

Europe gas storage concerns fuel market uncertainty

European gas storage % full

source: GIE AGSI



The gas held in storage covers about 30% of the EU's daily needs during the winter, rising to 50% on the chilliest days

The relatively low amount of gas in storage in the European Union – with levels 36% below where they were this time last year – is putting upward pressure on prices, according to the International Energy Agency.

Europe's stockpiles of natural gas have been a closely watched metric since the invasion of Ukraine triggered a dramatic downturn in Russian supply to the region.

The network of gas storage sites across the European Union is the second largest in the world after the US and has become an increasingly important buffer against supply shocks and price spikes.

As Moscow squeezed the flow of pipeline gas, the EU had managed to avoid a winter supply crunch by curtailing overall gas demand and boosting its imports of liquefied natural gas. But 2025 could up the pressure.

Europe leans on its gas inventories in the winter, when

average consumption doubles as the heating is turned up. While the continent's gas suppliers – from Norway and Algeria to Qatar and the US – typically boost their production to maximum levels, it's not enough to meet the increased demand. As a result, the gas held in storage covers about 30% of the EU's daily needs during the winter. This proportion can top 50% on the chilliest days, especially if wind speeds are low and electricity output from renewable sources slumps.

The energy crisis sparked by Russia's invasion of Ukraine saw the EU introduce legally binding targets for gas storage across the bloc from 2022. This was to ensure security of supply.

Inventories must be at least 90% full by November 1 and there are also interim milestones to be met in February, May, July and September. Some countries fell short of their goals in February 2025.

The five-year agreement allowing Russian gas to transit through Ukraine and into Europe expired at the end of 2024. Prior to the deal coming to an end, the route had accounted for less than 5% of Europe's gas needs, down from more than 15% at the start of the accord.

Moscow didn't completely turn off the taps to the region; Russian pipeline gas is still flowing via the TurkStream line through Turkiye.

If US President Donald Trump succeeds in brokering a peace deal between Russia and Ukraine, there's a possibility that the transit agreement could be revived.

The EU's gas stockpiles quickly depleted over the 2024-25 heating season. Colder weather than a year earlier and more windless days increased demand for gas and forced countries to tap their storage.

Combined with the loss of Russian pipeline gas via Ukraine, the bloc's depots were only 44% full in mid-February, well below the 65% seen a year prior and the lowest level for this time of year since the 2022 energy crisis.

There's no immediate threat of Europe running out of gas, but there are concerns about the pace of storage refills needed to

be ready for the next winter.

Fears over how Europe will replenish its storage stoked a surge in the price of summer gas contracts and drove near-term prices to a two-year high on February 10. In turn, energy bills have remained elevated, prolonging pain for Europe's households and businesses, just as recession risks are back in focus for the likes of Germany and the UK.

European consumers and governments are now entering their fourth year of high and volatile gas prices.

If a peace deal is reached between Russia and Ukraine, it could revive the transit of gas via that route into Europe. Whether the EU would return to importing Russian pipeline gas remains to be seen.

It's unlikely the bloc would want to relinquish control of its energy security back to Moscow.

MPHC plans to invest QR2.5bn in capital expenditure over next five years



MPHC spent QR415mn in 2024 on maintenance, safety, and environmental projects, including its share in a new PVC plant (QR219mn last year)

Mesaieed Petrochemical Holding Company plans to invest QR2.5bn in capital expenditure over the next five years, Abdulla Yaaqob al-Hay, manager, Privatised Companies Affairs at QatarEnergy, said at the MPHC Annual General Assembly on Monday.

He said MPHC spent QR415mn in 2024 on maintenance, safety, and environmental projects, including its share in a new PVC plant (QR219mn last year).

The project is progressing as per the timetable for completion by second half of 2025, with a capacity of 350,000 tonnes per

year.

Furthermore, in the petrochemical segment, capital expenditure for this year focused on several key projects aimed at enhancing operational efficiency and sustainability, while upholding the best standards for HSE.

In addition to adding value for shareholders and attracting investment opportunities, the Group has signed a memorandum of understanding (MoU) with key stakeholders to develop a state-of-the-art salt production facility under QatarEnergy's TAWTEEN localisation programme.

This facility will produce industrial and food-grade salt, ensuring Qatar's self-sufficiency and supporting the local market. The Group is currently in the feasibility study phase and will announce progress in the future.

In 2024, MPHC maintained its excellent HSE record, receiving international certifications, improving process safety, and achieving 17 consecutive years without heat-stress incidents at some facilities.

MPHC, he said, remains committed to maintaining its position as a low-cost operator without compromising HSE standards.

In his opening remarks, Ahmad Saif al-Sulaiti, Chairman, MPHC said, "In 2024, uncertainty and oversupply challenges persisted, complicating margin evolution amid softened global demand. Energy and commodity prices decelerated as global supply was restored, easing supply chain bottlenecks and allowing producers to restart capacities. This added pressure on global markets and influenced price trajectories.

"Additionally, hawkish monetary policies to combat inflation led to high-interest rates, impacting global GDP, reducing consumer spending, and affecting demand for most commodities. Despite these hurdles, global downstream demand began to stabilise during the second half of the year."

