China is set to eclipse US as world’s biggest oil refiner

Bloomberg/Beijing

Earlier this month, Royal Dutch Shell pulled the plug on its Convent refinery in Louisiana. Unlike many oil refineries shut in recent years, Convent was far from obsolete: It’s fairly big by US standards and sophisticated enough to turn a wide range of crude oils into high-value fuels. Yet Shell, the world’s third-biggest oil major, wanted to radically reduce refining capacity and couldn’t find a buyer.

As Convent’s 700 workers found out they were out of a job, their counterparts on the other side of Pacific were firing up a new unit at Rongsheng Petrochemical’s giant Zhejiang complex in northeast China. It’s just one of at least four projects underway in the country, totalling 1.2mn barrels a day of crude-processing capacity, equivalent to the UK’s entire fleet.

The Covid crisis has hastened a seismic shift in the global refining industry as demand for plastics and fuels grows in China and the rest of Asia, where economies are quickly rebounding from the pandemic. In contrast, refineries in the US and Europe are grappling with a deeper economic crisis while the transition away from fossil fuels dims the long-term outlook for oil demand.

America has been top of the refining pack since the start of the oil age in the mid-nineteenth century, but China will dethrone the US as early as next year, according to the International Energy Agency. In 1967, the year Convent opened, the US had 35 times the refining capacity of China.

The rise of China's refining industry, combined with several large new plants in India and the Middle East, is reverberating through the global energy system. Oil exporters are selling more crude to Asia and less to long-standing customers in North America and Europe. And as they add capacity, China's refiners are becoming a growing force in international markets for gasoline, diesel and other fuels. That's even putting pressure on older plants in other parts of Asia: Shell also announced this month that they will halve capacity at their Singapore refinery.

There are parallels with China's growing dominance of the global steel industry in the early part of this century, when China built a clutch of massive, modern mills. Designed to meet burgeoning domestic demand, they also made China a force in the export market, squeezing higher-cost producers in Europe, North America and other parts of Asia and forcing the closure of older, inefficient plants.

"China is going to put another million barrels a day or more on the table in the next few years," Steve Sawyer, director of refining at industry consultant Facts Global Energy, or FGE, said in an interview. "China will overtake the US probably in the next year or two."

But while capacity will rise is China, India and the Middle East, oil demand may take years to fully recover from the damage inflicted by the coronavirus. That will push a few million barrels a day more of refining capacity out of business, on top of a record 1.7mn barrels a day of processing capacity already mothballed this year. More than half of these

closures have been in the US, according to the IEA.
About two thirds of European refiners aren't making enough money in fuel production to cover their costs, said Hedi Grati, head of Europe-CIS refining research at IHS Markit. Europe still needs to reduce its daily processing capacity by a further 1.7mn barrels in five years.
"There is more to come," Sawyer said, anticipating the closure of another 2mn barrels a day of refining capacity through next year.
Chinese refining capacity has nearly tripled since the turn of the millennium as it tried to keep pace with the rapid growth of diesel and gasoline consumption. The country's crude processing capacity is expected to climb to 1bn tons a year, or 20mn barrels per day, by 2025 from 17.5mn barrels at the end of this year, according to China National Petroleum Corp's Economics & Technology Research Institute.
India is also boosting its processing capability by more than half to 8mn barrels a day by 2025, including a new 1.2mn barrels per day mega project. Middle Eastern producers are adding to the spree, building new units with at least two projects totalling more than a million barrels a day that are set to start operations next year.
One of the key drivers of new projects is growing demand for the petrochemicals used to make plastics. More than half of the refining capacity that comes on stream from 2019 to 2027 will be added in Asia and 70% to 80% of this will be plastics-focused, according to industry consultant Wood Mackenzie.
The popularity of integrated refineries in Asia is being driven by the region's relatively fast economic growth rates and the fact that it's still a net importer of feedstocks like naphtha, ethylene and propylene as well as liquefied petroleum gas, used to make various types of plastic. The US is a major supplier of naphtha and LPG to Asia.
These new massive and integrated plants make life tougher for their smaller rivals, who lack their scale, flexibility to switch between fuels and ability to process dirtier, cheaper crudes.

