Energy Impact
Outlook & Solutions for GCC

Presented By

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Notice

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.

Data Source: International Energy Agency

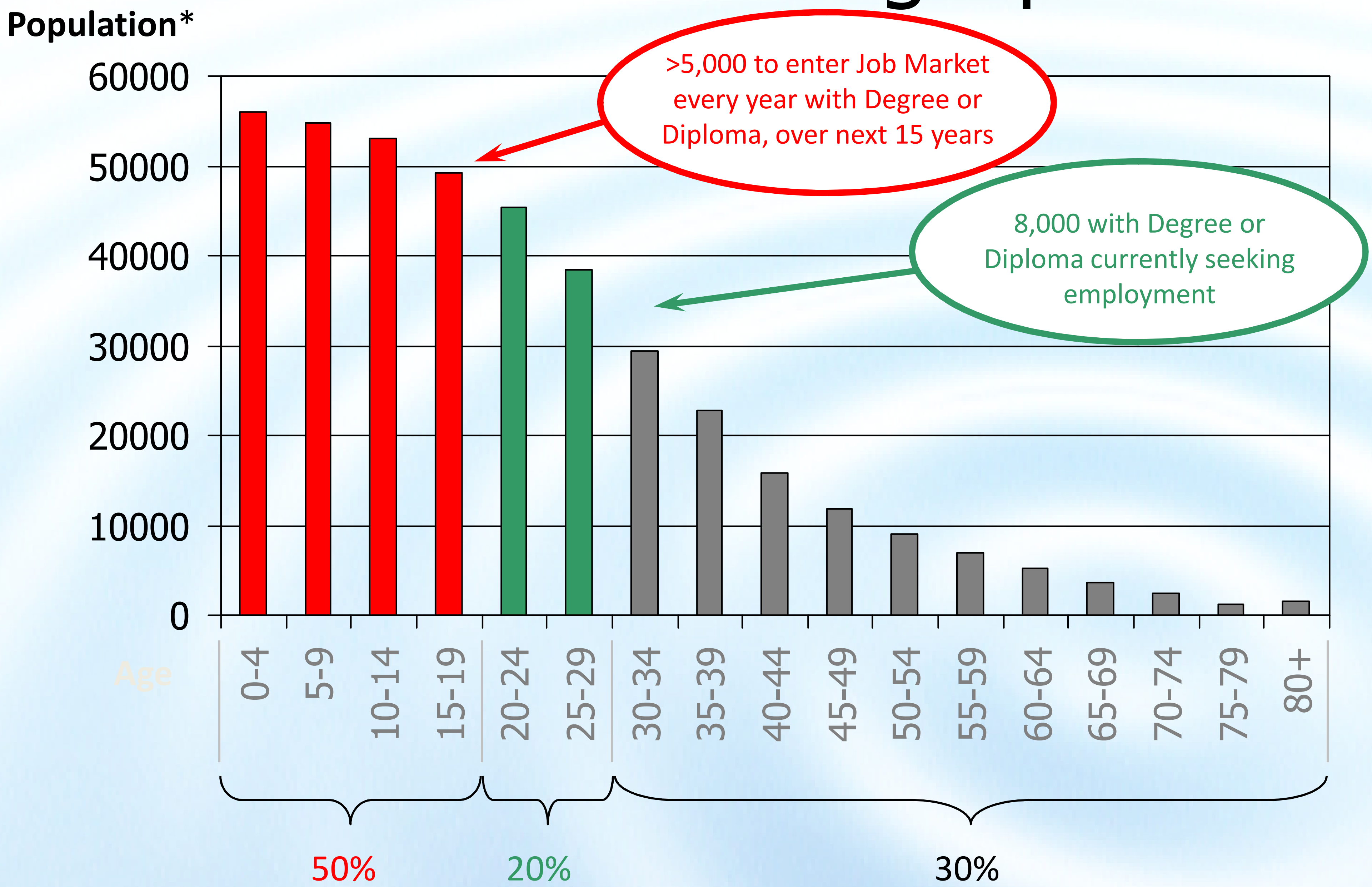
GCC Overview

- 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



Source: SCAD * Population of Abu Dhabi

