

London IE Week

Middle East Energy Series 2023

WORKSHOP | ROUNDTABLES | BREAKFAST BRIEFING | MEDIA HUB

Feb 28th - March 1st, 2023 | United Kingdom



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INTERNATIONAL ENERGY WEEK 2023

The Gulf Intelligence Middle East Sessions

Feb 28th, 2023 | Intercontinental Hotel Park Lane London

Formerly known as IP Week, International Energy Week is the place where oil and gas industry leaders will be joined by senior officials and influencers from the wider energy world, as well as government representatives, environmental NGOs, and scientists and academics, to assess the technologies, business models, and skills needed for a net zero future.

Conferences and round-table discussions provide a platform where delegates can debate key issues, share new ideas and insights, and network to form new partnerships.



H.E. Suhail Al Mazrouei, Minister of Energy & Industry, United Arab Emirates in conversation with Steve Sedgwick of CNBC at the beginning of his term as President of the OPEC Conference 2018



H.E. Tarek El Molla, Minister of Petroleum & Mineral Resources, providing the Summit Ministerial Keynote Lecture – Egypt's Role in 2018 as a Regional Centre for Energy and Oil Trade



GI Breakfast Briefing

“East-of-Suez: Global Energy Markets Outlook 2023?”
 7:45am-8.15am (UK)



Middle East Energy Industry Roundtable

“Maximum Energy Minimum Emissions: How is the Middle East Oil & Gas Industry Embracing the Energy Transition?”
 11am-12.30pm (UK)



The 5th Middle East Energy Markets IE WEEK Breakfast Workshop 2023



March 1st, 2023 | 8am - 10am (UK) | The Biltmore Mayfair, London

EAST OF SUEZ NEW FLOWS: Impact vs. Opportunities?

Benchmarks provide a critical touchpoint of stability amid the waves of volatility that oil stakeholders face daily; a dynamic that is magnified in the current environment. Energy security is firmly at the top of the global priority list as governments grapple with the domino effect of the Russia-Ukraine war, rising inflation, and the global climate agenda. This makes preserving the integrity of existing benchmarks paramount, delegates stressed. Sustaining confidence in core benchmarks in the Middle East and beyond is critical to helping buoy liquidity, for one, even if market stakeholders believe structural elements can be enhanced. 'Nice to have' benchmarks currently refer to the next generation of benchmarks, such as early work on benchmarks for the burgeoning hydrogen market and voluntary carbon pricing systems. These are not critical to supporting and preserving energy security right now – a growing global concern – but they will be instrumental in supporting the Middle East's plan to continue diversifying its energy basket.

Another factor for oil markets to consider is that world trade is expected to lose momentum in the second half of 2022 and remain subdued in 2023 as multiple shocks weigh on the global economy, further impacting dynamics across oil markets. Global merchandise trade volumes will grow by 3.5% in 2022 and by 1% in 2023, which is down sharply from the previous estimate of 3.4% for next year.¹

Valuable exploration

Conversations about how to elevate the quality and effectiveness of existing benchmarks in the Middle East and beyond is good practice; reviewing and updating these critical elements when necessary helps curate a healthy oil ecosystem, both East and West of Suez. That is not to say changes should be made regularly, however, for this feeds confusion and instability into an already unpredictable commodity market. Extremely careful consideration must underpin any change, but open discussions about what those could / will be is welcomed.

In this vein, benchmarks must support two cornerstones of the traded oil market: liquidity and risk management. These are instrumental to bolstering confidence, especially in relatively new benchmarks. In turn, these must be underpinned by strength in legal and compliance, especially as two large oil

producing nations in the East-West vicinity, Russia and Iran, are now sanctioned. Overall, the strength of these four points must be reinforced in existing benchmarks before the market embarks on establishing new ones, with some delegates flagging the risk that new benchmarks in today's turbulent landscape could further reduce coveted liquidity.

Crisscrossing lanes

Russian crude oil is going to Asia and the Middle East, while refined fuel produced in these regions is flowing to West as global trade is disrupted by sanctions placed by the world's biggest economies on Russia, the world's third largest oil producer. Russian crude oil imports into the EU and UK fell to 1.7mn b/d in August from 2.6mn b/d in January² – a 35% decline so far – after Russia invaded Ukraine on February 24. More than 1mn b/d of US crude is expected to flow to Europe by year-end to help the continent plug its gap and shore up its energy security as some countries talk about power-saving schemes during the upcoming winter months.

In parallel, multiple factors are evolving in the Middle East's oil and gas industry, providing springboards for positive change, notably stronger transparency and liquidity. East of Suez oil and gas benchmarks have advanced in recent years, such as the IFAD Murban crude contract and the Platts JKM for liquified natural gas (LNG). Support for the Middle East to have its own independent oil products benchmark to better serve the East of Suez markets into Asia and Africa is building too. This would help facilitate the development of a healthy derivatives market and improve access to fuels from all over the world. Oil products stored and traded out of the UAE's Port of Fujairah, the world's third largest bunkering hub, are done via the Singapore swap – arguably a weak reflection of regional dynamics.