The refineries being closed tend to be relatively small, not very sophisticated and typically built in the 1960s, according to Alan Gelder, vice president of refining and oil markets at Wood Mackenzie. He sees excess capacity of around 3mn barrels a day. "For them to survive, they will need to export more products as their regional demand falls, but unfortunately they're not very competitive, which means they're likely to close."

Global oil consumption is on track to slump by an unprecedented 8.8mn barrels a day this year, averaging 91.3mn a day, according to the IEA, which expects less than two-thirds of this lost demand to recover next year.

Some refineries were set to shutter even before the pandemic hit, as a global crude distillation capacity of about 102mn barrels a day far outweighed the 84mn barrels of refined products demand in 2019, according to the IEA. The demand destruction due to Covid-19 pushed several refineries over the brink.

"What was expected to be a long, slow adjustment has become an abrupt shock," said Rob Smith, director at IHS Markit.

Adding to the pain of refiners in the US are regulations pushing for biofuels. That encouraged some refiners to repurpose their plants for producing biofuels.

Even China may be getting ahead of itself. Capacity additions are outpacing its demand growth. An oil products oversupply in the country may reach 1.4mn barrels a day in 2025, according to CNPC. Even as new refineries are built, China's demand growth may peak by 2025 and then slow as the country begins its long transition toward carbon neutrality.

Opec+ gets scant relief from vaccine as ministers meet

Bloomberg/London

Oil markets may be cheering the prospects of a coronavirus vaccine, but Opec+ can't celebrate. Crude prices have rallied to a 10-week high on hopes that Pfizer Inc and BioNTech SE's breakthrough could soon revive the flights, car journeys and other economic activity that underpin fuel consumption.
Nonetheless, the alliance of producers is discussing a delay of the supply boost they'd hoped to make in January. Oil demand is currently suffering a fresh blow from a resurgence of the pandemic.
Ministers are focused on a postponement of three to six months, according to delegates familiar with the talks who asked not to be identified. They'll hold an interim meeting on Tuesday to review the market, then make a final decision in a further two weeks.

Frightening pullback

"This is the wrong time to be increasing crude supply," Bob

McNally, president of consultant Rapidan Energy Group and a former White House official, said in a Bloomberg television interview. “They really almost have no choice now but to postpone. The demand pullback in Europe is frightening.”
While the vaccine progress relieves some of the pressure on the Organization of Petroleum Exporting Countries, it won’t provide a significant boost to demand until the second half of 2021 next year, according to the International Energy Agency in Paris. Economic fallout from the latest wave of lockdowns will linger, Opec said in a report. The 23-nation alliance had intended to ease some of the unprecedented supply curbs introduced in May to offset the collapse in demand, restoring 2mn barrels a day of output at the start of next year. They made a similar increase over the summer as the global economy recovered, and hoped that the trend would continue.
But in recent weeks Opec+ members have acknowledged those aspirations look unfeasible. Instead, the producers look set to keep about 7.7mn barrels a day — roughly 8% of global supply — off-line for a little longer.

Critical cut

Deferring the supply boost — and thus supporting prices — may be critical for Opec+ nations, many of which need oil prices far above the current level of $43 a barrel in order to cover government spending. It would also throw a lifeline to the wider industry, from majors like Exxon Mobil Corp to independent companies in the US shale patch.
Saudi Arabian energy minister said on November 9 the producers can “tweak this agreement” as required. Algeria, which holds Opec’s rotating presidency, and group secretary-general Mohammad Barkindo made similar remarks.
Even Russia, usually reluctant to forego oil sales, has signaled support. President Vladimir Putin said on October 22 that delay was an option, and even gestured at the possibility of making deeper production cuts if necessary. Further curbs don’t appear needed so far, delegates say. “The lockdowns in Europe and what that will mean for demand will be very much on

their mind," Daniel Yergin, vice chairman at IHS Markit, said in a Bloomberg Television interview. "The easiest thing for them to do, and as President Putin signalled, is to roll it over."

While the Joint Ministerial Monitoring Committee that convenes on Tuesday won't set policy, Riyadh and Moscow may give some insight into their thinking before the main ministerial meetings on November 30 to December 1.

Supply headache

Faltering demand isn't the only headache for the alliance, which is also having to reckon with a surprising increase in supply from one of its own members.

Libya, which is exempt from the agreement to restrain production, has revived output to the highest level in almost a year after a truce in its civil war. The North African nation tripled supply to 450,000 barrels a day last month, and is now pumping above 1 million a day.

