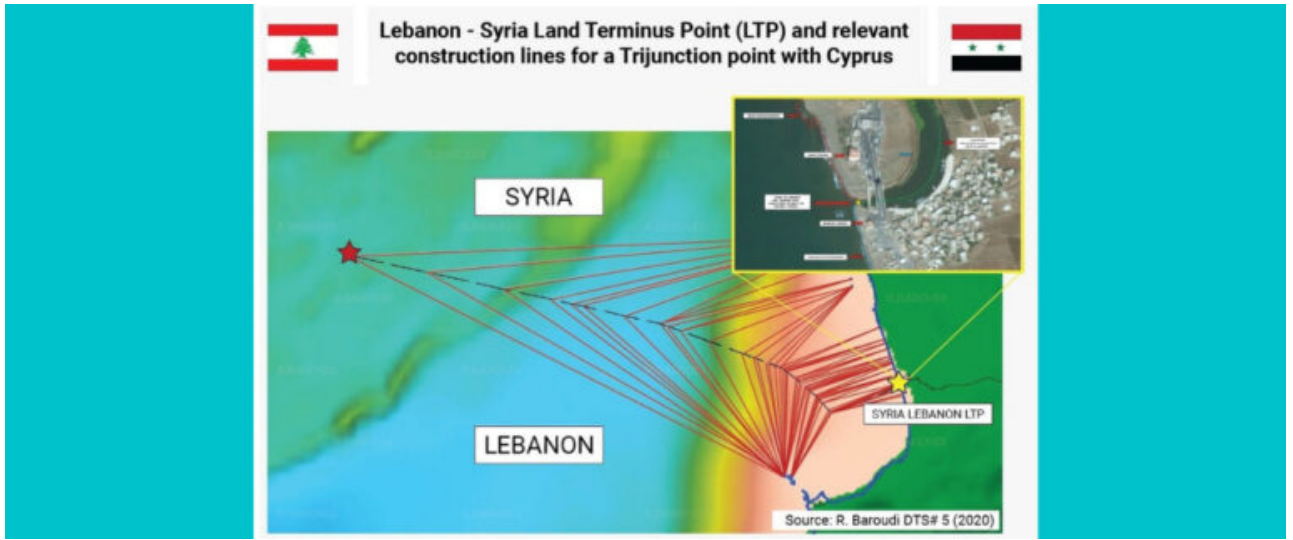


ترسيم الحدود البحرية اللبنانية - السورية على نار حامية بارودي لـ "النهار": الحل التقني موجود وينطلق من نقطة الحدود البرية



وضع لبنان الخطوط الاساسية لبدء عملية التفاوض مع الجانب السوري في ما يتعلق بمسألة ترسيم الحدود، وتحديدًا البحرية منها، بعدما أظهر العقد الذي صادقت عليه الحكومة السورية في 18 آذار 2021 والموقع بين وزارة النفط السورية وشركة Capital Limited الروسية للتنقيب عن النفط والغاز شرق المتوسط قبالة ساحل طرطوس، عند الحدود البحرية اللبنانية - السورية، وتحديدًا في البلوك البحري الرقم 1 في المنطقة الاقتصادية الخالصة السورية والتي تتداخل مع جزء كبير من المنطقة الاقتصادية البحرية اللبنانية.

بالفعل، يتداخل البلوك الرقم واحد بشكل كبير مع البلوك 1 والبلوك 2 ضمن المياه اللبنانية، وتراوح مساحة هذه الرقعة المائية ما بين 750 و1000 كلم² تقريبًا داخل المياه اللبنانية إستنادًا الى تقارير وضعها الجيش اللبناني، ما أعاد تسليط الضوء على ضرورة الاسراع وفورا بالتفاوض مع الجانب السوري لإنهاء ملف ترسيم الحدود، اقله حاليا الحدود البحرية. هذه الحدود التي كان حدها لبنان في العام 2011 ضمن مرسوم تحديد المنطقة الاقتصادية الخالصة الذي لحظ إحداثيات النقاط الجغرافية للحدود البحرية والبرية، ورفضها

الجانب السوري الذي تقدم بشكوى ضد لبنان أمام الأمم المتحدة في العام 2014. إعتمدت سوريا خطأً حدودياً بحرياً ينطلق من شاطئ طرطوس أفقياً نحو الغرب، الامر الذي اعترض عليه لبنان، مؤكداً ان هذه الآلية تتعارض مع قانون البحار الدولي المعمول به من خلال الامم المتحدة والقواعد المعتمدة عالمياً لتحديد الحدود البحرية، وهي ايضا المقاربة التي يعتمدها لبنان في مفاوضاته مع الجانب الاسرائيلي لتحديد حدوده الجنوبية.

البعض طالب الحكومة اللبنانية بضرورة تقديم شكوى ضد سوريا امام الامم المتحدة إعتراضاً على آلية ترسيم الحدود البحرية مع لبنان بطريقة أحادية والشروع بأعمال مسح وتنقيب عن النفط والغاز في منطقة متداخلة مع المياه اللبنانية، بعد تقديم اعتراض خطي أمام الحكومة السورية على ما تقوم به والاصرار على وقف الاعمال في المنطقة المتداخلة الى حين الانتهاء من ترسيم الحدود البحرية. ومن المهم أيضاً ان تراسل الحكومة اللبنانية ممثلة بوزارة الطاقة والمياه الشركة الروسية المعنية لإعلامها بان الحدود البحرية اللبنانية - السورية غير مرسمة نهائياً، وإرسال اي باخرة لتقوم بالمسح الجيولوجي ضمن المناطق المتنازع عليها بين لبنان وسوريا، يعرّض الشركة للملاحقة ويهدد مسار عملها، خصوصاً في حال قرر لبنان الذهاب بهذا الملف الى المحاكم الدولية للفصل بالنزاع، وكذلك من الروسية توقيع Capital المهم ان تطلب الحكومة اللبنانية من شركة تعهد لدى الجانب اللبناني بان اي نشاط ستقوم به على البلوك السوري الرقم 1 سيكون خارج المنطقة البحرية المتداخلة بين لبنان وسوريا.

وقد كلف رئيس الجمهورية العماد ميشال عون رئيس الوفد اللبناني للمفاوض لترسيم الحدود البحرية الجنوبية العميد الركن الطيار بسام ياسين تسلم زمام التفاوض ايضا مع الجانب السوري في مسألة ترسيم الحدود، على ان يقوم بالتواصل مع الجانب السوري لمعالجة ما يحصل عند الحدود البحرية، والاهم العمل على وقف أعمال الاستكشاف والتنقيب من قبيل الشركة الروسية التي لُزمت العمل على البلوك 1 السوري، ضمن منطقة متداخلة مع البلوكات البحرية اللبنانية (1 و 2)، مع الاشارة الى ان طول الحدود البحرية بين سوريا ولبنان يبلغ نحو 53 ميلاً بحرياً، فيما يبلغ طول الحدود البحرية بين لبنان وقبرص 96 ميلاً، وطول الحدود البحرية اللبنانية - الاسرائيلية 71 ميلاً.