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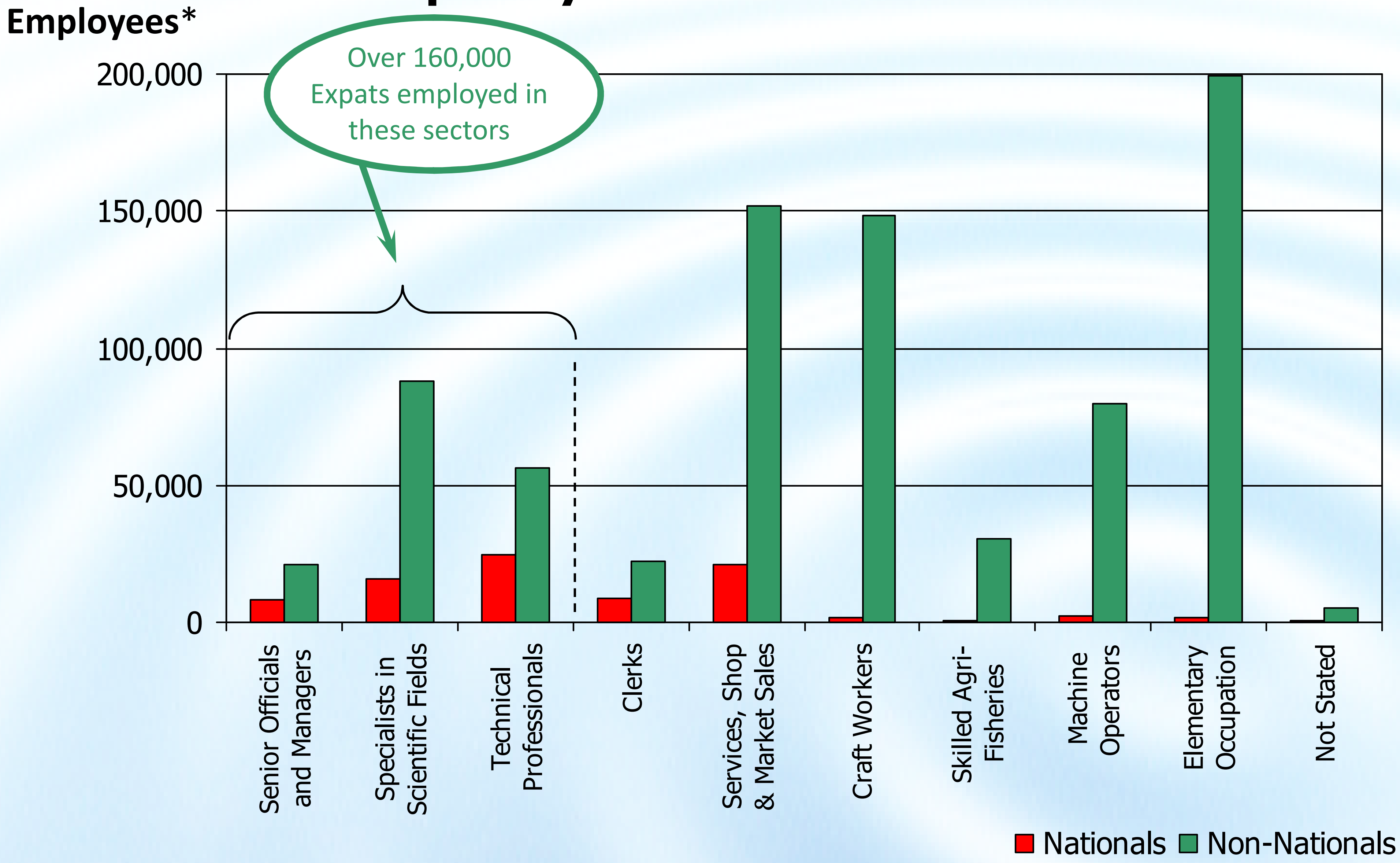
New Challenges Ahead

- 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



Source: SCAD * Within Abu Dhabi

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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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