Looking ahead, how well can existing Middle Eastern oil benchmarks absorb all these market shocks and changes in flows? And importantly, what can be done to support the ecosystem of benchmarks for crude oil and products in this rapidly changing landscape? We explore the answers to these loaded questions in this Special Report, concluding with Top Takeaways from delegates for market stakeholders to digest and perhaps apply over the coming year, ever strengthening the region's oil ecosystem.



Daily Energy Markets



“Podcast Commentators”

IEWEEK Roundtable Lunch 2023

March 1st, 2023 | 12.30pm - 2.30pm (UK) | The Biltmore Mayfair, London

“What will Determine Direction of Oil & Gas Markets in 2023?”

The East of Suez Bunker Lunch is an opportunity to convene Middle East and Asian bunker market stakeholders who are in London for IE WEEK 2023 to enjoy a quiet moment of networking and knowledge exchange on topics of common interest. The intimate invite-only Roundtable lunch will be held within short walking distance of all the business hotels at The Baltimore Mayfair.

The last time we all gathered in London for what was then called IPWEEK, IMO 2020 was the dominant narrative dominating all discussions amongst Bunker traders and shippers, and now 3 years later that conversation has moved on to decarbonization, and how the shipping industry is facing up to \$14 billion in extra costs with the demands of adopting lower carbon fuels.

The imperative to decarbonize the global shipping industry is clear and present, however, many of the world’s largest importers and exporters are insufficiently informed about the full implications of the forthcoming new emissions regulations and the billions of dollars that will be added to freight costs in the future. Pressure to decarbonize and reduce emissions of greenhouse gases (GHG) is growing in all sectors. In shipping, the International Maritime Organization’s target to reduce GHG emissions by 50% by 2050 (from a 2008 baseline) will be complemented by regional and national regulations.

Besides regulatory changes resulting from decarbonization policies, emissions limits and related taxes, there will be enormous technological change in the design of ships and their propulsion systems, with a transition to engines powered by low or zero carbon fuels. The European Union will be the first region to enforce ‘carbon taxes’ in shipping via its Emission Trading System, which will penalize users of high-carbon fuels such as conventional fossil fuels and apply not only to shipments within Europe, but also to all shipments to and from Europe.

As shipowners look to comply with tighter environmental rules, several ‘candidate’ green fuels are being considered, and they will have different implications and costs for shipping lines and for shippers. Drewry experts have consulted ocean carriers and representatives of shippers and industry associations. This has enabled Drewry to design a new Carbon Tax and New Fuel Forecasts tool, which provides forecasts based on the ‘most likely’ regulations, using 3 scenarios of future carbon taxes, and using 3 ‘most likely’ new green fuel types (Liquefied Natural Gas, green methanol and green ammonia).



The 6th Middle East Energy Industry Leadership Roundtable Dinner

March 1st, 2023 | 7.30pm - 9.30pm (UK) | The Biltmore Mayfair, London

“OUTLOOK 2023 – IEWEEK”



Gulf Intelligence is the leading strategic consulting group in the Middle East focused exclusively on the full value chain of the regional energy industry, facilitating knowledge exchange and networking across the sector's C-suite of decision makers. The Dubai-based firm uses 13+ years of operational experience in the Gulf to offer trusted, fully compliant, and strategic advisory services to all energy industry stakeholders: upstream - midstream - downstream. Through its three divisions, GI provides expert intelligence and curated assistance to international clients and national stakeholders seeking to expand their global engagement.

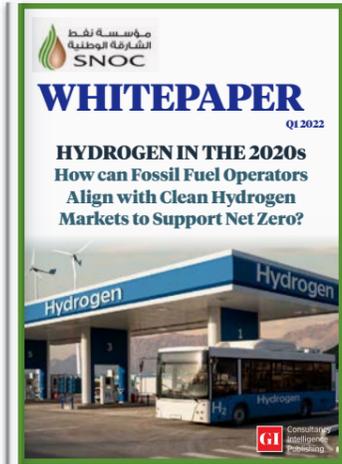


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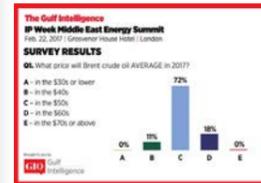


Gulf Intelligence (GI) is the leading strategic consulting group in the Middle East focused on the international energy & natural resources industry. The Dubai-based firm uses more than 10 years of operational experience in the region to offer trusted, fully compliant, and strategic advice. The GI consultancy provides expert and hands-on assistance to international clients looking for opportunities or seeking solutions in the Arab Gulf, as well as supporting national energy stakeholders expand their global engagement.

Publications



Harvesting knowledge from result-oriented events – Intelligence from the discussions are captured in editorial format and published in Special Reports & Whitepapers:



Surveys conducted during the event are used to harvest intelligence in the form of White Papers & Special Reports