في هذا السياق، وانطلاقاً من آخر التطورات على صعيد هذا الملف،

يعتبر الخبير الدولي في شؤون الطاقة رودي بارودي ان "من المهم التأكيد ان سوريا ليست طرفاً في اتفاقية الأمم المتحدة لقانون البحار ولكنها دولة مراقبة، ومع الإعلان الأخير عن تلزيم البلوك الروسية برز الكثير من المواقف "Capital" السوري الرقم 1 لشركة المتخوفة من التعدي على حقوق لبنان من قبل سوريا، ولكن ما هو مؤكد ان البلوك السوري الرقم 1 يقع جنوب الخط الطبيعي الموقت المحايد بنسبة 100% إذا ما تم اعتماد قواعد الأمم المتحدة لقانون البحار. ومع ذلك، ووفقاً لمعلومات التنقيب العالمية حول مناطق امتياز النفط والغاز لعام 2018 و2019 و2021، لم تتغير اشكال البلوكات السورية، فهي واقعة لم تفاجيء متخصصي الصناعة النفطية، وهي اليوم كما كانت من قبل". ويشير بارودي الى ان "حدود سوريا القانونية البحرية وفقاً لجدول مطالبات الأمم المتحدة للعام 2011 هي كما يأتي:

البحر الإقليمي = 12 ميلا بحريا.
المنطقة المجاورة = 24 ميلا بحريا.
المنطقة الاقتصادية الخالصة = 200 ميل بحري.
فإذا نظرنا إلى البلوكات اللبنانية، نجد أنها تتداخل أيضاً مع "البلوكات السورية".

وقّع لبنان وسوريا نحو 40 اتفاقا تتناول مختلف المجالات، ومنها ما يتعلق بتقاسم مياه الانهر المشتركة بين البلدين، سواء نهر العاصي او النهر الكبير الجنوبي. وامام هذه الوقائع ونظراً للتداخل بين سوريا ولبنان، وعلاقتهم الجغرافية والمعاهدات الموقعة بينهما، يمكن الدولتين، بحسب بارودي، وبسهولة رسم خط متساوي الأبعاد، (LTP Land Terminus Point) - وفقاً لنقطة الحدود عند نهاية البر الذي يلتزمه كلا البلدين كما هو ظاهر في الخريطة الرقم 1 بحيث يمكن الجيش اللبناني أن يحدد الخط الحدودي بدقة من خلال عمل دقيق ومحترف مع الجانب السوري، شبيه بالذي قام به خلال إعداد المفاوضات لترسيم الحدود البحرية اللبنانية في المناطق المتنازع عليها مع إسرائيل.

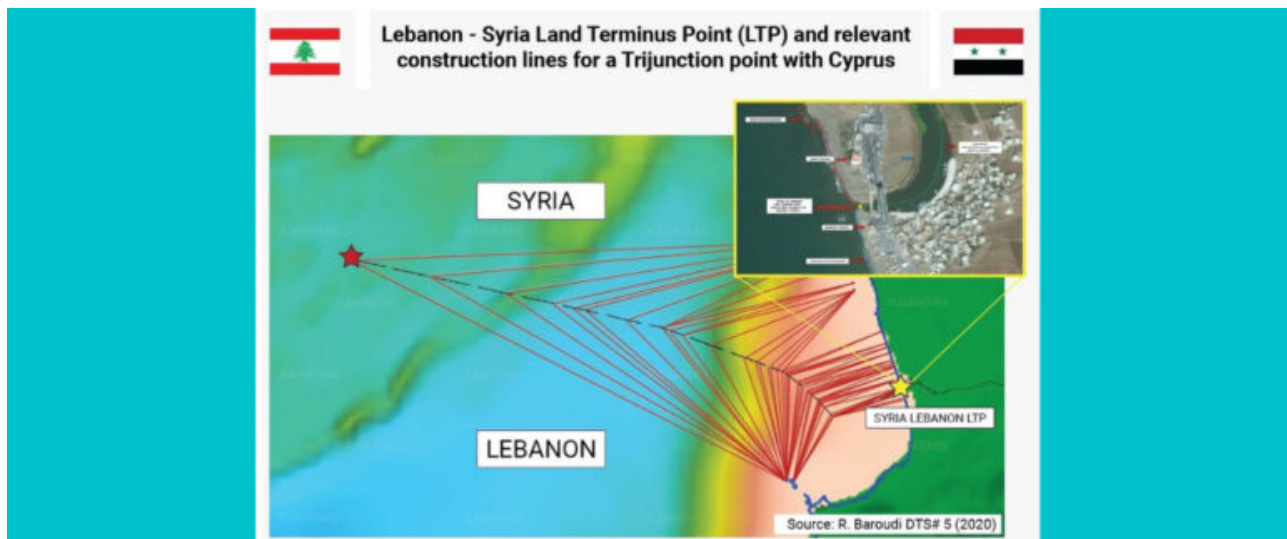
تستطيع الحكومتان اللبنانية والسورية حل الاشكال الحدودي البحري الذي يعتمد نقطة الحدود على نهاية LTP بشكل سريع طالما ان خط البر بين البلدين محدد والجزر قبالة البلدين محددة بشكل رسمي لا لبس فيه، وحل هذا الامر يؤسس لحل عادل وسريع لاشكالية ترسيم الحدود البحرية بين لبنان وقبرص نظرا لترايط الملفين. في هذا الاطار وطالما ان الموضوع يتعلق بقطاع الطاقة، ونظرا للوضع الصعب الذي