He noted the supply and demand environment were impacted by several factors throughout the year. Notably, the global economic environment presented challenges, particularly in the first half of the year, which constrained consumer purchasing power and softened demand.

Despite challenging macroeconomic conditions, MPHC demonstrated resilience and agility, achieving commendable results throughout 2024, even with segmental shutdowns.

These turnarounds were essential to ensure the long-term reliability and efficiency of the assets, and maintaining the competitive edge in the market.

“Our dedication to HSE, product quality, and comprehensive employee safety remains unwavering, ensuring operational reliability in accordance with international standards,” al-Sulaiti said.

MPHC achieved a net profit of QR719mn in 2024 and recorded an earnings per share (EPS) of QR0.057.

Considering the current market projections in both the medium and short terms, as well as the company’s capital spending and operational programs, the Company’s Board of Directors proposed a second half 2024 dividend distribution of QR377mn, equivalent to QR0.03 per share.

This brings the annual dividend distribution to QR0.057 per share for the full year. This dividend represents a 100% net earnings payout ratio.

Shell dividend hike drives shares higher despite profit miss



By Arunima Kumar

(Reuters) -Shell reported a 16% drop in profit for 2024 on Thursday amid weakness in oil and gas prices and in demand, but shares rose after it raised its dividend by 4% and extended its share buyback programme.

The oil major also announced a \$3.5 billion buyback for the current quarter, making this the 13th consecutive quarter of at least \$3 billion of share repurchases.

Its shares gained over 2% even as the group reported that its 2024 adjusted earnings, its definition of net profit, fell to \$23.72 billion from \$28.25 billion in 2023, dented by narrower liquefied natural gas (LNG) trading margins, lower oil and gas

prices, and weaker refining margins.

That fell short of a \$24.64 billion consensus compiled by LSEG and \$24.11 billion forecast by analysts polled by Vara Research.

Shell, the first major energy company to report results, said fourth-quarter earnings nearly halved from the previous year to \$3.66 billion, also missing analysts' expectations.

"As expected, Shell reported 4Q results this morning which showed relatively soft earnings, but continued strong cash generation," RBC Capital Markets analyst Biraj Borkhataria said in a note, also highlighting the consistency with which the group has been returning cash to shareholders.

In his prepared remarks, CEO Wael Sawan said the share buybacks were "underpinned by the significant progress that we are making as an organisation."

Sawan has been focused on cutting costs and pivoting the company back to its most profitable sectors – oil, gas, and biofuels – while shifting away from renewable power.

"We achieved a (cost) reduction of \$3.1 billion by the end of 2024, one year ahead of our end-2025 target date, and above the range of \$2 to \$3 billion that we set in 2023," he said.

Shell's fourth-quarter earnings included \$2.2 billion in impairments, part of which was a \$1 billion write-off for a U.S. offshore wind project.

CF0 Sinead Gorman told reporters that the project did not align with company's capabilities or return goals, and Shell was looking to monetize it.

The world's leading oil and gas companies experienced a decline in profits through 2024, following record earnings in the previous two years, as energy prices stabilised and oil demand weakened.

Shell also expects 2025 capital expenditure to fall below last year's \$21 billion range, with more details to be shared at its capital markets day in March.

The group's refining operations reported an adjusted loss of \$229 million in the chemicals and products unit, compared to a \$29 million profit last year.

Refining margins weakened globally due to reduced economic activity and new refineries opening in Asia and Africa.

Executives said on a call with analysts that Shell had no plans to get out of refining altogether, but was not looking to expand there either.

The company is trying to sell its stake in a German refinery and intends to shut down a plant in Wesseling, Germany, following the sale of its Singapore refining and chemicals hub last year, one of the largest of its kind in the world.

In the fourth quarter, Shell ran its refineries at 76% capacity, and said it expected to increase that to 80-88% in the first quarter.

Shell also said it did not have a timeline for arbitration over LNG supply from Venture Global's Calcasieu Pass facility.

Venture Global, whose \$58 billion market debut fell short of high expectations last week, began generating proceeds in 2022 with its Calcasieu Pass facility.

However, delays in commercial operations have caused contract disputes with customers, including BP, Shell and Italy's Edison, over missed cargoes.

(Reporting by Arunima Kumar in Bengaluru; editing by Savio D'Souza, Jason Neely, Tomasz Janowski and Bernadette Baum)

Supertanker Rates on China Routes Double Since Sanctions



The cost to hire an oil supertanker on key routes to China has doubled since the US imposed sanctions on Russia, showing the extent to which the move has upended the global shipping market.

The sanctions have jolted a freight market that was, until recently, dealing with softer demand due to supply curbs, a tepid Chinese economy, and an easing of Middle East tensions. The number of confirmed journeys hasn't changed much, but the pool of available ships has shrunk rapidly, and there's intense competition on certain routes.

Daily rates for very-large crude carriers on the Middle East-

to-China route surged 112% to \$57,589 in the week through Friday, according to Baltic Exchange data, after Washington sanctioned nearly 160 tankers hauling Russian crude on Jan. 10. Those on the US Gulf-to-China journey jumped 102%, while West Africa-to-China saw an increase of 90%.