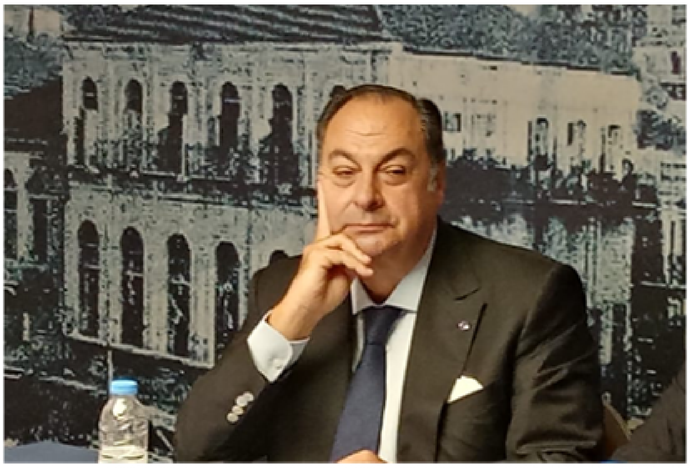
The case for extending curbs, though persuasive, could still run into opposition.

One flash-point may be the millions of barrels of outstanding cuts still due from some members, which were supposed to be completed by the end of the year.

Opec+ nations that flouted their output quotas in the initial months of the agreement, such as Iraq and Nigeria, have been tasked with "compensation cuts." After making some tentative efforts at these, Baghdad defiantly ramped exports back up last month.

Mediterranean crisis calls

for ‘civilized solution’, energy expert tells EU-Arab gathering



‘Do we want the benefits of our own rightful shares more than we want to deny the same benefits to our neighbors?’

ATHENS, Greece: The latest legal and technological tools can resolve rival claims in the Mediterranean without anyone firing a shot, a veteran of the region’s energy industry told a conference in Athens on Monday.

“We have both the legal mechanisms and the high-precision mapping technologies to draw up fair and equitable boundaries at sea,” Roudi Baroudi said in a speech to the 5th European Union Arab World Summit. “That means that countries in the Mediterranean region can settle their differences amicably, setting aside the costly and ultimately self-defeating ways of war.”

Appearing via Zoom from Doha, Qatar, Baroudi said the region had a long history of spawning great civilizations, but that each of these had squandered their good fortune by make war on their neighbors.

Thanks to huge deposits of natural gas having been found beneath the Mediterranean, he noted, “the region faces another crossroads”, largely because “the vast majority of maritime boundaries in the Mediterranean remain unresolved.” With neighboring states laying claim to the same undersea real estate, Baroudi said the resulting “patchwork of claims and counter-claims” only served to hamper all parties by jeopardizing their respective offshore oil and gas activities.

With more than four decades in the business – including significant experience in both the public and private sectors – Baroudi has become a leading proponent of the East Med’s emergence as a major energy producer. Having long argued that safe and responsible exploitation of the resource in question would allow regional countries to make historic gains, both at home and abroad, his most recent interventions have focused on how to draw fair and equitable boundaries at sea. In fact, his book “Maritime Disputes in the Eastern Mediterranean: The Way Forward” is widely regarded as the most authoritative guide to the current situation.