يمر به لبنان من الناحيتين الاقتصادية والانسانية، فانه يتوجب بحسب بارودي على المعنيين اللبنانيين "التفاوض مع الجانب السوري وبشكل سريع لاعادة تفعيل القانون الرقم 509 الصادر في 16/7/2003 والذي يجيز إبرام اتفاقية بيع الغاز بين لبنان وسوريا كما التواصل مع الجانب المصري لتنفيذ المرسوم الرقم 15722 الصادر في 14/11/2005، والذي أجاز بموجب مذكرة التعاون بين وزارة الطاقة في لبنان ووزارة البترول والثروة المعدنية المصرية استجرار الغاز من الجانب المصري، كي يستطيع لبنان ان يؤمن بعض حاجاته من الغاز الطبيعي، ما يساعد على انتاج نظيف للكهرباء وباسعار مقبولة ويحقق وفرا وديمومة. فالجانب السوري يدرك ان هنالك حوالى مليوني لاجئ سوري على الاراضي اللبنانية، وبالتالي في حال تطبيق الاتفاقات المذكورة يمكن تأمين غاز لمعمل دير عمار لكي ينتج اكثر من 400 ميغاواط تساعد كهرباء لبنان في هذه الفترة العصيبة، على ان يدفع لبنان ثمن الغاز في فترة تمتد من ثلاث الى اربع سنوات، وهذا الامر ليس بمستحيل على رغم العقوبات الاميركية على سوريا، اذ ان لبنان يستطيع ان يتشبه بالعراق الذي استطاع ان يؤمن استثناءات انسانية من العقوبات الاميركية المفروضة على إيران عبر محادثات جدية قام بها الجانب العراقي مع الادارة الاميركية، ويعتبر هذا الامر من الضروريات في الوقت الراهن بعيدا من السياسات الداخلية الضيقة التي تمنع القيام بهذه الخطوة المهمة. نجاح هذه الخطوة الوطنية يحتاج، بحسب بارودي، "إلى تعاون وتفهم كل القوى السياسية اللبنانية لاهميتها في مجال تأمين الطاقة الكهربائية للمواطنين وقطاعات الانتاج اللبنانية التي تعاني الامرّين لتأمين كهرباء باسعار مقبولة للتمكن من الصمود بوجه الازمات التي يمر بها لبنان. فقد بلغت نسبة الفقر بين اللبنانيين نحو 50% وهي نسبة مرتفعة لم يعرفها لبنان من قبل والعدد مرشح للازدياد في حال عدم ايجاد حلول سريعة لما نعاني منه من هدر في مختلف القطاعات، علما ان الكهرباء تقع على رأس القطاعات التي ينبغي اعادة الحيوية اليها وفقا لما جاء في ورقة باريس الاصلاحية ولمطالب صندوق النقد الدولي والمجتمع الدولي لمد يد العون للبنان. واستجرار الغاز الى دير عمار سواء من سوريا او من مصر يساعد على تأمين هذا الامر ولو جزئيا، اذ يؤمن انطلاقا ثابتا ومنافسا للصناعة والزراعة وقطاع الخدمات كما مختلف القطاعات الإنتاجية الاخرى، ما يساعد على تقليل الخسائر التي تعاني منها الخزينة اللبنانية وعلى الحد من استنزاف موجودات مصرف لبنان من العملات الصعبة".

وينتهي بارودي بالتأكيد على "أهمية قيام لبنان بتعديل المرسوم 6433 للعام 2011 والمتعلق بالمنطقة الاقتصادية الخالصة على الحدود

الجنوبية، على ان يتم ارسال التعديل الى الامم المتحدة فورا لضمان الحفاظ على حقوقنا البحرية الجنوبية مع اسرائيل". وحاليا تستمر دراسة التعديلات المقترحة على هذا المرسوم بين الوزارات المعنية وقيادة الجيش، على ان يتم في نهاية المطاف عرضه على رئيس الحكومة لتوقيعه وإحالته على رئاسة الجمهورية لإصدار الموافقة الاستثنائية المطلوبة.

Lebanese – Syrian Maritime Boundaries: Solutions Are Ready



By Roudi Baroudi

Lebanon's maritime boundaries with Syria have become a popular topic for public discussion of late, and that is a good thing. After all, the more our citizens know, the better-equipped they will be to identify national interests, and therefore to demand that elected officials pursue those interests above all other considerations.

This is only true, though, if the citizens in question have both correct information and a basic understanding of how

international relations are conducted. Otherwise they risk being tricked by those actors, both Lebanese and foreigners, intent on furthering their own commercial, diplomatic, geostrategic, personal, and/or political ambitions at the expense of Lebanon's national priorities.

Anyone seeking to sort out the back-and-forth over this latest chapter of Libano-Syrian relations should keep the following in mind:

- While certain political circles in Lebanon have been estranged from Syria's current government in recent years, relations between the two countries – not just national and diplomatic, but also economic, social, and family – go back millennia. Whatever disagreements come and go, the relationship is very much a brotherly one within the larger Arab family, and however much they may be at odds with one another, brothers are always there for each other when it matters most.

- Syria is not a party to the United Nations Convention on the Law of the Sea (UNCLOS). It is, however, both a brotherly country and an observer state, and it should be kept in mind that the standards and practices of UNCLOS have become the norms by which maritime boundary disputes are resolved, whether by treaty, arbitration, or the verdict of a suitable international court.

- The length of the maritime border between Lebanon and Syria is approximately 53 nautical miles; between Lebanon and Cyprus, approximately 96 nautical miles; and between Lebanon and Israel, approximately 71 nautical miles.

In late March, Syrian news outlets reported that a Russian company, Capital Limited, had been contracted by the Syrian government to carry out offshore hydrocarbon exploration and development in Block 1, a parcel of seabed along the country's maritime border with Lebanon. Almost immediately, certain Lebanese politicians and Arab media sounded alarms to the effect that Syria was infringing Lebanon's rights, but what is certain is that Block 1 is located in the 100% neutral

temporary natural line neutral, according to UNCLOS rules. However, according to global exploration information on global oil and gas concession areas for 2018, 2019, and 2021, and as expected by oil industry specialists, the Syrian blocks have not changed: they have the same dimensions and positions as when they were announced by the Syrian government.

– According to the UN Table of Claims for 2011, Syria's legal maritime claims are as follows:

Territorial sea = 12 nautical miles

Adjacent areas = 24 nautical miles

Exclusive Economic Zone = 200 nautical miles

– If we look at the Lebanese blocks, we find that they also overlap with the Syrian blocks.

– Over the years, Lebanon and Syria have signed approximately 40 reciprocal agreements in various fields, including some related to the sharing of river waters common to the two countries, including the Assi (also known as the Orontes, or the Mimas) and the Kbir (also known as the Kbir al-Janoubi, which forms much of the northern border between the two countries. This lands border ends at the spot along the coast where the Kbir empties into the Mediterranean Sea, and where the countries have agreed a Land Terminus Point (LTP) at the mouth of the river, as shown on the accompanying map.

Given all of these facts and the overlap between Syrian and Lebanese claims, and in light of the geographical proximities, the numerous signed conventions between them, and their historically fraternal relations, the two countries could easily draw an equidistant line extending from the LTP to the trijunction with Cyprus, about 53 nautical miles offshore. The Lebanese Armed Forces recently did a tremendous job in a much more challenging task, preparing for and conducting negotiations over the far more contentious southern border with Israel, so reaching a deal with the Syrians should be relatively straightforward for the LAF.

