

Energy Impact Outlook & Solutions for GCC

Presented By

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Who is the Energy Institute?

- **Professional Institute** (UK - By Royal Charter):
 - Over 100 years old;
 - Non-profit organisation (mainly by members – voluntary basis);
 - Branches World-wide (incl. Middle East).
- **Setting Standards & Best Practice:**
 - Oil & Gas;
 - Energy Utilisation & Power Generation;
 - Industry & Energy Management.
- **Professional Standards for Individuals:**
 - Chartered Status (CEng., CEnv., CSci., IEng., EngTech., etc...);
 - Continuous Professional Development;
 - Accreditation of University Degrees.

Introduction

- Energy Outlook to 2035
- GCC Overview
- Progress & Challenges
- Solutions
- Questions

Global Energy Outlook to 2035

- Energy Mix:
 - Global Energy Demand increases by a third;
 - 40% of growth from Nuclear & Renewables;
 - Fossil Fuels share decreases (82% to 76%).
- Key Growth Areas:
 - 90% growth Emerging Markets (China largest oil importer);
 - Middle East becomes major energy consumer
2nd Gas (2020), 3rd Oil (2030) in world;
 - USA - Almost all Energy from domestic resources.

Growth Areas to 2035

- Oil Resources:

- Technology unlocks resources & recovery;
- Increase: Brazil Deepwater & US Light Tight Oil;
- Growth: Iraq, Brazil, Canada & Kazakhstan
- USA world largest oil producer (to 2035) .

- Renewables;

- Power from Renewables rises (20% to 31%);
- Biggest increase in China (more than USA, EU & Japan combined);
- Bio-fuels increase by 3-fold (to 4.1 mboe/day) .

Oil & Gas Outlook to 2035

- Oil Market:

- Oil demand increases (89 mb/d to 101 mb/d) ;
- Crude Oil share reduces (80% to 66%) ;
- Crude Oil prices dip (~ \$90/b), then recover (~\$100/b by 2020).

- Gas Market:

- Globalisation of Market (new sources & new pipeline distribution networks);
- Demand rises by 50%, potential over-supply;
- Significant drop in Gas prices.

