



**Organization of Arab Petroleum Exporting Countries
(OAPEC)**

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Group of Experts on Gas

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Keynote Address



H.E. Mr. Abbas A. Al-Naqi

Secretary General

OAPEC

United Nations, Geneva, Switzerland



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**“The Leading Role of Arab Countries in the Gas Market and
Its contribution to the Sustainable Development Goals”**

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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Mr. Scott Foster, Director of Sustainable Energy Division,

**Mr. Francisco de la Flor Garcia, Chair of Group of Experts
on Gas,**

Mr. Branko Milicivec,

Excellencies,

Ladies and Gentlemen,

Distinguished Delegates and Participants,

Good Morning,

First of all, I would like to extend my deep and sincere appreciation to **Mr. Scott Foster**, Director of Sustainable Energy Division and **Mr. Francisco de la Flor Garcia**, Chair of Group of Experts on Gas, for the kind invitation to me to participate in the **Sixth Session** of the group of experts on gas and to address



once again this distinguished gathering. Such dialogue platform is very significant to oversee the crucial role of natural gas in achieving the sustainable development goals, and also to propose effective solutions to overcome potential barriers and create opportunities for a sustainable energy future.

Excellencies, Ladies and Gentlemen,

Since many decades, OAPEC member countries have taken a vital role in the global energy markets as a secure, reliable and sustainable source of oil & gas supplies, thanks to vast hydrocarbon resources existing in the OAPEC region. Such role has supported the pursuit of economic growth and prosperity in many countries.

The main indicators of oil & gas sector in OAPEC member countries highlight their ranking place in the global energy market and emphasize that they will continue to play an effective role for many decades to come. The proven oil reserves in OAPEC member countries are estimated to be about **705** billion barrels, representing **49%** of the world's total proven oil reserves. While proven gas reserves are estimated to be about **53** trillion cubic meters, representing about **27%** of the world's total proven gas reserves.



With regard to the supply side, OAPEC member countries represented about **29%** of the world's total Oil/NGLs production in 2018.

Excellencies, Ladies and Gentlemen,

Gas demand in the Arab countries has increased significantly over the past decades at an annual growth rate of 6%. Gas represented 51% of the total primary energy consumption in 2017 compared to 44% in 1990.

The big reliance placed on gas, as a cleaner and affordable energy source, makes it the fuel of choice in many sectors, particularly the industry and electricity sectors. As consequences, gas played an effective role in achieving many benefits that are aligned with Goal-7 of the Sustainable Development Goals (which refers to increase access to affordable, reliable, sustainable and modern energy for all, to accelerate the uptake of renewable energy, and to improve energy efficiency of the electricity system). In the Arab region, population access to electricity has become close to universal, since it reached 93%, higher than the global rate of 87%.

Gas penetration in the electricity sector through the introduction of modern gas-fired power plants effectively reduced the environmental impacts. In addition, it improved the efficiency of the



overall electricity system from 31% to 36%, resulting in big fuel savings.

Gas production increased over the past four decades at an annual growth rate of 6.7% to reach some 590 billion cubic meters in 2017 compared to 52 billion cubic meters in 1980. These gas production levels were high enough to meet the growing gas demand in the local markets and support investing in gas export projects.

Ladies and Gentlemen,

The contribution of Oil & Gas sector to the economic growth was large in the Arab countries and created tens of thousands of direct and indirect job opportunities. Meanwhile, the sector revenues contributed to increase the government's expenditures on the health, education and social development sectors. Thus, gas is linked to the sustainable development goal-8 (SDG-8) aiming at promoting the sustainable development growth.

In 2018, Arab countries exported around 105 million tons of LNG to the global LNG markets. As for Europe, Arab countries exported around 30 million tons, representing around 60% of the European market's needs. While for Asia, total Arab LNG exports reached 68 million tons, representing around 28% of Asian market's needs.



As for gas export via pipelines, it started at the beginning of 1980s from Algeria to Italy through its first transcontinental export pipeline. Further pipeline projects came onstream to export addition volumes from Algeria and Libya to the European markets. In 2017, Arab gas exports accounted for 16% of the European extra-regional gas imports by pipelines. By far, Arab region is the second largest source of gas supplies to Europe after Russia Federation.

This leads us to conclude that “**Arab region**” has played a global effective role over many decades to provide an efficient, affordable and cleaner energy source to different regions, and thus supported their endeavors towards achieving the sustainable development goal-7 (SDG-7) of the UN.

Excellencies, Ladies and Gentlemen,

We believe that natural gas is “well positioned” among other energy sources to play a broader role in the world's future energy system, due to its availability in various regions of the world, higher efficiency and lower environmental impacts.

In the Arab region, gas is a key pillar of the energy system and a major contributor to attain the sustainable development goals (in particular sustainable development goal:7). Its role is



extended to be a key part, not only in the energy transition phase, but also in the sustainable energy future.

Therefore, Arab countries are keen to continue developing the gas sector in both upstream and downstream sides, on one hand, to satisfy the growing local gas demand. On the other hand, to strengthen their position as a key supplier of gas and LNG to the global markets. To meet such goal, the total committed gas investment in the MENA region in the period 2018-2022 is estimated at \$106 billion according to most recent data published by APICORP (One of OAPEC Joint ventures).

In conclusion, Arab countries will continue to provide an efficient, affordable, reliable and cleaner energy source to help other regions achieve the sustainable energy objectives.

Thank you for your kind attention and wishing all success to this meeting.