With all due respect to those focused on the maritime border

with Syria, given the relative ease with which that deal can be made, the more urgent task right now is to preserve our rights along the southern border with Israel, this by amending Decree No. 6433 of 2011 and submitting the new coordinates, as allowed for by Article 3 of said decree, to the United Nations.

The Lebanese and Syrian governments can quickly solve the maritime border problems as long as the LTP line between the two countries is defined and the islands opposite the two countries are officially and unambiguous. As a bonus, a solution to this issue also could also open the way to a just and speedy demarcation of the boundary with Cyprus.

In the same context, so long as the objective is related to the energy sector, and considering the difficult economic and humanitarian situation facing Lebanon, the concerned Lebanese officials also should negotiate with their Syrian counterparts to quickly reactivate Law No. 509, issued on July 16, 2003, authorizing the conclusion of an agreement to sell gas between Lebanon and Syria. The Lebanese side should communicate with Egypt as well, in order to implement Decree. No. 15,722, issued on November 14, 2005. This decree endorsed a memorandum of cooperation between the Lebanese Ministry of Energy and Water and the Egyptian Ministry of Electricity and Energy authorizing the import of gas from Egypt. These two moves would enable Lebanon to cover at least some of its natural gas needs, whether from Syria or from Egypt via Syria, which would allow the generation of cleaner and more affordable electricity at the Deir al-Ammar power station, which was designed to run on gas but has burned diesel for most of the time since its commissioning in 1998.

In light of the fact that some 2 million displaced Syrians are still sheltering in Lebanon because of the continuing war in their homeland, there is good reason to hope that Damascus might adopt a humanitarian perspective by providing the gas on a grant basis (actual or de facto), which would help the Lebanese gain both savings and sustainability. In this

scenario, the Lebanese population would derive all the benefits of the Deir al-Ammar station's 400-megawatt capacity during a very difficult period, but the Lebanese state would not be pressured to repay, giving it time and space to restore economic and fiscal stability. Some will object that US sanctions on Syria make such a deal impossible, but there is nothing stopping Lebanon from applying for the same kind of humanitarian exemption that Iraq received in order to purchase Iranian oil. All that's needed is for Lebanon's most influential politicians to set aside the infighting for the sake of an urgent national need.

Total keen to participate in bid for entering North Field East (NFE) project with QP: Bouyer



French broad energy company Total, which has been present in Qatar since 1936, looks forward to participate in the bid for entering the multi-billion dollar North Field East (NFE) project with QP, said Matthieu Bouyer, managing director, Total E&P Qatar and Total country chair in Qatar.

In February, Qatar Petroleum (QP) took the final investment decision for developing the \$28.75bn North Field East Project (NFE), the world's largest LNG project, which will raise Qatar's LNG production capacity from 77mn tonnes per year (mmtpy) to 110 mmtpy by 2025.

"HE the Minister of State for Energy Affairs Saad bin Sherida al-Kaabi mentioned in February that the results should be known by the year end. We are mobilised and would definitely like to be associated with this giant expansion," Bouyer said in an interview with Gulf Times in Doha.

Total, which has been active in all areas of Qatar's energy sector, from exploration and production to refining, petrochemicals and marketing of lubricants, is a founding partner of Qatargas and a founding member and leading partner of Dolphin Energy.

Speaking about Total's short and mid-term strategy, Bouyer said, "In our current joint ventures, we are on the verge of launching large scale projects... so we are putting a lot of

efforts to support them as much as possible in the project definition and execution phases in order to secure future energy production for the State of Qatar.

“Our short and mid-term strategy involves diversification of our business and implementing the group strategy in Qatar through renewables in particular.”

Bouyer was quick to emphasise the importance Total attaches to safety of its staff and operations.

“Although Qatar has been managing Covid-19 remarkably well, our clear daily priority is to keep our staff and operations safe amid the pandemic crisis. Beyond the Covid risk management, we expect the highest level of safety in a context of fatigue and weariness.”

Bouyer sees a “bright” future for liquefied natural gas and Qatar’s LNG industry as a whole.

“Economists and market analysts believe LNG holds significant growth prospects in the long run. Natural gas stands out as a transition fuel, to replace coal in particular, thereby reducing emissions.

“Two major economies in Asia – China and India have been witnessing increasing demand for LNG... even in 2020 in the middle of the most unprecedented crisis the world has faced.”

“At Total, our goal is clear – more energy and less emissions. Our ambition is to be Net Zero by 2050 together with society”, Bouyer said and noted “to achieve this, we base our strategy in particular on two growth pillars – LNG and renewables. We are one of the top leading players in LNG. That said, as a broad energy company, our portfolio comprises not only oil and gas, but also power, mainly from renewables.”

To anchor this strategy, Total will propose to its shareholders in May this year to change its name to become ‘TotalEnergies’, Bouyer said.

Praising Qatar’s efforts at developing its LNG industry, Bouyer said, “In the last 25 years, Qatar has become the largest LNG exporting country with more than 77mn tonnes per annum (Mtpa) of high quality LNG capacity.

In February, Qatar launched the biggest LNG project worldwide

– North Field Expansion, with an additional 33 mtpy with high environmental standards. And they are working to further increase this with a future phase – North Field South that is planned to be put online right after.

“So definitely, LNG has a role and will be the main contributor to Qatar energy development, looking forward.”

Total is the shareholder and sole operator of Al Khalij offshore oilfield. In 2016, Total won the bid for Al Shaheen offshore oilfield, resulting in North Oil Company, established as a partnership between Total and QP.

Total is present in five downstream joint ventures (JVs) in Qatar, three in petrochemicals (Qapco, Qatofin, RL0C) and two in refining (Laffan Refineries 1 and 2).

Total supported Qatar to build the first ethane cracker in the Middle East at Qapco.

