 percent of total final energy consumption globally by the middle of the

century, up from today's marginal levels.

"There are already clear signals of intent from the region to capture these market opportunities, which may prove to be a new and important aspect of the transition that the region can apply its hydrocarbon expertise and experience to," La Camera said.

In the lead-up to the UN Climate Change Conference, COP26, in Glasgow last November, the UAE pledged to achieve net-zero carbon emissions by 2050 and to invest up to \$160 billion in clean and renewable energy solutions.

The previous month, Saudi Arabia launched the Saudi Green and Middle East Green initiatives, committing the Kingdom to reach net-zero greenhouse-gas emissions by 2060 and to plant 10 billion trees over the coming decades, rehabilitate 8 million hectares of degraded land, and allocate new protected areas.

More recently, the Abu Dhabi National Oil Company and Abu Dhabi National Energy Company announced they would join the UAE's state-owned holding company Mubadala as shareholders in the clean-energy company Masdar.



The Gulf enjoys an ideal climate for solar power expansion. (Shutterstock)

The partnership is designed to increase Masdar's renewable energy capacity to 50 gigawatts by 2030 and to create a global clean energy powerhouse, with a focus on areas such as green hydrogen and renewables.

Similar developments are taking place in Saudi Arabia, including several projects in NEOM – the Kingdom's smart city on the Red Sea coast – most



notably the launch of Oxagon, the world's largest floating industrial complex.

"The Oxagon project is a revolutionary idea looking at reshaping the way industries work at the gateway of the most popular shipping channel in the world, powered by 100 percent renewable energy, and requiring extensive levels of symbiosis between various industries," Daniel Gribbin, corporate sustainability lead at WSP Middle East, told Arab News.

"The region's drive to a more sustainable future is no secret. Levels of transparency and individual consumer behaviors, along with the vision of regional leaders, have accelerated the need to respond and act, so that they can have a seat at the global table.

"Demand for sustainability considerations from international investors has also been a propelling force for raising ESG awareness in the regional market, contributing toward valuation and reputation."



A view of Jubail Desalination Plant at the Jubail Industrial City, about 95 kilometers north of Dammam in Saudi Arabia's eastern province. (AFP/File Photo)

The past year has witnessed a sea change in the regional approach to climate action, according to Nawal Al-Hosany, the UAE's permanent representative to IRENA.

At COP26, for instance, the UAE announced a number of landmark pledges and partnerships to raise ambitions, including the UAE-IRENA Energy Transition Accelerator Financing platform, which aims to raise \$1 billion to accelerate

renewable-energy transition in developing countries.

The UAE, through the Abu Dhabi Fund for Development, has already pledged \$400 million in anchor funding to the platform.

“We also announced the Hydrogen Leadership Roadmap, which seeks to establish the country as a competitive global hydrogen exporter,” Al-Hosany told Arab News.

“Looking ahead to COP27 in Egypt, and COP28 in the UAE in 2023, the impetus for climate action will continue to create a ripple effect across the Middle East.”

## **INNUMBERS**

**\* \$120 Projected oil price per barrel if Russian oil flow is disrupted.**

**\* \$6.95 Current natural gas price per MMBtu.**

La Camera describes the energy transition as an unstoppable megatrend, underpinned by innovation and motivated by the pursuit of long-term prosperity and climate action.

“GCC countries recognize this opportunity and are acting accordingly,” he told Arab News.

“It is also important to recognize that the Gulf region is positioning itself as a serious player in the global energy transition because its leaders understand their hydrocarbon resource wealth and vast clean energy potential presents them with an opportunity to build a resilient economy around knowledge, clean technologies and long-term energy leadership.”

Al-Hosany thinks hydrocarbons will continue to play an integral role in the energy system for decades to come, as managing an equitable and inclusive energy transition will be critical to turning the tide of climate change.

“We must rethink the balancing act of economic growth and sustainable development,” she said.



A Saudi employee fills the tank of his car with petrol at a station in Jeddah. (AFP/File Photo)

“But this transition will not happen overnight. We must shift toward an energy mix that involves renewable and clean energy sources. Though we must move toward the energy system of tomorrow, we cannot simply unplug from the energy system of today. It is not as simple as flicking a switch.”

From desertification to droughts, the Middle East is particularly vulnerable to the impact of climate change. And although every country has its own unique reasons to transition away from fossil fuels and toward renewables, the Gulf region has a lot to gain from the transition, according to La Camera, even if there are uncertainties about the long-term future of hydrocarbon exports.