Major Chinese refiners have been rushing to buy crude from the Middle East, Africa and the Americas in recent days to make up for the loss of Russian oil. A VLCC from the US Gulf to China was hired for \$9.5 million last week, compared to a low-\$7 million range over the last couple of months, shipping fixtures show. Indian Oil Corp. is also snapping up up Middle Eastern barrels, adding to the pressure.

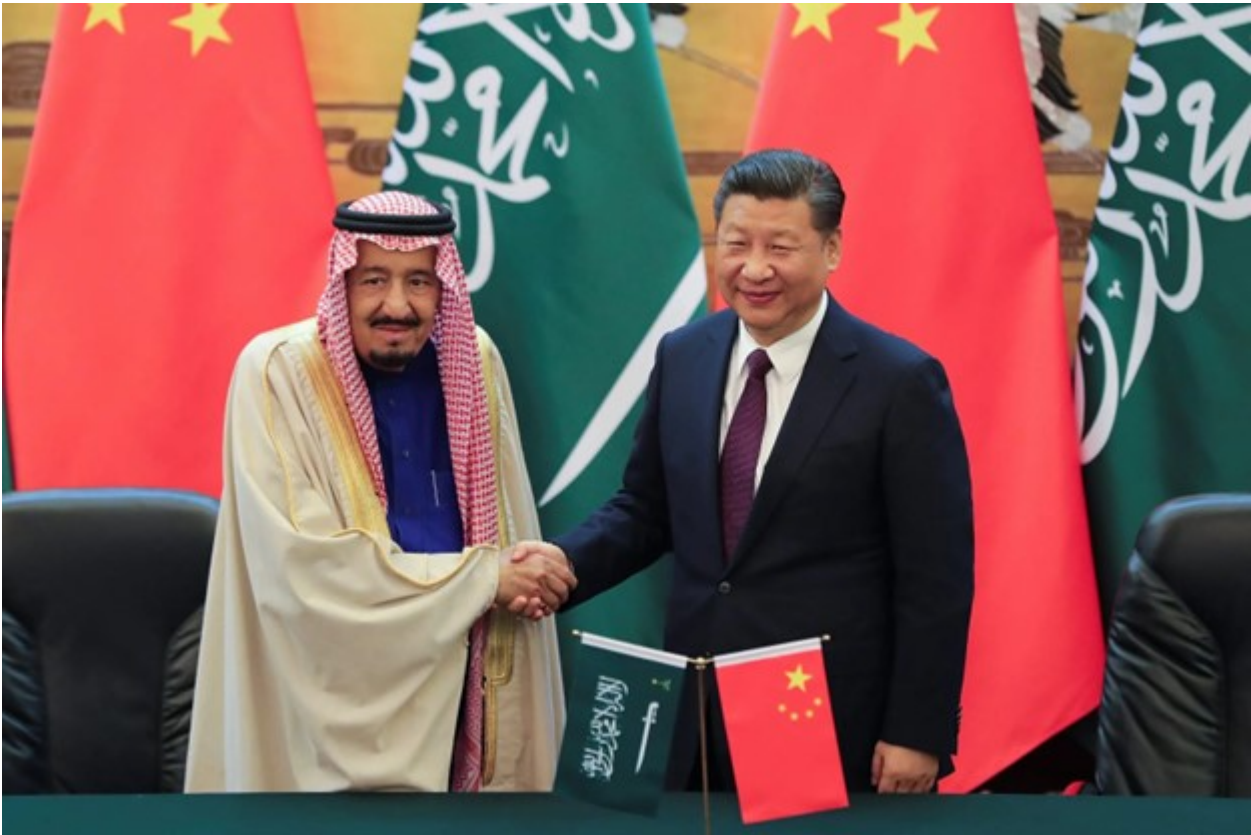
There's concern that tanker rates could remain elevated if President-elect Donald Trump, set to be sworn in later on Monday, takes a tougher line against Tehran.

"Rates could hold at these levels if Trump dials up the pressure on Iranian oil shipments, which is more likely than not," said Junjie Ting, a Singapore-based shipping analyst at Oil Brokerage Ltd.

The rising demand for VLCCs, which can carry around 2 million barrels of oil, is also feeding through to costs for smaller vessels, which tend to be viewed as less cost-efficient on longer routes. Rates for Suezmaxes, that hold about 1 million barrels, have climbed on increased demand and tight supply, shipbroker SSY said in a report.

AS AMERICA "PIVOTS TO ASIA",

SAUDI ARABIA IS ALREADY THERE – BY ROUDI BAROUDI



The biggest news in the energy industry last week was that a state-owned Chinese company had completed a massive offshore oil and gas platform for Saudi Aramco. Breathless media reports shared impressive details about the facility's record-setting size, weight, and output capacity, with some describing it as a massive bet on continuing strong demand for fossil fuels despite the meteoric rise of renewables.

The real significance of this news, though, is not to be found at the Qingdao shipyard where it was made, at the headquarters of the China Offshore Oil Engineering Company that built it, or at the Marjan field off Saudi Arabia's east coast where it will be installed and operated.

In fact, in order to truly appreciate the implications involved, one needs to travel back in time a little more than 50 years. For on 8 June 1974, the United States and Saudi

Arabia reached a historic agreement that has bound the two countries ever since.