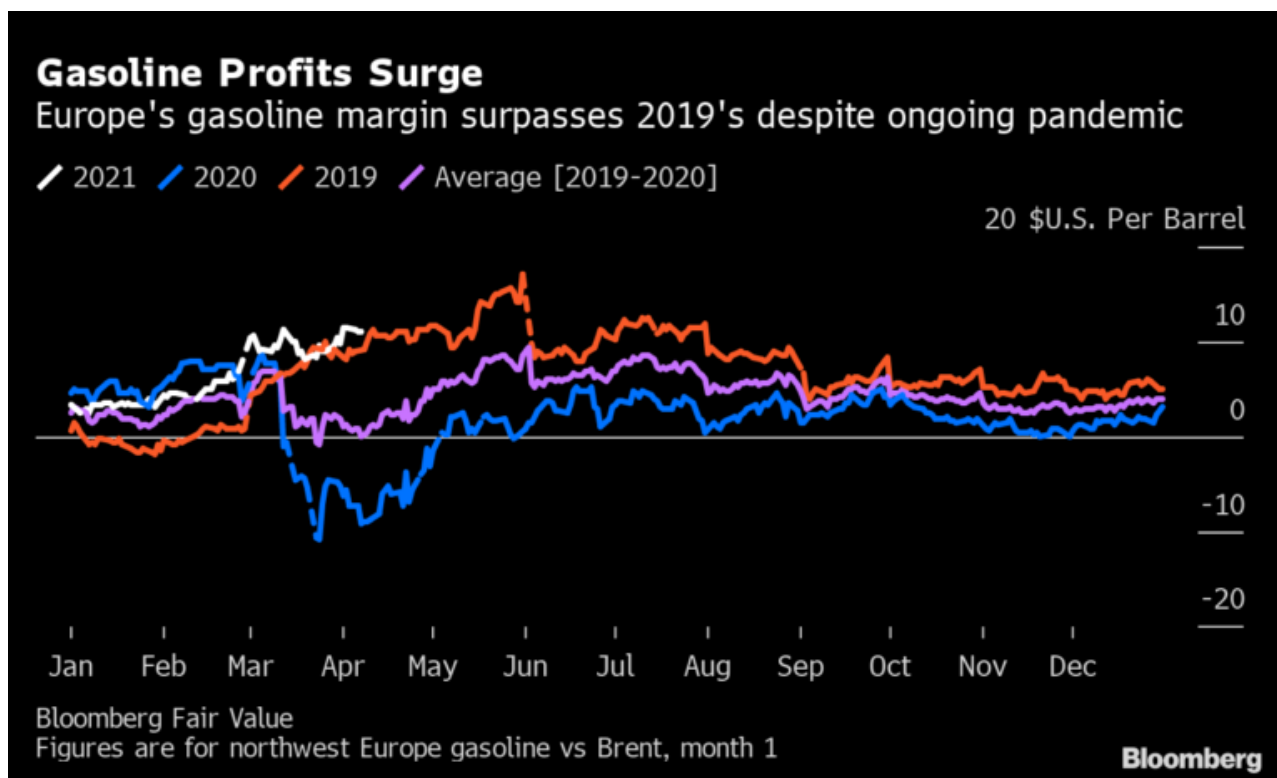
“Since then, Total has been involved in many upgrades or expansions of the downstream sector in Qatar, supporting its JVs and their projects with secondees and specialised technical services,” Bouyer said.

Total Marketing Qatar has a prominent market share for lubricants in Qatar for automotive, construction, industrial and marine customers.

The Total Research Center Qatar at QSTP has leading edge and innovative research projects related to sustainable development, marine biodiversity, biofuels, and solar energy. Total said its commitment to sharing its expertise is fuelled by its aim is to develop home-grown solutions to its local operational challenges, thus supporting and contribution to Qatar’s vision of developing a knowledge-based economy.

TRC-Q also acts as a bridge between industry and academia to bring innovative solutions to our operations, he said.

Europe gasoline rockets despite demand blight from lockdowns



As Europeans drive less, the price they're paying for gasoline to power their cars is moving higher as the continent's oil refineries boost exports – but make less – of the fuel.

The so-called crack spread, the price at which gasoline trades over crude oil, hit its strongest for the time of year since 2017 at the start of April. That's helped push retail prices to their highest in years on a seasonal basis in several of the continent's big consumer nations including Germany, France and Italy.

At least a quarter of the gasoline-making units at northwest Europe's oil refineries have been offline recently for maintenance, or suffered unplanned disruption. That's further reduced output at a time when plants are processing less crude oil anyway because of the pandemic. Add in healthy exports, in

particular to the U.S., and prices suggest the market has more than offset the lost demand.

“There’s a huge pull on European gasoline to other key regions,” said Mark Williams, an oil analyst at Wood Mackenzie Ltd., adding that resurgent demand in the U.S. is boosting the European market.

When Europe’s spring lockdowns came into force last year, millions of barrels of gasoline demand disappeared and processing margins sank deep into negative territory. This time that hasn’t happened, despite the continent’s latest wave of mobility-restricting lockdowns limiting road use and perpetuating weakness in two other key transport fuels: diesel and jet fuel.

European exports of gasoline to the U.S. surged by more than 60% month-on-month in March and are set to stay strong in April, according to data from Kpler, an analytics firm. Shipments to West Africa are also healthy, averaging almost half a million barrels a day in the first quarter of this year. Nigeria has also recently said it won’t phase out gasoline subsidies.

At the same time, Europe’s own supply is being squeezed with multiple gasoline-making units called fluid catalytic crackers taken offline.

Germany’s Miro refinery, which normally supplies between a quarter and a third of the nation’s gasoline, has undergone a major overhaul this spring. The U.K.’s Pembroke plant is also among refineries that reduced supply in recent weeks.

“These outages are likely not economically motivated, but more a result of scheduling,” said Koen Wessels, an analyst at Energy Aspects, noting the loss of output has been supporting margins.

The refinery disruption and high exports have helped to

strengthen Europe's gasoline market even as the continent's road use slumped to its lowest so far this year in the week through March 28, according to transport data compiled by Bloomberg. It was down about 30% on average, compared with pre-pandemic levels.

While those forces are helping gasoline, they're not enough to push margins for other key transport fuels back to seasonal norms. With Europe's air traffic still more than 60% below the pre-pandemic level, refiners are still shifting jet fuel production into diesel, adding to supplies and pulling down prices.

"We could well see another few weeks of strength before refiners bring on enough capacity to alleviate the shortage meaningfully," said Eugene Lindell, an analyst at JBC Energy, when asked about current gasoline strength. "We would expect the ample spare capacity to take care of the issue once runs are ramped up."

**US fossilfuel companies took
billions in taxbreaks and
then laid off thousands**



Fossil-fuel companies have received billions of dollars in tax benefits from the US government as part of coronavirus relief measures, only to lay off tens of thousands of their workers during the pandemic, new figures reveal.

A group of 77 firms involved in the extraction of oil, gas and coal received \$8.2bn under tax-code changes that formed part of a major pandemic stimulus bill passed by Congress last year. Five of these companies also got benefits from the paycheck protection program, totaling more than \$30m.

Despite this, almost every one of the fossil-fuel companies laid off workers, with a more than 58,000 people losing their jobs since the onset of the pandemic, or around 16% of the combined workforces.

The largest beneficiary of government assistance has been Marathon Petroleum, which has got \$2.1bn in tax benefits.

However, in the year to December 2020, the Ohio-based refining company laid off 1,920 workers, or around 9% of its workforce. As a comparative ratio, Marathon has received around \$1m for each worker it made redundant, according to BailoutWatch, a nonprofit advocacy group that analyzed Securities and Exchange Commission filings to compile all the data.