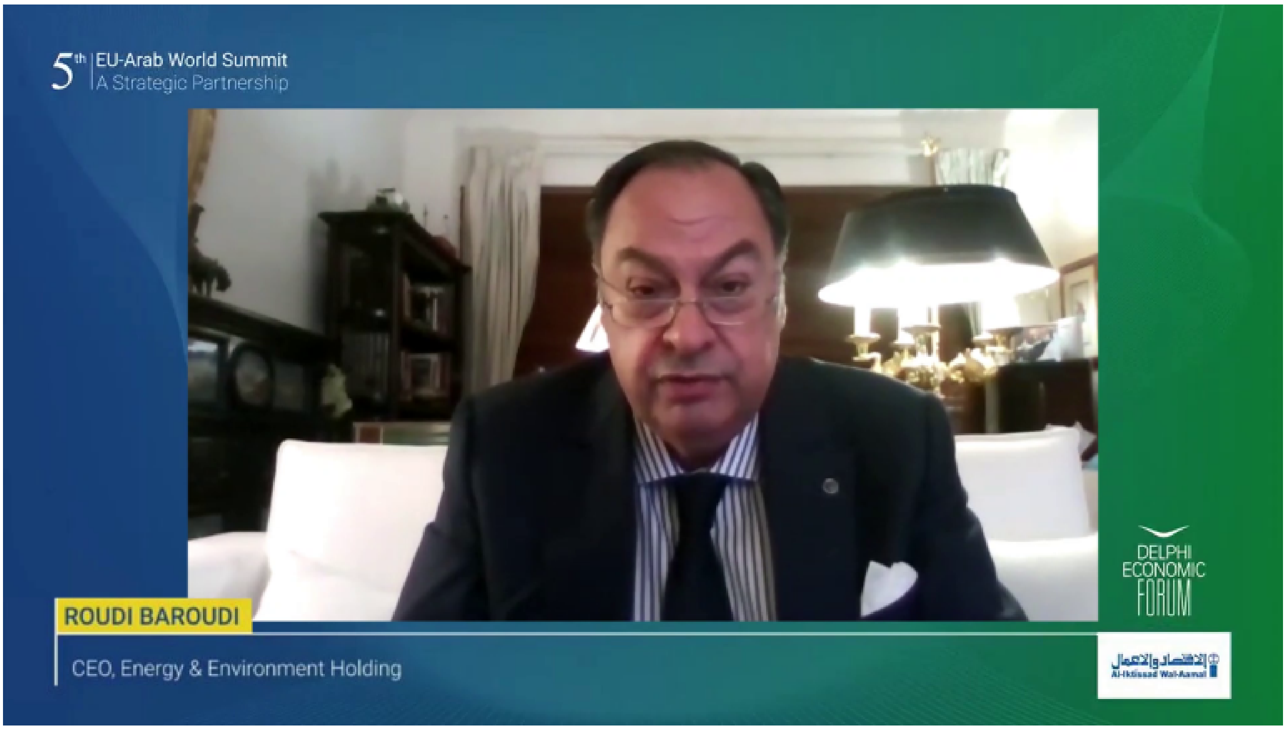
Currently serving as CEO of Energy and Environment Holding, an independent consultancy based in Doha, Baroudi said all parties need to be honest with themselves by answering single question: “do we want the benefits of our own rightful shares more than we want to deny the same benefits to our neighbors?”

Those that want to focus on getting their share, he argued, need to put their faith in the United Nations Convention on the Law of the Sea.

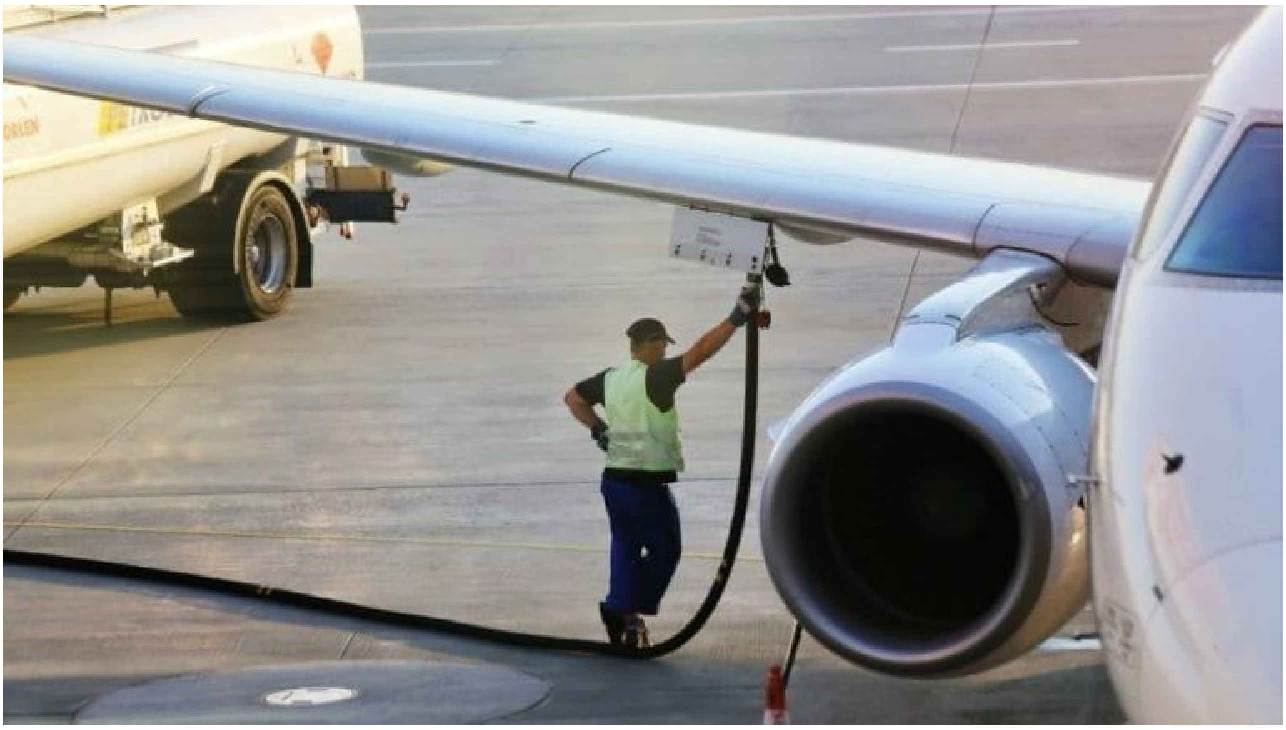
Roudi Baroudi is CEO of Energy and Environment Holding, an independent consultancy based in Doha.