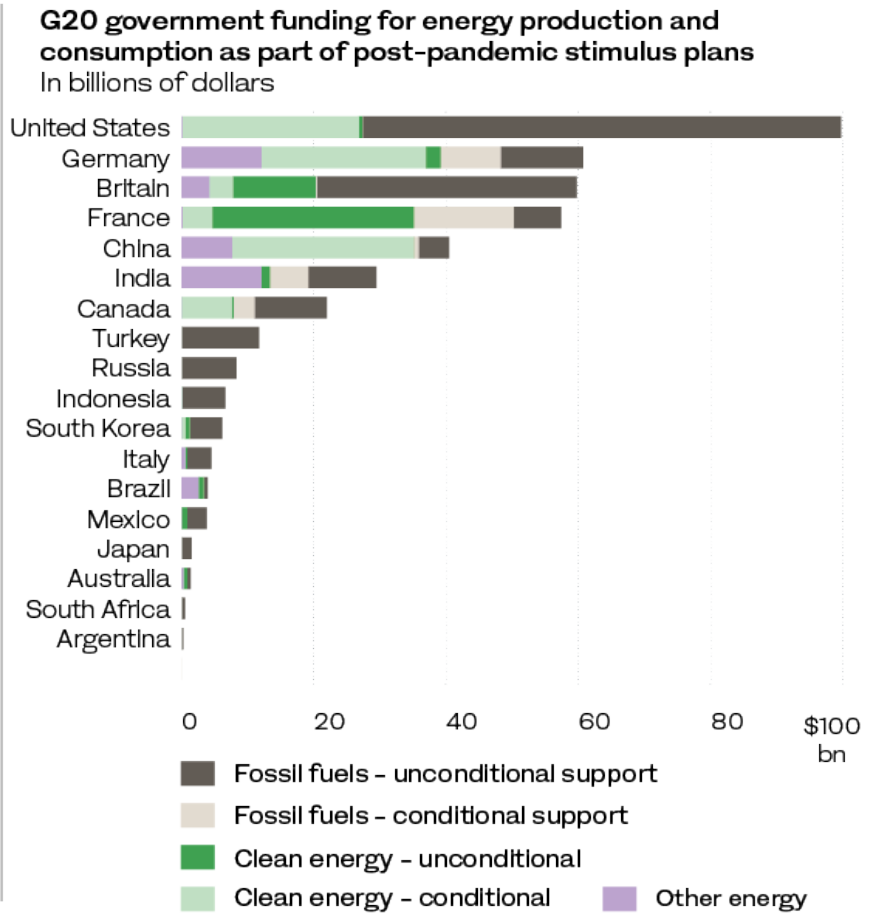
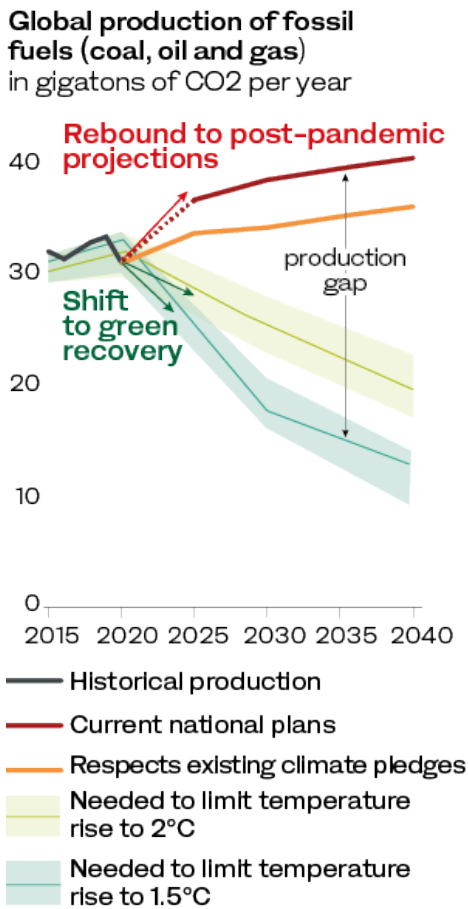
“Exploiting its vast clean energy resources offers diversified growth and the creation of new jobs well into the 21st century,” he said. “Additionally, let us not forget the perilous situation this region may find itself in should global temperatures continue to rise unabated.”

La Camera said that the climate crisis “is likely to send regional average temperatures to around double the global average this century while increasing pressure on already scarce water supplies. This is a profound and very real threat that the region cannot solve alone, but it must be part of the solution.”



# FOSSIL FUEL PRODUCTION ON TRACK TO BREAK CLIMATE PLEDGES

World set to produce 120% more fossil fuels by 2030 than is consistent with the aim of limiting warming to 1.5°C



Source: [productiongap.org/2020 report](https://productiongap.org/2020-report) (SEI, IISD, ODI, E3G, UNEP)

ARAB NEWS

Gribbin believes there is no “silver bullet” to the challenge facing humanity. As such, policymakers, companies and individuals must work together to find shared solutions.

“Investment in the solutions to the challenges we face with climate change is not only good for humanity but is also smart business,” he said.

