

Energy Transition



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INTELLIGENCE BRIEFING

ISSUE 79, TUESDAY, MARCH 28th

SCROLL DOWN

SUSTAINABILITY **ESG** **CLIMATE CHANGE** **PODCAST** **SOUNDINGS**

Governance: The Role of ESG in Expanding Industry Sustainability?

Essam Al Sheibany

Group Vice President – Sustainability
Asyad Group

Companies can influence the governance up and down the value chain

ESG is becoming an important tool in multiple ways, including for financing. But it's not just a tool, it's a complete framework that outlines how a company should think about transforming into this new era and to new developments. This is of particular importance if you look at the European Union and their decarbonization initiatives. When people think about the E in ESG, decarbonization immediately comes to mind. But when they start to think about the G part, its definition sometimes gets misinterpreted in terms of regulation. Some organizations may think of G as merely complying with local legislation or having a plan in place to drive the business forward, which is not what the governance part of ESG actually involves. Companies, especially multinationals, have the ability to create a cascade effect and impact the governance of the entire value chain in which they participate. What large companies can say to newcomers is, for example, "hey, if you want to work with us, you need to have an ESG framework in place."



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Essam Al Sheibany

Group Vice President – Sustainability
Asyad Group

Working at the international level adds another layer of consideration

Establishing an entire ecosystem that contains good governance structures can't be done in a silo, but rather needs to be a collaborative undertaking that involves various stakeholders. Recently, the Oman Investment Authority established a new set of regulations to establish long-term governance structures when it comes to working in tandem with international organizations through corporate partnerships. The partnerships themselves, which by their very nature involve multiple organizations that may have different structures in place, also need to have proper governance. When two entities enter into a partnership, they will both be audited through Oman or at the international level. And when you work at the international level, this additional element means that the organization needs to adopt international practices through active discussions, meetings, and the governance sector at large.

Asyad has a 4-layered approach to evaluating its governance structure

In my work, I've seen common standards emerge due to the international level of our operations. Without common standards, we wouldn't be able to manage. We have an established board with a lot of authority and when Asyad is the shareholder party in other companies, what we see is an operational cascade that can flow from one company to another. Asyad itself has a 4-layered governance structure. The first involves a self-assessment on our governance. The second is an internal audit that is accountable to an independent audit committee and board of directors. Third, we are independently audited from an outside organization, whether on an annual basis or on a case-by-case basis. Our fourth element, which I consider fairly unique, is a third-party audit where we get an ESG rating or ranking. For this particular audit, we open ourselves up to international scrutiny that evaluates how we are doing on E, on S, and on G. All of these activities maintain our transparency.

Source: Mashreq Sustainable Finance Dialogues - podcast series



Series Supported By:



PODCAST

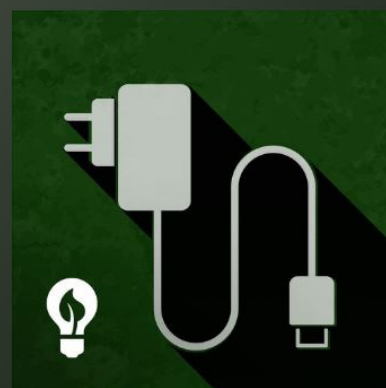
A Sustainable Future: Tim Gould, IEA Chief Energy Economist, on Peak Fossil Fuel Demand



A Sustainable Future: Tim Gould, IEA Chief Energy Economist, on Peak Fossil Fuel Demand

Man Group

13 days ago



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After the energy crisis, what comes next? Listen to Jason Mitchell discuss with Tim Gould, IEA Chief Energy Economist, the IEA's latest World Energy Outlook report, the implications of the energy crisis, and policymakers' efforts to balance decarbonisation, energy security and price affordability.

Tim Gould is the International Energy Agency's Chief Energy Economist. He provides strategic advice on energy economics across a wide range of IEA activities and analysis. Tim, is also Head of the Division for Energy Supply and Investment Outlooks, in which capacity he co-leads the World Energy Outlook, the IEA's flagship publication, and oversees the Agency's work on investment and finance, including the World Energy Investment report. Tim joined the IEA in 2008, initially as a specialist on Russian and Caspian energy, and in recent years has designed and directed the World Energy Outlook together with the IEA's Chief Energy Modeller. Prior to joining the IEA, Mr Gould was Senior Advisor to the Secretary General of the Energy Charter and has ten years of experience in Eastern Europe, primarily in Ukraine.

