

H/ADVISORS PANEL DISCUSSION 31 MAY 2023

How businesses can contribute to the region's energy transition plans, and how COP28 can accelerate sustainable change

This event was hosted at the Museum of the Future, a fitting venue for the ambitions of the UAE's energy transition plans.

Majid Jafar (CEO of Crescent Petroleum "CP") set the tone for the morning in his keynote speech with sharply defined examples of the possible changes that businesses can make and lead the way for sustainable change.

He touched on the theme that energy (and human impact) has often been noted as having a negative impact on the environment but reiterated the reality that affordable and secure energy supplies have been the catalyst for humans flourishing over the last century. Noting the 17 goals set for the sustainability of humanity by the United Nations ("UN"), he highlighted the key importance of access to energy. 900 million people live without any electricity at all, and 3 billion people do not have access to clean cooking solutions; using wood and dung to cook. Apart from the resultant emissions of this, the World Health Organisation has reported that this has killed more people over the last 4 years than Covid-19 has. These factors need to be recognised when tackling world climate change initiatives and the ambitions the Paris Convention and the world needs to achieve balance among affordability, availability, and accessibility of energy.

Jafar highlighted that the critical importance of oil and gas replacing fossil fuels for energy production noting that CP has been able to avoid more than 5 million tons of carbon dioxide per year (a higher number than contributed by all Tesla cars globally). Oil and gas will enable the sustainable mix for production and utilisation of renewables (especially noting that the energy from renewables cannot be stored meaningfully).

As a pertinent example of the changes that businesses can make to contribute to change, CP has reduced its flaring and emissions to nearly zero over the past several years and the remainder has been offset by purchasing UN-certified carbon credits, which (for example) were used to support renewable energy wind projects in China and Mongolia replacing the need of coal for power to achieve whereby CP was able to achieve a goal of net-zero emissions during October 2021 and that goal has been maintained to date.

The panel discussion then sought to explore the vital role of businesses in supporting energy transition plans and the potential for COP28 to drive sustainable change. Distinguished experts from various sectors gathered to share insights, experiences, and strategies to address the challenges and seize the opportunities associated with this transition.

Several themes emerged throughout the discussion. Firstly, the importance of collaboration between businesses, governments, financial institutions, and civil society was highlighted as a critical factor in achieving successful energy transitions. Panellists emphasized the need for public-private partnerships to facilitate knowledge exchange, technology transfer, and financial support, ultimately accelerating the transition towards a low-carbon economy.

In conclusion, the panel discussion underscored the essential role of businesses in contributing to the region's bold energy transition plans. Through collaboration, innovation, and sustainability-focused strategies, businesses can drive meaningful change and create a pathway towards a more sustainable future. COP28 was identified as a significant opportunity to galvanize collective action and accelerate progress towards global climate goals. It is imperative for businesses to actively engage in COP28 and demonstrate their commitment to shaping a sustainable and resilient future for the world.

Al Tamimi & Co has a proven track record assisting clients with all types of energy and climate change related projects. Please get in touch with us if your business would also like to make a change.

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