GCC Overview

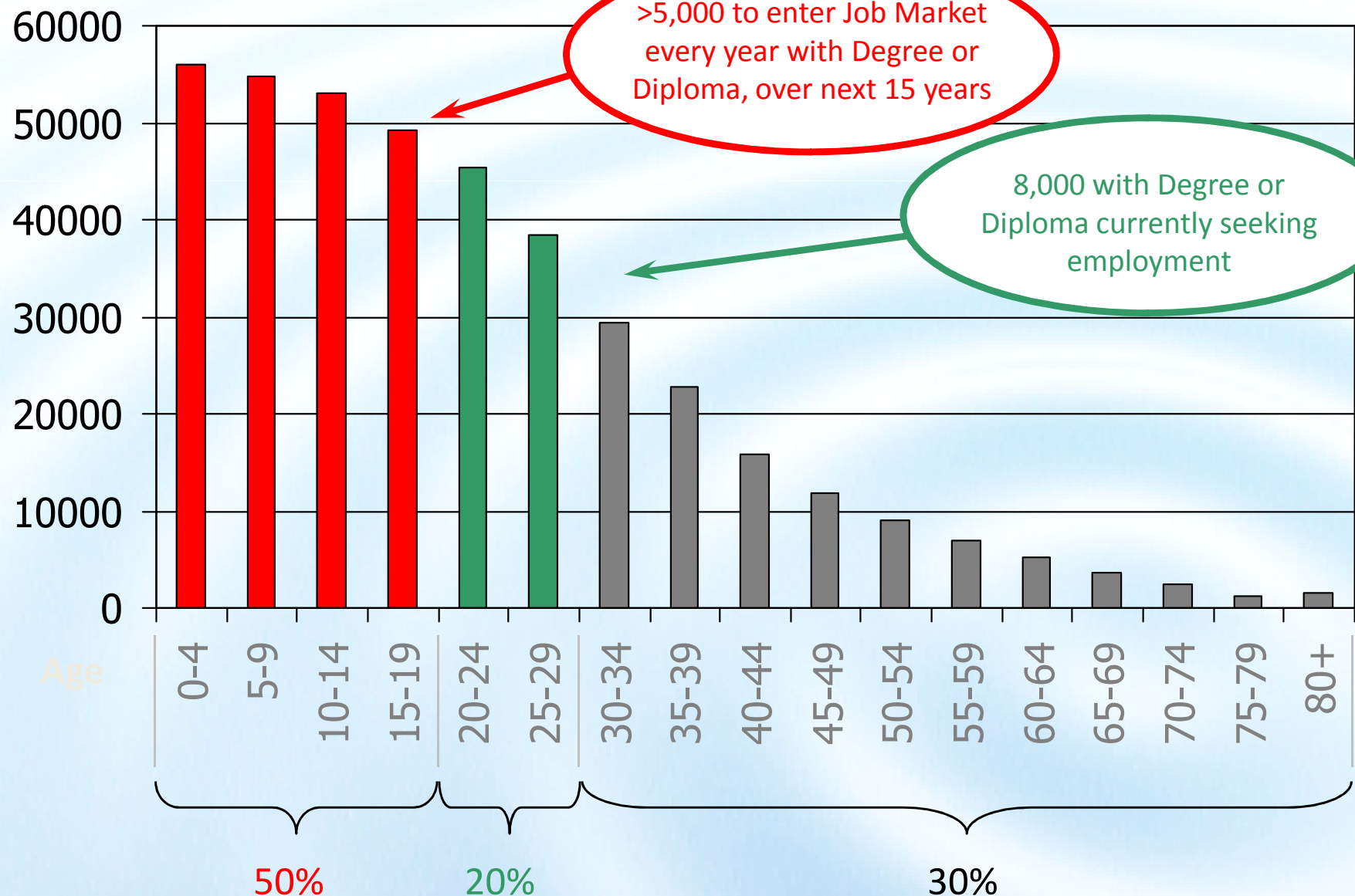
- Impact on GCC:
 - Stagnant Crude Oil Market;
 - Steady Oil & Gas Revenues for short / mid-term future;
 - Growth to come from other Industries.
- Other GCC Issues:
 - High GCC population growth;
 - High unemployment for GCC Nationals;
 - More influx of experienced professionals (from ME countries – Arab Spring etc...).

Current Progress (UAE)

- Diversification:
 - Tourism;
 - Manufacturing Industries;
 - Specialist Areas (Free Zones: Health, IT, Media etc...).
- Education:
 - Development of good schools systems;
 - High quality Universities;
 - International Universities & Colleges
(Sorbonne, Heriott Watt, NYU, etc...).