“Individual drivers and consumer behavior have changed, and the demand for ‘green’ and sustainable products is only going to increase. As a region that is extremely reliant on imports, particularly for food, and that has contributed to the proliferation of hydrocarbons, early investment is key in ensuring that we are part of the solution.”

By acting now, Gribbin said, the region will ensure it has both a thriving economy and an environment that can support a high quality of life for generations to come.

The invasion of Ukraine has the potential to accelerate the global trend toward renewables, with Europe expected to drastically reduce its reliance on Russian natural-gas supplies. If Gulf countries use their fiscal surpluses to fast-track the development of renewable-energy, hydrogen, ammonia-export and carbon-capture projects, they will emerge well prepared for the post-oil age.

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Twitter: [@CalineMalek](https://twitter.com/CalineMalek)



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## [Anger in Lebanon with army after people-smuggling boat sinks](#)

Author:

Sun, 2022-04-24 22:17

BEIRUT: Tensions rose in the northern Lebanese city of Tripoli on Sunday after a boat capsized and sank off its coast as it was being pursued by the army, with agitated crowds gathering outside the hospitals treating the survivors.

Six people, including an 18-month-old girl called Taleen Al-Hamwi and two women, died.

There were 45 survivors as of Sunday morning, and more than 10 people remain missing.

About 60 people had boarded the boat from an area between Qalamoun and Harisha, a beach that is not subject to strict security control and is often used for human smuggling activities.

The boat was headed toward Cyprus and then onto mainland Europe.

Lebanese Prime Minister Najib Mikati announced a national day of mourning on Monday.

Former Prime Minister Saad Hariri called for a "quick investigation that reveals the circumstances and determines the responsibility. Otherwise, we have something else to say."

He tweeted: "When conditions force Lebanese citizens to resort to death boats to escape from the state's hell, this means that we are in a fallen state. Tripoli is announcing today this fall through its victims. The testimonies of the victims of the death boat are dangerous, and we will not allow (these testimonies) to be buried in the sea of the city."

Families of the victims headed to the shore to find out the fate of the missing. Their anger also focused on the Lebanese army.

Journalist Ghassan Rifi from Tripoli told Arab News that the boat had a lower cabin where the women and children were probably hiding. There was a possibility they may have sunk along with the boat, he said.

The commander of the naval forces, Col. Haitham Dannawi, accused the boat's captain of trying to escape and crashing the vessel into the naval forces' cruiser.

The ill-fated boat was made in 1974, he said.

It was small, 10 meters long, 3 meters wide, and the permitted load was only 10 people, he told a press conference. But it lacked safety measures.

He said: "The patrol that followed the boat a few miles from the shore and in the territorial waters tried to urge it to return because the situation was not safe and, if we did not stop the boat, it would have sunk outside the territorial waters."

No weapons were used by naval forces, he said.

"The boat sank quickly because of the overload and were it not for the presence of our forces near it, the number of victims would have been greater."

He said the boat carried 15 times more weight than it could handle and that the army did not commit any mistake on a technical and ground level.

"We bear our full responsibilities in the army leadership, and if there is any verbal offense, we will hold the person concerned responsible."

A dispute broke out between soldiers and the families at the port of Tripoli after the families tried to prevent Social Affairs Minister Hector Hajjar, delegated by Mikati, from completing his press statement.

The families confronted him and the other officials present with insults, while the Al-Qubba area witnessed heavy gunfire during the victims' funerals.

Angry protesters in Tripoli destroyed a military medical center amid calls to take to the city's streets and "declare a major escalation."

One of the survivors, a young man in his twenties who was wet and shivering, said shortly after midnight on Saturday: "The security cruiser chased us, and the officers on board said they would bury us. Then, they rammed the boat in the middle and on the sides until it sank."

Security sources suggested that the number of victims could rise.

The tragic incident came a week after the army thwarted an illegal immigration operation at the Arida border point in the north with the capture of a boat that had 20 Syrians on board, including women and children.

"Smugglers get thousands of dollars from migrants. In the Saturday incident, each person paid at least \$2,000," said Rifi.

Last year, the army stopped 21 boats carrying 707 people, according to the Lebanese Army Guidance Directorate.

In 2020, the army stopped four boats carrying 126 people.



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Six dead in Tripoli boat capsizing, Lebanon minister says  
Lebanon banking group rejects latest draft of financial recovery plan

## [Lebanon banking group rejects latest draft of financial recovery plan](#)

Author:

Sun, 2022-04-24 00:40

BEIRUT: The Association of Banks in Lebanon said on Saturday it “completely



rejects” the government’s latest draft of a financial recovery plan meant to pull the country out of an economic meltdown.

In a statement shared with Reuters, the ABL called the plan “disastrous” and said it would leave banks and depositors shouldering the “major portion” of losses.