Phillips 66, Vistra Corp, National Oilwell Varco and Valero

were the next largest beneficiaries of the tax-code changes, with all of them shedding jobs in the past year. In the case of National Oilwell Varco, a Houston-headquartered drilling supply company, 22% of the workforce was fired, despite federal government tax assistance amounting to \$591m.

Other major oil and gas companies including Devon Energy and Occidental Petroleum also took in major pandemic tax benefits in the last year while also shedding thousands of workers.

"I'm not surprised that these companies took advantage of these tax benefits, but I'm horrified by the layoffs after they got this money," said Chris Kuveke, a researcher at BailoutWatch.

"Last year's stimulus was about keeping the economy going, but these companies didn't use these resources to retain their workers. These are companies that are polluting the environment, increasing the deadliness of the pandemic and letting go of their workers."

The tax benefits stems from a change in the Cares Act from March last year that allowed companies that had made a loss since 2013 to use this to offset their taxes, receiving this refund as a payment.

The extended carry-back benefit was embraced by the oil and gas industry, with many companies suffering losses even before Covid-19 hit. Pandemic shutdowns then severely curtailed travel by people for business or pleasure, dealing a major blow to fossil-fuel companies through the plummeting use of oil, with the price of a barrel of oil even entering negative territory at one point last year.

A spokesman for Marathon, the one company to answer questions on the layoffs, said the business made "the very difficult decision" to reduce its workforce, providing severance and extended healthcare benefits to those affected.

“These difficult decisions were part of a broader, comprehensive effort, which also included implementing strict capital discipline and overall expense management to lower our cost structure, to improve the company’s resiliency, and reposition it for long-term success,” the spokesman said. “We look forward to better days ahead for everyone as the nation emerges from the pandemic.”

This expense management didn’t extend to the pay of Marathon’s chief executive, Michael Hennigan, who made \$15.5m in 2020. According to BailoutWatch, Marathon’s chief executive is paid 99 times the average company worker’s salary.

“They had no problem paying their executives for good performance when they didn’t perform well,” said Kuveke. “There is no problem with working Americans retaining their jobs but I don’t believe we should subsidize an industry that has been supported by the government for the past 100 years. It’s time to stop subsidizing them and start facing the climate crisis.”

Faced by growing political and societal pressure in their role in the climate crisis and the deaths of millions of people each year through air pollution, the oil and gas industry has sought to paint itself as the protector of thousands of American workers who face joblessness due to Joe Biden’s climate policies.

“Targeting specific industries with new taxes would only undermine the nation’s economic recovery and jeopardize good-paying jobs, including union jobs,” said Frank Macchiarola, senior vice-president for policy, economic and regulatory affairs at lobby group American Petroleum Institute, following Biden’s announcement of a new climate-focused infrastructure plan on Wednesday.

“It’s important to note that our industry receives no special tax treatment, and we will continue to advocate for a tax code

that supports a level playing field for all economic sectors along with policies that sustain and grow the billions of dollars in government revenue that we help generate.”

OPEC+ to ease oil curbs from May after U.S. calls Saudi



OPEC+ agreed on Thursday to gradually ease its oil output cuts from May, after the new U.S. administration called on Saudi Arabia to keep energy affordable, mirroring Donald Trump’s practice of calling OPEC’s leader over oil policy.

The group, which has implemented deep cuts since a pandemic-induced oil price collapse in 2020, agreed to ease production curbs by 350,000 barrels per day (bpd) in May, another 350,000 bpd in June and further 400,000 bpd or so in July.

Iran's oil minister, Bijan Zanganeh, confirmed the group would have boosted output by a total of 1.1 million bpd by July.

Under Thursday's deal, cuts implemented by the Organization of the Petroleum Exporting Countries, Russia and their allies, a group known as OPEC+, would be just above 6.5 million bpd from May, compared with slightly below 7 million bpd in April.

"What we did today is, I think, a very conservative measure," Saudi Energy Minister Prince Abdulaziz Bin Salman told a news conference after the OPEC+ meeting, adding that output levels could still be adjusted at the next meeting on April 28.

He said Thursday's decision had not been influenced by any talks with U.S. officials or any other consuming nations.

The Saudi minister also said the kingdom would gradually phase out its additional voluntary cut that have been running at 1 million bpd, by adding 250,000 bpd to production in May, another 350,000 bpd in June and then 400,000 bpd in July.

CHANGING MOOD

Brent crude was trading around \$64 a barrel, more than 20% up on the start of the year and not far from this year's high of around \$71.

"We reaffirmed the importance of international cooperation to ensure affordable and reliable sources of energy for consumers," Jennifer Granholm, the new energy secretary appointed by U.S. President Joe Biden, said on Twitter after her call with the Saudi energy minister.

News of the call coincided with signs of a changing mood in informal discussions between OPEC+ members. A few days before Thursday's talks, delegates had said the group would likely keep most existing cuts in place, given uncertainty about the demand outlook amid a new wave of coronavirus lockdowns.

But in the 24 hours before the meeting started, sources said

discussions had shifted to the possibility of output increases.

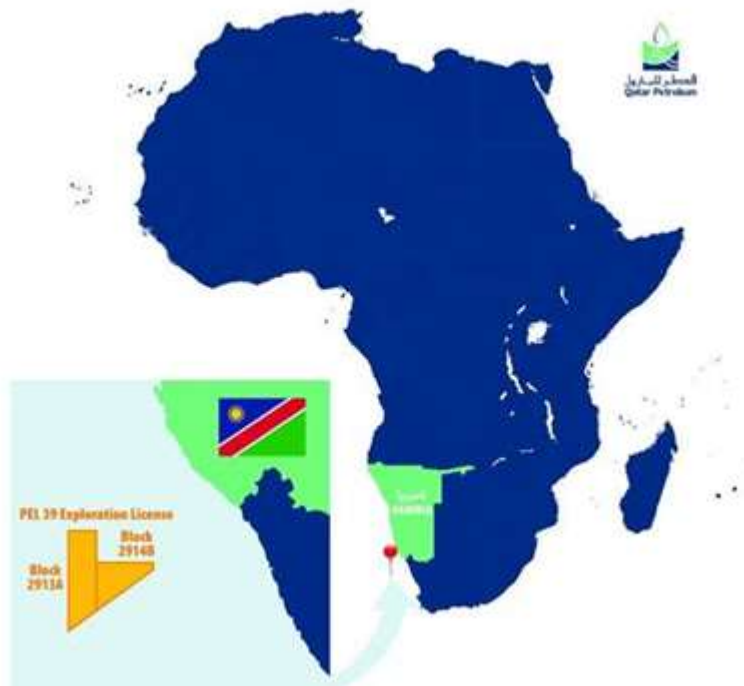
In the past, Trump had used his influence to force Saudi Arabia to adjust policy. When prices spiked, he insisted OPEC raise production. When oil prices collapsed last year, hurting U.S. shale producers, he called on the group to cut output.