He also is the author of “Maritime Disputes in the Eastern Mediterranean: the Way Forward”, published earlier this year by the Transatlantic Leadership Network and distributed by the Brookings Institution Press.

5th EU- Arab World Summit – Maritime Borders in the Mediterranean: the Cradle of Civilization Deserves a Civilized Solution



Oil recovery waits for international flying to return



Jet fuel consumption remains the hardest-hit section of the global oil market as passengers avoid air travel because of the pandemic and government travel restrictions.

The specific problems of the jet market explain why refinery margins for closely related distillates such as diesel are being hit much harder than benchmark oil prices.

Jet fuel’s travails have helped push distillate margins to their lowest levels for more than a decade and are undercutting refinery demand for crude.

Sustained recovery in distillate margins and crude oil prices will therefore depend on a wider resumption of cross-border aviation.

But an early resumption of long-haul flights is looking less likely than a few months ago, given the resurgence of coronavirus cases in many parts of the world.

So an upturn in jet consumption, and with it distillate margins and crude oil prices, depends on one or more of three factors: early deployment of an effective COVID-19 vaccine; alternative methods of infection control (such as rapid testing or improved contact tracing and isolation); or lifting air travel restrictions with or without a vaccine.

Quarantines and other infection controls have mostly been imposed on a national or occasionally continental basis, and on potentially infective passengers rather than manufactured products.

As a result, passenger aviation has been hit much harder than freight, and within the passenger sector, long-haul intercontinental flights have been more severely affected than short-haul and domestic services.

Domestic markets rebound

Globally, air freight tonne-kilometres were down just 18 per cent in June compared with passenger revenue-kilometres down 87 per cent, according to the International Civil Aviation Organisation.

In Hong Kong, which has adopted some of the strictest quarantine requirements, air cargo volumes were down just 2 per cent in August from a year earlier while passenger numbers, excluding transit passengers, were down 99 per cent.

On the passenger side, countries with a large domestic market, including the United States and China, have seen a stronger rebound than countries that depend on international departures and arrivals such as Britain.

China’s passenger aviation volume was down by about 40 per cent in August compared with the same month a year earlier, based on passenger-kilometres flown, according to the National

Bureau of Statistics.

By contrast, Heathrow airport reported passenger numbers were down by 69 per cent in August for domestic and short-haul flights within Europe, and down by 92 per cent for long-haul flights outside Europe.

Business-related travel has been hit harder than leisure journeys as a result of the cancellation of conferences and in-person customer visits.

Most aviation experts expect business travel to recover more slowly than leisure journeys over the next 12 to 24 months, mirroring the experience after previous business cycle downturns.

The recession’s lingering effects will encourage corporate managers to focus on cost control even once coronavirus restrictions are lifted, and discouraging discretionary flights is the easiest target for short-term savings.

Jet fuel consumption takes off

Global jet fuel consumption was about 8 million barrels a day in 2019, or about 8 per cent of global petroleum consumption, according to BP.