The government estimates that the financial sector’s losses amount to \$72 billion.

“ABL has assigned its legal advisers to examine and present a range of judicial measures that will allow the preservation and recovery of the rights of the banks and the depositors,” the association said.

Lebanon’s banks have been a major lender to the government for decades, helping to finance a wasteful and corrupt state that went into a financial meltdown in 2019.

The collapse has resulted in depositors being shut out of their savings and the local currency losing more than 90 percent of its value. The banking association rejected an earlier draft of the plan in February, saying it would cause a loss of confidence in the financial sector.

The ABL’s approval is not required for the government to begin implementing a plan, but experts say support from the banking sector could contribute to solving the crisis.

The current draft lays out a series of financial reforms, including an overhaul of the banking sector and caps on how much depositors would be able to recover from their accounts.



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## Turkey closes airspace to Russian planes carrying troops to Syria

Author:

Sat, 2022-04-23 23:44

ISTANBUL: Turkey has closed its airspace to Russian civilian and military planes flying to Syria, Foreign Minister Mevlut Cavusoglu was quoted as saying Saturday by local media.

The announcement marks one of the strongest responses to date by Turkey, which has cultivated close ties with Moscow despite being a member of the NATO defense alliance, to Russia's two-month military assault on Ukraine. "We closed the airspace to Russia's military planes – and even civilian ones – flying to Syria. They had until April, and we asked in March," Turkish media quoted Cavusoglu as saying to reporters on a plane en route to Uruguay. He said permission had been given for three month periods until April, and then the flights stopped.

Cavusoglu said he conveyed the decision to his Russian counterpart Sergei Lavrov, who then relayed it to President Vladimir Putin.

"One or two days later, they said: Putin has issued an order, we will not fly anymore," Cavusoglu was quoted as telling Turkish reporters aboard his plane to Uruguay.

Cavusoglu added that the ban would stay in place for three months.

There was no immediate response to Turkey's announcement from Russia, which together with Iran has been a crucial supporter of Syrian President Bashar Assad during the war-torn country's civil war.

Turkey has backed Syrian rebels during the conflict.

Ankara's relations with Moscow briefly imploded after Turkey shot down a Russian warplane near the Turkish-Syrian border in 2015.

But they had been improving until Russia's invasion of Ukraine, which Turkey views as an important trade partner and diplomatic ally.

Turkey has been trying to mediate an end to the conflict, hosting meetings between Russian and Ukrainian negotiators in Istanbul, and another between Lavrov and Ukrainian counterpart Dmytro Kuleba in Antalya.

Cavusoglu said talks were continuing between Russia and Ukraine and the sides were working toward a draft joint declaration.

Ankara is now trying to arrange an Istanbul summit between Putin and Ukrainian President Volodymyr Zelensky, although Cavusoglu conceded that the prospects of such talks at this point remain dim.

"If they want a deal, it's inevitable," Cavusoglu was quoted as saying. "It might not happen for a long time, but it can happen suddenly."

*(With AFP and Reuters)*



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Russian mercenaries are Putin's 'coercive tool' in Africa  
Turkey's refugee problem at the center of heated debates

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## [Boat carrying 60 migrants capsizes off north Lebanon](#)

Sun, 2022-04-24 00:04

BEIRUT: A boat carrying 60 migrants capsized Saturday night off the Lebanese coast, the Lebanese Red Cross said. It was not immediately clear if there



were any deaths.

The Red Cross said it sent 10 ambulances to the port of the northern city of Tripoli in case there were casualties.

Prime Minister Najib Mikati's office said the boat capsized shortly after leaving the northern coastal town of Qalamoun near Tripoli, Lebanon's second largest city.

Mikati's office said the Lebanese army and authorities were on high alert following the case.

An AFP correspondent in northern Lebanon said the army had closed off the port, allowing entry only to ambulances which were zipping in and out.

Families of some of the passengers started gathering to check on their loved ones but they too were denied access.

The fate of the passengers was not immediately clear.

For many years Lebanon was a country that took in refugees, but since the country's economic meltdown began in October 2019, thousands of people have left on boats heading to Europe.

Lebanon, a small Mediterranean nation of 6 million people, including 1 million Syrian refugees, is in the grip of the worst economic crisis in the country's modern history. The economic meltdown has put more three-quarters of the country's population into poverty.

The UN refugee agency says at least 1,570 people, 186 of them Lebanese, left or tried to leave illegally by sea from Lebanon between January and November 2021.

Most were hoping to reach European Union member Cyprus, an island 175 kilometers (110 miles) away.

This is up from 270 passengers, including 40 Lebanese, in 2019.

Most of those trying to leave Lebanon by sea are Syrian refugees, but Lebanese have increasingly joined their ranks.

*(With AFP and AP)*



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