Until this week, Biden's administration had refrained from such an approach, keep a distance from Riyadh and imposing sanctions on some Saudi citizens over the 2018 murder of Jamal Khashoggi.

Even when OPEC+ decided on March 4 to keep steady output, triggering a price rise, the White House had made no direct comment.

Source: Reuters (Reporting by Alex Lawler and Ahmad Ghaddar in London, Rania El Gamal in Dubai, Olesya Astakhova and Vladimir Soldatkin in Moscow; Writing by Dmitry Zhdannikov; Editing by Edmund Blair)

QP in deal with Shell to become partner in two offshore exploration blocks in



Qatar Petroleum has entered into an agreement with Shell to become a partner in two exploration blocks offshore, the Republic of Namibia.

Under the terms of the agreement, which is subject to customary approvals, QP will hold a 45% participating interest in the PEL 39 exploration licence pertaining to Block 2913A and Block 2914B, while Shell (the Operator) will hold a 45% interest, and the National Petroleum Corporation of Namibia (NAMCOR) will hold the remaining 10% interest.

Commenting on the agreement, HE the Minister of State for Energy Affairs Saad bin Sherida al-Kaabi, also the President and CEO of QP, said, "With this second exploration and production sharing agreement in Namibia, we are pleased to expand our exploration footprint in the country, and to further strengthen our presence in the southern Africa region. "Working on these promising and prospective blocks with our valued long-term partner, Shell, is another step in our stride towards achieving our international growth strategy. We look forward to working together with the Namibian Government, NAMCOR and Shell on these blocks."

This is QP's second exploration licence in Namibia. In August 2019, QP entered into agreements for participating in blocks 2913B and 2912 offshore Namibia.

The PEL 39 blocks are located offshore Namibia in ultra-deep-water depths of about 2,500m, covering an area of approximately 12,300km².

The Powerful New Financial Argument for Fossil-Fuel Divestment



In a few months, a small British financial think tank will mark the tenth anniversary of the publication of a landmark research report that helped launch the global fossil-fuel-divestment movement. As that celebration takes place, another seminal report—this one obtained under the Freedom of Information Act from the world's largest investment house—closes the loop on one of the key arguments of that

decade-long fight. It definitively shows that the firms that joined that divestment effort have profited not only morally but also financially.

The original report, from the London-based Carbon Tracker Initiative, found something stark: the world's fossil-fuel companies had five times more carbon in their reserves than scientists thought we could burn and stay within any sane temperature target. The numbers meant that, if those companies carried out their business plans, the planet would overheat. At the time, I discussed the report with Naomi Klein, who, like me, had been a college student when divestment campaigns helped undercut corporate support for apartheid, and to us this seemed a similar fight; indeed, efforts were already under way at a few scattered places like Swarthmore College, in Pennsylvania. In July, 2012, I published an article in *Rolling Stone* calling for a broader, large-scale campaign, and, over the next few years, helped organize roadshows here and abroad. Today, portfolios and endowments have committed to divest nearly fifteen trillion dollars; the most recent converts, the University of Michigan and Amherst College, made the pledge in the last week.

No one really pushed back against the core idea behind the campaign—the numbers were clear—but two reasonable questions were asked. One was, would divestment achieve tangible results? The idea was that, at the least, it would tarnish the fossil-fuel industry, and would, eventually, help constrain its ability to raise investment money. That's been borne out over time: as the stock picker Jim Cramer put it on CNBC a year ago, "I'm done with fossil fuels. . . . They're just done." He continued, "You're seeing divestiture by a lot of different funds. It's going to be a parade. It's going to be a parade that says, 'Look, these are tobacco, and we're not going to own them.' "

The second question was: Would investors lose money? Early proponents such as the investor Tom Steyer argued that,

because fossil fuel threatened the planet, it would come under increased regulatory pressure, even as a new generation of engineers would be devising ways to provide cleaner and cheaper energy using wind and sun and batteries. The fossil-fuel industry fought back—the Independent Petroleum Association of America, for instance, set up a Web site crowded with research papers from a few academics arguing that divestment would be a costly financial mistake. One report claimed that “the loss from divestment is due to the simple fact that a divested portfolio is suboptimally diversified, as it excludes one of the most important sectors of the economy.”

As the decade wore on, and more investors took the divestment plunge, that argument faltered: the philanthropic Rockefeller Brothers Fund said that divestment had not adversely affected their returns, and the investment-fund guru Jeremy Grantham published data showing that excluding any single sector of the economy had no real effect on long-term financial returns. But the Rockefeller Brothers and Grantham were active participants in the fight against global warming, so perhaps, the fossil-fuel industry suggested, motivated reasoning was influencing their conclusions.

The latest findings are making that charge difficult to sustain. For one thing, they come from the research arm of BlackRock, a company that has been under fire from activists for its longtime refusal to do much about climate. (The company’s stance has slowly begun to shift. Last January, Larry Fink, its C.E.O., released a letter to clients saying that climate risk would lead them to “reassess core assumptions about modern finance.”) BlackRock carried out the research over the past year for two major clients, the New York City teachers’ and public employees’ retirement funds, which were considering divestment and wanted to know the financial risk involved. Bernard Tuchman, a retiree in New York City and a member of Divest NY, a nonprofit advocacy group, used public-records requests to obtain BlackRock’s findings from the city late last month. Tuchman then shared

them with the Institute for Energy Economics and Financial Analysis, a nonprofit that studies the energy transition.

In places, BlackRock's findings are redacted, so as not to show the size of particular holdings, but the conclusions are clear: after examining "divestment actions by hundreds of funds worldwide," the BlackRock analysts concluded that the portfolios "experienced no negative financial impacts from divesting from fossil fuels. In fact, they found evidence of modest improvement in fund return." The report's executive summary states that "no investors found negative performance from divestment; rather, neutral to positive results." In the conclusion to the report, the BlackRock team used a phrase beloved by investors: divested portfolios "outperformed their benchmarks."

In a statement, the investment firm downplayed that language, saying, "BlackRock did not make a recommendation for TRS to divest from fossil fuel reserves. The research was meant to help TRS determine a path forward to meet their stated divestment goals." But Tom Sanzillo—I.E.E.F.A.'s director of financial analysis, and a former New York State first deputy comptroller who oversaw a hundred-and-fifty-billion-dollar pension fund—said in an interview that BlackRock's findings were clear. "Any investment fund looking to protect itself against losses from coal, oil, and gas companies now has the largest investment house in the world showing them why, how, and when to protect themselves, the economy, and the planet." In short, the financial debate about divestment is as settled as the ethical one—you shouldn't try to profit off the end of the world and, in any event, you won't.