Signed by then-US Secretary of State Henry Kissinger and then-Minister of Interior Prince Fahd bin Abdulaziz, the pact established two joint commissions tasked, respectively, with increasing bilateral economic cooperation and with determining the kingdom's military needs. It also created several joint working groups responsible for specific elements to support growth and development, including efforts to: a) expand and diversify Saudi Arabia's industrial base, beginning with the manufacture of fertilizers and other aspects of the petrochemical sector; b) increase the number of qualified scientists and technicians available to make the most of technology transfers; c) explore partnerships in areas like solar energy and desalination; and d) find ways to cooperate in agriculture, especially in the desert.



Henry Kissinger with Prince Fahd of Saudi Arabia, 1974

Contrary to widespread misperceptions, the agreement did not say anything about Saudi crude being priced and/or transacted exclusively in US dollars. In a side-deal that remained secret until 2016, however, the United States pledged full military support in virtually all circumstances and the Kingdom of Saudi Arabia committed to investing a massive share of its oil revenues in US Treasury bills. While there was no public quid pro quo, therefore, this was to some extent a distinction without a difference: the world's biggest oil exporter ended up spending hundreds of billions of dollars on American debt and American-made weapons, making it only sensible that the vast majority of its crude sales would be in greenbacks. By extension, the sheer weight of Saudi oil in world markets – and especially within the Organization of Petroleum Exporting Countries – virtually guaranteed that the dollar would become the de facto default currency of those markets, Petrodollars.

These arrangements suited both sides at the time, which featured a very particular set of circumstances. The previous year, as Egypt and Syria attempted to regain territories occupied by Israeli forces since the 1967 war, US President Richard Nixon authorized an unprecedented airlift of weaponry – everything from tanks, artillery, and ammunition to helicopters, radars, and air-to-air missiles – to Israel. Arab oil producers responded by playing their strongest card, announcing an oil embargo against states that supported the Israeli war effort. That led directly to supply shortages, soaring prices, and long lines at filling stations across the United States and many other countries, too, and indirectly to several years of higher inflation. Although the embargo had been lifted in March 1974, Washington was keen to prevent similar shocks in the future.

The American economy was particularly vulnerable to longer-term repercussions because of several factors, including a general slowdown caused by its long, expensive, and ultimately

unsuccessful war in Vietnam. The real problem, though, stemmed from another issue: in 1971, as the dollar continued to lose ground against major European currencies, Nixon had taken the United States off the gold standard, gutting the Bretton Woods arrangements put in place after World War II and throwing foreign exchange markets into disarray. With the Cold War as backdrop, America appeared to be losing ground in its strategic competition with the Soviet Union.

The so-called "side-deal", then, was actually far more important than the public agreement because it would restore the dollar's primacy in international markets, making it once again the world's favorite reserve currency, while simultaneously reducing the likelihood of future Arab oil embargos. The new system worked very well for a very long time: the US economy regained its stability, and Saudi Arabia embarked on a long program of socioeconomic development that continues to this day. Even as the Americans have sought further protection by reducing their reliance on Saudi and other OPEC crude, their bilateral partnership and the dollar's general prevalence in the oil business have likewise persisted despite all manner of diplomatic spats, crises, and other obstacles.

Back in the present-day, the Soviet Union is no more, and although the United States has an even more formidable strategic rival in China, this competition carries neither the day-to-day intensity nor the seeming inevitability of nuclear Armageddon that the Cold War engendered. In addition, the United States is now producing more crude oil than any country ever has, further insulating its economy against exogenous shocks, while China's rapid expansion has made it the world's most prolific energy importer. In fact, Washington is years into a "pivot to Asia" that will see it focus less attention on the Middle East.

Meanwhile, Saudi Arabia is now led by Crown Prince, Mohammed bin Salman (MBS), a young and highly ambitious ruler who has

shown himself more than willing to act independently of American desires or even demands. Accordingly, it should not surprise anyone that the behemoth facility now being transported to Marjan is just the most visible tip of the Sino-Saudi iceberg. Theirs is a burgeoning relationship driven by complementary needs, with both parties investing in one another's economies and cooperating on large-scale energy and industrial projects.

Given all of the foregoing, it is much too early to declare the end of an era. Even if rumors that the Saudis will soon start selling oil futures contracts in yuan or other currencies turn out to be true and the results include an erosion of the dollar's value, the US-Saudi economic relationship remains very much in place, as do defense ties ranging from procurement and maintenance to joint exercises and training. This is not to mention the approximately 60,000 Saudi students who study at American universities every year, or the countless other business and/or personal ties nurtured over decades.



Then, US President, Jimmy Carter receiving the Crown Prince Fahd of Saudi Arabia at the White House in Washington, 1977. Seeing the continuation of the Petrodollar Agreement.

All the same, a new era has definitely begun: just as the Americans have opened up other avenues to secure their energy needs, the Saudis are now moving decisively to diversify their foreign partnerships and have been doing so for many years. Inevitably, the global oil and gas economy's center of gravity will shift eastward, but how could it be otherwise when China and several other Asian economies have become such powerhouses? The diversification path will almost certainly include occasional stretches where Riyadh will have to make difficult decisions, but this, too, reflects the confidence that MBS has in his country's ability to determine its own destiny.