Source: Jason Mitchell, THE MAN GROUP

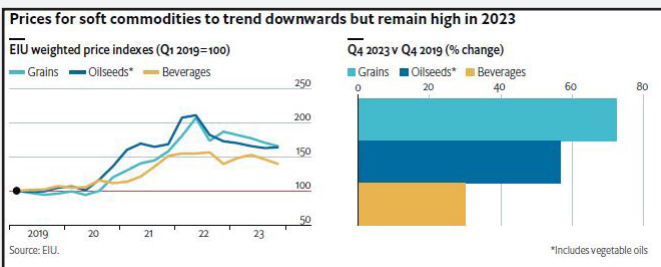
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INSIGHTS

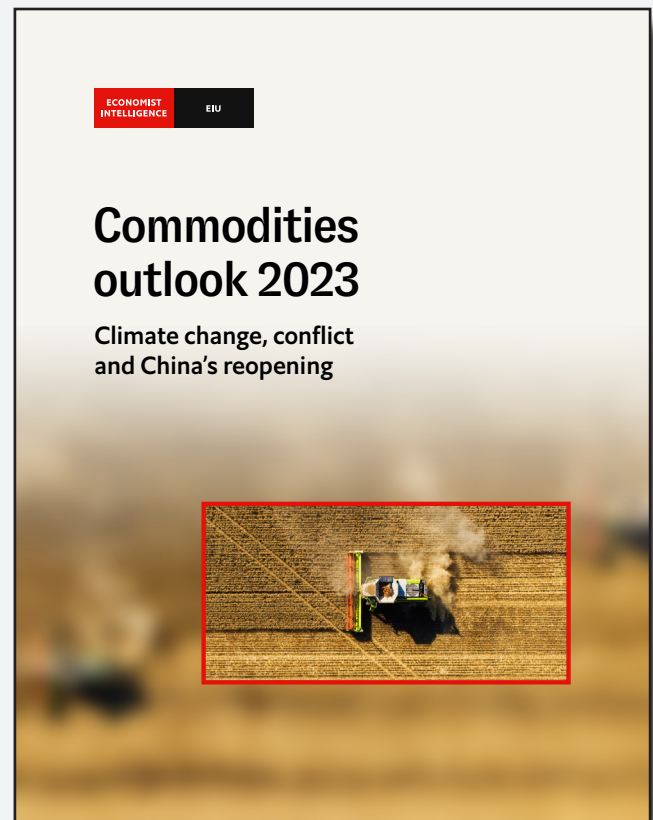
Commodities Outlook 2023 Climate Change, Conflict & China's reopening

EIU expects most commodity prices, especially softs, to recede in 2023 in the face of slowing demand globally, but an only limited increase in supply means that prices will remain high in level terms. Prices of energy commodities, most base metals and several agricultural commodities surged in 2021, and then again after the onset of the war in Ukraine in February 2022. Although commodities prices will not fuel global inflation in 2023 as they did in 2021-22, upside risks to our baseline price forecasts are increasing and largely centre on China, climate change and continued conflict in Ukraine.



War in Ukraine will still affect agricultural commodities markets in 2023

Global supply-chain disruptions stemming from the covid-19 pandemic will subside in 2023. Along with increasing production volumes of agricultural commodities, this will cause a drop of 9% in our food, feedstuffs and beverages index this year. Prices of grains have eased significantly from their recent highs, but their direction in the coming months will continue to be influenced by events in the Black Sea region, in particular by any further extensions of an



agreement that allows Ukrainian wheat exports to transit via Black Sea shipping corridors despite the Russian blockade of Ukrainian ports. Black Sea developments will also have an impact on oilseeds and vegetable oil prices, which are set to reach a trough at the end of 2023. The war will also have an indirect impact on coffee, cocoa and tea prices through high fertiliser prices and resulting shortages.

Source: Economist Intelligence Commodities Outlook 2023

[READ THE FULL REPORT HERE](#)

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WEEKLY SOUNDING

EUROPE ECONOMY

"I think Europe has a chance to maintain its competitiveness and could benefit greatly from investing into improved efficiency - using less energy while still producing the same amount of goods. They are investing in more oil and gas access from the US, although it comes at a premium. The high prices are pushing them into investing in alternative local clean energy sources, and CCS."

Henning Gloystein

Director - Energy, Climate & Resources
Eurasia Group

[WATCH FULL INTERVIEW HERE](#)

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OMAN INDUSTRY ESG WHITEPAPER



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