These findings will gradually filter out into the world's markets, doubtless pushing more investors to divest. But its impact will be more immediate if its author—BlackRock—takes its own findings seriously and acts on them. BlackRock handles more money than any firm in the world, mostly in the form of passive investments—it basically buys some of everything on

the index. But, given the climate emergency, it would be awfully useful if, over a few years, BlackRock eliminated the big fossil-fuel companies from those indexes, something they could certainly do. And, given its own research findings, doing so would make more money for their clients—the pensioners whose money they invest.

BlackRock could accomplish even more than that. It is the biggest asset manager on earth, with about eight trillion dollars in its digital vaults. It also leases its Aladdin software system to other big financial organizations; last year, the *Financial Times* called Aladdin the “technology hub of modern finance.” BlackRock stopped revealing how much money sat on its system in 2017, when the figure topped twenty trillion dollars. Now, with stock prices soaring, the *Financial Times* reported that public documents from just a third of Aladdin’s clients show assets topping twenty-one trillion. Casey Harrell, who works with Australia’s Sunrise Project, an N.G.O. that urges asset managers to divest, believes that the BlackRock system likely directs at least twenty-five trillion in assets. “BlackRock’s own research explains the financial rationale for divestment,” Harrell told me. “BlackRock should be bold and proactively offer this as a core piece of its financial advice.”

What would happen if the world’s largest investment firm issued that advice and its clients followed it? Fifteen trillion dollars plus twenty-five trillion is a lot of money. It’s roughly twice the size of the current U.S. economy. It’s almost half the size of the total world economy. It would show that a report issued by a small London think tank a decade ago had turned the financial world’s view of climate upside down.

A previous version of this post incorrectly described some aspects of Tuchman’s public-records request.

OPEC oil output rises in March, led by Iran: Reuters survey



The 13-member Organization of the Petroleum Exporting Countries pumped 25.07 million barrels per day (bpd) in March, the survey found, up 180,000 bpd from February. Output has risen every month since June 2020 with the exception of February.

The rise in Iranian supply comes as OPEC and allies, known as OPEC+, have delayed unwinding more of their output cuts as the impact of the pandemic persists.

OPEC+ meets on Thursday and delegates expect most cuts will be kept.

"I can feel the cautious momentum," one OPEC source said of Thursday's meeting.

Oil topped \$71 a barrel this month, the highest since before the pandemic, but has since fallen to about \$64. A slow recovery in demand and rising Iranian exports have weighed on prices, analysts said.

OPEC+ decided to keep supply mostly steady for March while Saudi Arabia made an extra cut out of concern about the slow demand recovery. Iran, plus fellow OPEC members Libya and Venezuela, are exempt from making cuts.

The Saudi move means OPEC still pumped much less than called for under the OPEC+ deal, despite the Iranian increase. Compliance with pledged cuts in March was 124%, the survey found, up from 121% in February.

IRAN PUMPS MORE

Iran has managed to raise exports since the fourth quarter despite U.S. sanctions, according to various assessments.

There is no definitive figure for the exports. Iran has said documents are forged to hide the origin of its cargoes. Tankers have satellite tracking but this can be switched off and the use of ship-to-ship transfers makes it harder to spot the shipments.

The Reuters survey puts Iranian supply in March at 2.3 million bpd, up 210,000 bpd from February and the biggest rise in OPEC.

OPEC's second-largest increase, of 40,000 bpd, came from Iraq, the survey found. There were also small increases by the other two exempt producers, Libya and Venezuela.

Top exporter Saudi Arabia pledged an additional 1 million bpd output cut for February and March. Riyadh achieved virtually all of this in March, the survey found, more than in February.

Output was steady in other large producers United Arab

Emirates, Kuwait and Nigeria, the survey found.

The Reuters survey aims to track supply to the market and is based on shipping data provided by external sources, Refinitiv Eikon flows data, information from tanker trackers such as Petro-Logistics and Kpler, and information provided by sources at oil companies, OPEC and consultants.

OPEC+ panel revises down oil demand estimate before key meeting



(March 31): A panel of OPEC+ technical experts agreed to revise down oil-demand estimates for 2021, signaling a more negative view of the market just days before the group decides

on production policy.

The OPEC+ Joint Technical Committee now estimates that global oil demand will expand by 5.6 million barrels a day this year, down from 5.9 million previously, according to delegates and documents seen by Bloomberg.

The revision, which mainly affects the next few months, follows a recommendation from OPEC Secretary-General Mohammad Barkindo earlier on Tuesday that the coalition should remain very cautious.

At the previous meeting, that sense of caution led to a surprise decision to maintain almost all of the cartel's output curbs, instead of boosting production in anticipation of the economic recovery from the coronavirus pandemic. The Organization of Petroleum Exporting Countries and its allies believe that decision has since been vindicated and the group is widely expected to take a similar stance this week.

The panel "noted with concern that despite the accelerated rate of vaccination roll-outs across the world, there are a rising number of confirmed Covid-19 infections globally, with lockdown measures and travel restrictions being reimposed in many regions," according to the documents.

The reduction is most pronounced from April to June, when on average consumption is now seen 1 million barrels a day lower than prior projections.

That implies that the cartel's primary goal for the coming months – running down excess fuel inventories built up during the pandemic – would only happen slowly unless its production cuts are maintained close to current levels.

While fuel demand in the U.S. has shown strong signs of a rebound, a resurgence of the virus has undermined the recovery elsewhere. That has convinced the cartel it made the right call at its last meeting.

“While last month saw many positive developments, it also witnessed reminders of the ongoing uncertainties and fragility caused by the COVID-19 pandemic,” Barkindo said at the start of the videoconference of the OPEC+ Joint Technical Committee on Tuesday, according to a statement from the group.

In the days after the March 4 meeting, when OPEC+ shocked the market by maintaining most of its production cuts, Brent soared to US\$70 a barrel.

Yet the rally soon dissolved as parts of Europe reimposed lockdowns to contain a virulent strain of the coronavirus, while India and Brazil contended with worsening outbreaks. Crude purchases in Asia slowed as a lackluster tourist season failed to stimulate fuel demand. Meanwhile, oil supplies swelled as Iran ramped up exports to China in defiance of U.S. sanctions.

Within a week of hitting a one-year high, oil futures had surrendered almost US\$10. Brent crude, the international benchmark, closed at US\$64.05 a barrel on Tuesday.