Roudi Baroudi has worked in the energy sector for more than four decades, with extensive experience in both the public and private sectors. Having advised dozens of companies, governments, and multilateral institutions on program and policy development. He has been a loyal advocate for energy stability and peace. He is also the author or co-author of numerous books and articles, and currently serves as CEO of Energy and Environment Holding, an independent consultancy based in Doha, Qatar.

السعودية - الصين: شراكة نفطية ترسم معالم عصر جديد في الطاقة

يمثل #التعاون النفطي بين السعودية والصين أحد أهم الشراكات الاستراتيجية في العصر الحديث، إذ يجمع بين أكبر مصدر للنفط في العالم وأكبر مستورد له. إلا أن هذا التعاون لا يقتصر على تجارة النفط وحدها، بل يشمل استثمارات مشتركة تهدف إلى تعزيز العلاقات الاقتصادية الثنائية، خصوصا مع توسع "#أرامكو السعودية" في السوق الصينية.

!"منصة "مرجان"

بلغت #الاستثمارات الصينية في السعودية 16,8 مليار دولار في عام 2023، في مقابل 1,5 مليار دولار في عام 2022، استنادا إلى بيانات بنك الإمارات دبي الوطني. في هذا الإطار، يوضح الدكتور خالد رمضان، الخبير النفطي ورئيس المركز الدولي للدراسات الاستراتيجية بالقاهرة، لـ "النهار" أن هذا #لتعاون النفطي السعودي - الصيني يؤثر إيجابا في #أسواق الطاقة العالمية، "وما منصة 'مرجان' النفطية البحرية التابعة لأرامكو في الصين إلا ترجمة فعلية لهذا التعاون"، وستستخدم لزيادة الإنتاج السنوي لحقل المرجان النفطي إلى 24 مليون طن.

وتعد منصة "مرجان" أثقل منصة نفط وغاز بحرية في الصين مخصصة

للأسواق الخارجية، وواحدة من أكبر المنصات في العالم، فهي أطول من مبنى مكون من 24 طابقًا، وتعادل مساحة سطحها 15 ملعب كرة سلة، ويمكنها جمع ونقل 24 مليون طن من النفط و7,4 مليارات متر مكعب من الغاز سنويًا.

شراكة في التنمية

يضيف رمضان: " أبرمت أرامكو السعودية في عام 2023 صفقات بقيمة 8 مليارات دولار مع شركاء صينيين في قطاعي المنبع أي الاستكشاف والإنتاج، والمصب أي التكرير والتوزيع". إلى ذلك، توظف نظرتها المتفائلة إلى إمكانات النمو في الصين على المدى الطويل، والفرص عالية الجودة، "من أجل توسيع عملياتها المتكاملة في قطاع الصناعات التحويلية الصينية، والتي يمثل الاستثمار فيها أهمية". "استراتيجية لنمو أعمال أرامكو في آسيا

يلفت رمضان إلى أن دور أرامكو يتجاوز الاستثمار، "لأنها تريد أن تكون شريكًا رئيسيًا في التنمية الاقتصادية في الصين، والاستفادة من الفرص الجديدة التي تلوح في الأفق، من خلال شراكات استراتيجية تعزز وجودها في قطاع الصناعات التحويلية في الصين، بما فيها المواد الكيميائية والمواد المركبة المتقدمة والمواد غير المعدنية".

وهكذا، تظل الصين محورية في استراتيجية أرامكو لتنوع محفظتها، لتشمل منتجات كيميائية أكثر تخصصًا وعالية القيمة، خصوصًا أن الصين تمثل 40 في المئة من مبيعات المنتجات الكيميائية العالمية. تعزيز سلاسل التوريد

الصين ثاني أكبر اقتصاد في العالم، لذا تعد أكبر مستورد للنفط الخام، إذ تستهلك 14 مليون برميل يوميًا، تليها أوروبا بنحو 12,8 مليون برميل يوميًا. من ناحية أخرى، تعد السعودية أكبر مصدر للنفط الخام في العالم، تليها روسيا وكندا والنرويج ونيجيريا. وانطلاقًا من هذا الواقع، "سهل أن نرى كيف يمتدح توسيع التعاون النفطي بين الصين والسعودية الأسواق استقرارًا أكبر، ويعزز أمان سلاسل الإمداد النفطية، ويزيد فرص المنافسة في الأسواق العالمية"، بحسب ما يقول الخبير النفطي الدولي رودي بارودي.

ويضيف لـ "النهار": "بالنسبة إلى السعوديين، سيضمنون شريكًا استراتيجيًا طويل الأمد، لن يشتري النفط الخام فحسب، بل يستثمر أيضًا في سلسلة النفط اللاحقة، من المصافي إلى مصانع البتروكيماويات". فأرامكو السعودية، أكبر شركة نفط في العالم، مستثمر كبير في مشروع "رونغشينغ سينوبيك فوجيان" للتكرير (Rongsheng Sinopec Fujian Refining & Petrochemical venture) والبتروكيماويات، وفي شركتين كبيرتين للبتروكيماويات هما (Hengli Petrochemical) "هينغلي" و (Rongsheng Petrochemical) "رونغشينغ". وتفاوض أرامكو لشراء 10 في المئة في "هينغلي"، وتسعى لإبرام صفقات مماثلة مع شركتين صينيتين أخريين، بعدما أبرمت

صفقة منفصلة قيمتها 3,4 مليارات دولار لشراء حصة في شركة "رونغشينغ" في العام الماضي.