Abu Dhabi Demographics

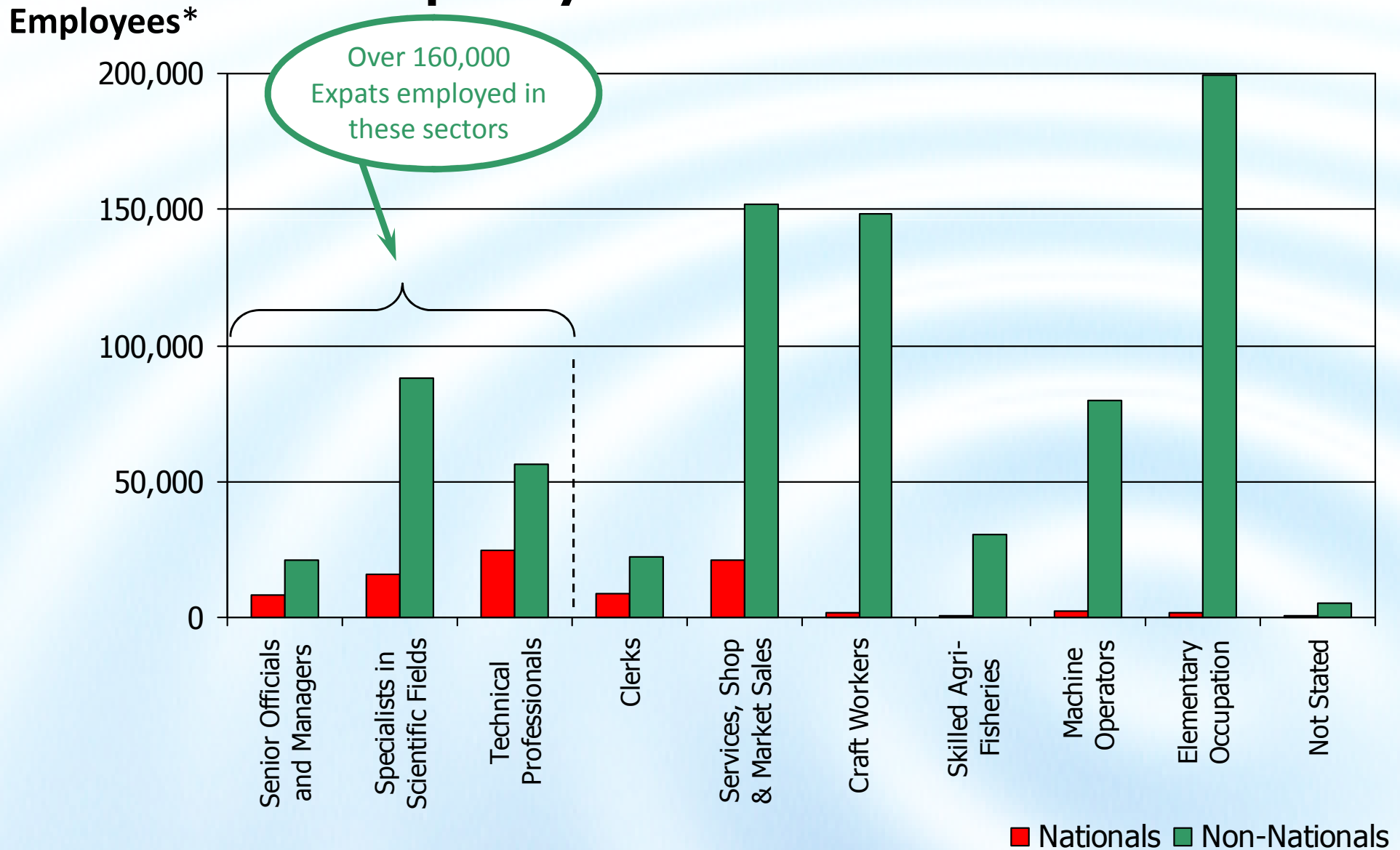
Population*



New Challenges Ahead

- Public Sector:
 - Limited job openings.
- Private Sector:
 - Want qualified & experienced professionals;
 - Competitive Market (cost driven);
 - Little or no budgets for training;
 - 'Interns' work for free (or very low cost).
 - Quota System;
 - Treated as a 'Tax' for doing business;
 - 'Maximum No. of Nationals vs. Cost';
 - Does not develop skills or experience.

Employment Sectors



The Solution

- Implement 'Structured Career Plans':
 - On-the-job Graduate Training Programme;
 - Typically 3-5 years (incl. Training & Monitoring);
 - Continuous Coaching & Mentoring;
 - Setting & Meeting Targets.
- Professional Certifications:
 - Internationally recognised standards;
 - Builds confidence (individual, employer & nation);

Benefits

- Attain skilled & experienced professionals;
- Reduced unemployment;
- Ability to replace Expats (public & private sectors);
- Support diversification;
- Lead drive for GCC growth;
- Ready for future GCC challenges.

Questions ?

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