تحالف مؤثر

في الضفة الأخرى، استثمرت الصين مليارات الدولارات في السعودية، "حيث دخلت الشركات الصينية على خط مشاريع سعودية واسعة النطاق تركّزت في معظمها في التكرير والبنية الأساسية للغاز"، بحسب بارودي، الذي يضيف: "من شأن التعاون الطويل الأجل بين البلدين أن يعيد تشكيل أجزاء من المشهد النفطي والبتروكيماوي العالمي ويؤكد الخبر النفطي الدولي أن أرامكو السعودية مستثمر كبير في صناعة الهيدروكربون في الصين، "والجانبان يركزان جهودهما على توسيع مصانع إنتاج السوائل وتحويلها إلى كيماويات في مصفاة الجبيل بالسعودية، وفي وحدة البتروكيماويات في نينغبو تشونجين بالصين".

ويرى بارودي أن هذا التطور في العلاقة التصنيعية والتحويلية هو "نتاج علاقة استراتيجية دبلوماسية سعودية - صينية، بدأت تحاك قبل أكثر من ثلاثة عقود، لا تقتصر على التجارة والاستثمارات المتبادلة، بل تتعداها إلى تحالف تنعكس آثاره على الاقتصاد العالمي، ما من شأنه أن يقلل من تأثير أي تباطؤ اقتصادي في المستقبل، وأن يحمي "أسواق الهيدروكربون والبتروكيماويات".

إلى جانب ذلك، يعزز التعاون بين السعوديين والصينيين التحول العالمي في مجال الطاقة، بفضل التوافق في الرؤى التنموية بين البلدين. فرؤية "السعودية 2030" ومبادرة "الحزام والطريق" الصينية تستهدفان إضافة المزيد من الاستثمارات في الطاقة المتجددة. ومن هنا، تستهدف أرامكو الاستفادة من الطلب المتزايد على الصناعات الخضراء الناشئة في الصين، "ليتطور التعاون الصيني - السعودي في مجال الطاقة من مجرد تعاون في مصادر طاقة تقليدية. ليشمل قطاع الطاقة الجديدة"، بحسب رمضان.

شراكة تبادلية

يقول بارودي إن هذا التعاون يرتقي يوماً بعد يوم إلى مستوى الشراكة التبادلية، "الفوائد متبادلة، ويعمل كل من الطرفين على تنويع إيراداته، وخفض إنفاقه الإنتاجي"، مذكراً بأن هذا التعاون "يدعم قدرة البلدين على تحقيق استقرار الاقتصاد العالمي، إذ يبشر بتغييرات مالية ضخمة".

فمحتمل جداً أن تبدأ السعودية بقبول اليوان الصيني، من بين عملات آسيوية أخرى، بوصفه عملة معتمدة في التبادلات النفطية. وهذا، برأي بارودي، يمنح الصين والسعودية مزايا اقتصادية كبيرة، خصوصاً أن المملكة جادة في مسيرة تنويع مصادر اقتصادها، والخروج من دائرة "الاعتماد الكلي على الإيراد النفطي".

يضيف بارودي: "إن تحققي المملكة هذا الهدف سيشكل نقطة تحول أساسية في سياستها الاقتصادية عموماً، والنفطية خصوصاً، إذ ستكمل تحررها من قيود البترو-دولار بعد اتفاقية مع الولايات المتحدة دامت

50 عاماً ، وبعد دخولها مع الصين في مجموعة الـ 'بريكس' التي وضعت نصب عينيها الوقوف في وجه هيمنة الدولار الأميركي على الاقتصاد العالمي".

China delivers heaviest offshore oil and gas platform for Saudi deployment



The Marjan oil and gas collection and transportation platform is seen as breakthrough of construction technology of large-scale offshore oil and gas platform for the Chinese builders, weighing more than 17,200 tons, making it one of the world's largest.

The platform is expected to collect and transport 24 million tonnes of crude oil and 7.4 billion cubic meters of associated gas every year. Its platform scale, pipeline types and sizes, and system complexity all setting new records compared to similar platforms.

Construction of the project took 34 months.

Delivery of the platform project will help the Chinese industry players transform from sub-contractor to main-contractor in global offshore engineering market, said China Offshore Oil Engineering.

The platform will be transported to its installation site 6,400 nautical miles away in the waters off Saudi Arabia at the end of August to improve Marjan oilfield's production capacity.

**China advocates shared future
with Five Principles of
Peaceful Coexistence**



This year marks the 70th anniversary of the Five Principles of Peaceful Coexistence. The commemorative conference of the 70th anniversary of the Five Principles of Peaceful Coexistence was held in Beijing on June 28. Xi Jinping, President of the People's Republic of China, attended the commemorative conference and delivered an important speech. He expounded on the essence of the Five Principles of Peaceful Coexistence and their relevance for our times, pointed the direction for building a community with a shared future for mankind amid major global transformation, and voiced a strong message of the Global South to work with people around the world for a better future.

70 years ago, in face of the scourge of hot wars and the confrontation of the Cold War, the Chinese leadership specified the Five Principles in their entirety for the first

time, namely, mutual respect for sovereignty and territorial integrity, mutual non-aggression, mutual non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. The Five Principles are included in the China-India and China-Myanmar joint statements, which jointly called for making them basic norms for state-to-state relations.

After 70 years of practice, the Five Principles of Peaceful Coexistence have set a historic benchmark for international relations and international rule of law, served as the prime guidance for the establishment and development of relations between countries with different social systems, remained a powerful rallying force behind the efforts of developing countries to pursue cooperation and self-strength through unity, and contributed historic wisdom to the reform and improvement of the international order.

Over the past 70 years, the Five Principles of Peaceful Coexistence have extended its reach from Asia to the world, transcending ideological differences, social system variations and uneven levels of development. They have become open, inclusive, and universally applicable basic norms for international relations and fundamental principles of international law, making indelible historic contributions to the cause of human progress.

Seventy years on, we are now in a volatile and unstable era where changes and turbulence are intertwined. At this historic moment when mankind has to choose between peace and war, prosperity and recession, unity and confrontation, the spirit of the Five Principles of Peaceful Coexistence has become more appealing rather than obsolete. Bearing the intertwined destinies of countries and the shared and fundamental interests of all peoples in mind, President Xi Jinping put forward the vision of building a community with a shared future for mankind, providing a new answer to what kind of world to build and how to build it. This is the best way to inherit, advance and enrich the Five Principles of Peaceful Coexistence under new circumstances.

From the Five Principles of Peaceful Coexistence to building a community with a shared future for mankind, China has remained consistent in the exploration for new ways of state-to-state relations, remained committed to our responsibility in upholding world peace and development, and remained steadfast in pursuing a just and equitable international order.

Over the past decades, the Five Principles of Peaceful Coexistence conformed to the trend for national independence and liberation in Asia, Africa and Latin America, and answered the very important question of how to handle state-to-state relations. Going forward, the Chinese initiative of building a community with a shared future for mankind has become an international consensus. The beautiful vision has been put into productive actions. It is moving the world to a bright future of peace, security, prosperity and progress.

Of all the forces in the world, the Global South stands out with a strong momentum. Standing at a new historical starting point, the great cause of building a community with a shared future for mankind requires the Global South to stay ahead of the historical trend. The Global South should be more open and more inclusive, jointly maintain peace and stability, promote open development, construct global governance, and advocate for the exchange among civilisations.

Both China and Qatar are important members of the Global South. In recent years, under the strategic guidance of President Xi Jinping and His Highness the Amir Sheikh Tamim bin Hamad al-Thani, China-Qatar relations have developed rapidly and comprehensively, serving as a model for countries with different social systems to firmly adhere to the Five Principles of Peaceful Coexistence, engage in friendly exchanges, and foster mutually beneficial co-operation.

Both China and Qatar are the staunch forces for peace, dedicated to promoting peaceful settlement of international disputes, and participating constructively in the political settlement of international and regional hotspot issues. They are core driving forces for open development, committed to restoring development as the central international agenda item

with clear and feasible national development visions and goals, reinvigorating global partnerships for development, and deepening South-South co-operation as well as North-South dialogue.

China and Qatar are also construction teams of global governance and advocates for exchange among civilisations. Both countries actively participate in reforming and developing the global governance system and contribute to enhancing inter-civilisation communication and dialogue.

This year marks the 10th anniversary of the establishment of the China-Qatar strategic partnership. China wishes to work with Qatar to take this opportunity to strengthen the political foundation of bilateral relations, elevate the mutually beneficial cooperation between the two countries to a new level.

China stands ready to join hands with Qatar and other countries in the world to overcome challenges, achieve shared prosperity, create an open, inclusive, clean and beautiful world of lasting peace, universal security, and shared prosperity, build a community with a shared future for mankind, and open up a brighter future for humanity.

Global oil demand growth to cool as China slows, says EIA



The US government's energy-tracking agency added to a chorus of concerns about falling demand for oil next year caused by an economic slowdown in China, the world's largest crude importer.

Global crude consumption will be about 104.5mn barrels a day in 2025, down 200,000 barrels a day from a previous forecast, cutting next year's projected demand growth rate to 1.6%, according to a monthly Energy Information Administration report on Tuesday. The downward revision was driven by concerns that China's economy has been slowing.

China reported its weakest economic growth in five quarters last month, and traders and banks have flagged slowing demand in Asia as a bearish factor for crude. The concerns have helped keep oil prices restrained this year even as Opec and its allies dial back production and the conflict in the Middle East raises the risk of supply disruptions in the region.

Despite signs of an economic slowdown across the Pacific, jet fuel remains a bright spot in US consumption. Increased air travel led to an upward revision in projected demand for the fuel this year, and next year's consumption is still expected to exceed pre-pandemic levels, the EIA said.

The EIA also dialled back forecasts for US oil production growth amid a wave of corporate consolidation and efforts to boost output while using less gear. While the EIA still expects US production to increase this year and next, its forecasts were revised down from last month's report by 0.2% for this year and 0.6% for 2025.

The figures are the latest sign the US shale patch is growing more modestly after last year's surprising pop in production that added more than 1mn barrels a day.

Still, the expansion in annual US oil production – the EIA projects 2.3% growth this year to 13.23mn barrels a day and an additional 3.5% increase next year – shows producers are achieving the efficiency gains in drilling and fracking that allows them to grow output.

“We are clearly doing more with less and becoming more operationally efficient each quarter,” Diamondback Energy Inc, one of the biggest producers in the Permian Basin of West Texas and southeast New Mexico, wrote in a letter to stockholders this week.

The Permian, which is the world's largest shale field, is forecast to add a modest 20,000 barrels a day through the end of this year and another 340,000 barrels of production next year, according to the latest EIA projections.

‘Prerequisites for peace’: Expert applauds Skylakakis

for endorsing energy transition policies that ‘open the way to dialogue and cooperation’



ATHENS, July 7, 2024 Greece: Energy and Environment Minister Theodoros Skylakakis is on the right track with his approach to Greece’s energy transition plans, a noted regional expert says.

“He’s got the right perspective,” industry veteran and author Roudi Baroudi said after Skylakakis spoke at this week’s Athens Energy Summit. “He understands that although the responsibility to reduce carbon emissions is universal, the best policy decisions don’t come in ‘one-size-fits-all’.”

Baroudi, who has more than four decades in the field and currently serves as CEO of Doha independent consultancy Energy and Environment Holding, made his comments on the sidelines of

the forum, where he also was a speaker.

In his remarks, Skylakakis expressed confidence that Greece's increasing need to store electricity – as intermittent renewables generate a growing share of electricity – would drive sufficient investment in battery capacity, without the need for subsidies. Among other comments, he also stressed the need for European Union policymakers to account for the fact that member-states currently face the costs of both limiting future climate change AND mitigating the impacts that are already under way.

“Every country is different in terms of how it can best fight climate change. Each one has its own set of natural resources, industrial capacity, financial wherewithal, and other variables. What works in one situation might be a terrible idea elsewhere. That's crucial and Skylakakis gets it,” Baroudi said. “He also understands that an effective transition depends on carefully considered policies, policies that attract investment to where it can not only have the greatest impact today, but also maximizes the impact of tomorrow's technologies and tomorrow's partnerships.”



“What Skylakakis is saying and doing fits in nicely with many of the same ideas I spoke about,” Baroudi added. “When he talks about heavier reliance on wind farms, the added storage capacity is a foundation that will help derive a fuller return from each and every turbine. When he highlights the utility – pun intended – of power and gas interconnections with other countries and regions, these are the prerequisites for peace, the building blocks for cooperation and dialogue.”

In his own speech shortly after Skylakakis’, Baroudi told the audience at the capital’s Hotel Grande Bretagne that countries

in the Eastern Mediterranean should work together to increase cleaner energy production and reduce regional tensions.

“Surely there is a method by which we can re-establish the same common ground enshrined in the wake of World Wars I and II, recall the same common interests and identify new ones, and work together to achieve common goals, just as the UN Charter implores us to,” he said.

Baroudi advises companies, governments, and international institutions on energy policy and is an award-winning advocate for efforts to promote peace through dialogue and diplomacy. He told his audience that with both climate change and mounting geopolitical tensions posing threats to people around the world, policymakers needed to think outside the usual boxes.

In this way, he argued, “we might develop the mutual trust which alone can create a safer, happier, and better world for our children and grandchildren.”

“Consider the possibilities if Greece, Türkiye, and Cyprus became de facto – or de jure – partners in a pipeline carrying East Med gas to consumers in Bulgaria, Romania, and Italy,” he said. “Imagine a future in which Israeli and Lebanese gas companies were similarly – but independently – reliant on the same Cypriot LNG plant for 10-20%, or even more, of their respective countries’ GDPs.”

He also envisioned bilateral cooperation scenarios between Greece and Turkey and Syria and Turkey, as well as a regional interconnection that would provide backup energy for multiple coastal states.

“Instead of accepting certain ideas as permanently impossible, we ought to be thinking ahead and laying the groundwork,” Baroudi said. “For Greece and Türkiye – as for other pairs of coastal states in the region – a good starting point would be to emulate the Maritime Boundary Agreement agreed to by

Lebanon and Israel in 2022.”

Stressing the potential for cooperation to address both energy requirements and the stability required for stronger growth and development, Baroudi – whose books include a 2023 volume about the Lebanon-Israel deal and a forthcoming one urging other East Med countries to do the same – called on the EU to take up the challenge.



“Using dialogue and diplomacy to expand energy cooperation would benefit not just the countries of the East Med but also the entire European Union and much of its surrounding ‘neighborhood’,” he told an audience of energy professionals and key government officials. “That level of promise more than merits the attention of Brussels, the allocation of support resources, and even the designation of a dedicated point-person tasked with facilitating the necessary contacts and negotiations.”

“This is how we need to be thinking if we want to get where we need to go,” Baroudi said. “Instead of allowing ourselves to be discouraged by the presence of obstacles, we need to be investigating new routes that go around them, strengthen the

rule of law – especially human rights law – as a basis for the international system, and promote lasting peace among all nations. Only then can we declare victory over what the 18th-century Scottish poet Robert Burns called ‘man’s inhumanity to man’.”