But it has been one of the fastest-growing sections of the market over the past decade, with consumption growing by almost 2.7 per cent a year between 2009 and 2019, compared with 1.6 per cent for all petroleum products.

While jet consumption remains a relatively small component of the total petroleum market, it is much larger compared with the market for other similar middle distillates.

In 2019, jet fuel accounted for 22 per cent of worldwide consumption of middle distillates, a group of fuels which also includes diesel, heating oil, gasoil and kerosene, and totalled about 36 million barrels a day.

The pandemic-driven slump in aviation, especially fuel-hungry long-haul passenger aviation, has cut jet consumption by more than half.

Even with its domestic market, jet fuel consumption in the US is still down by more than 55 per cent compared with levels from a year ago, according to weekly estimates from the US Energy Information Administration.

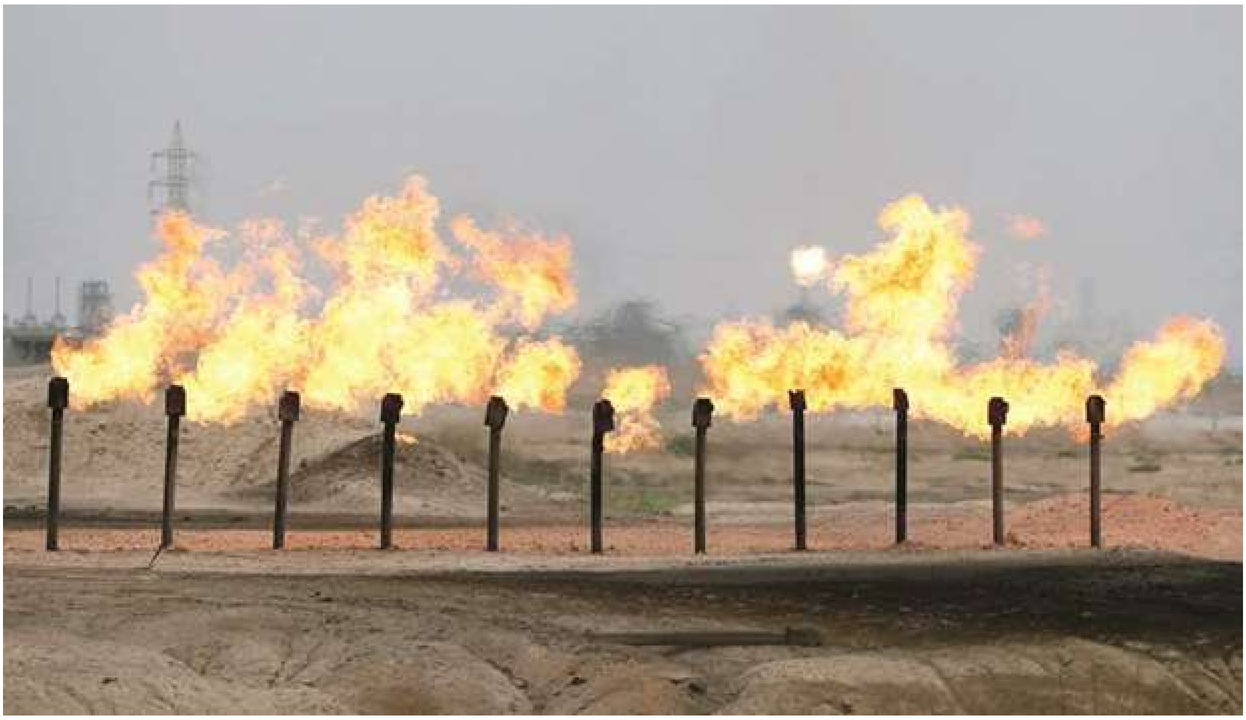
Jet fuel, with strict quality specifications, is normally a premium product and makes a big contribution to refinery margins and profitability.

Following the pandemic, however, refiners have been forced to dump unwanted jet fuel into the broader and less-profitable pool for other middle distillates.

The diversion of surplus jet fuel has contributed to oversupply and bloated stocks of other middle distillates and is weighing on refining margins.

In turn, oversupply of distillates and poor margins are incentivising refineries to limit their crude purchases and processing, holding back wider recovery in the oil market.

Iraq’s rising crude sales signal further lag on Opec+ quota



Bloomberg/London

Iraq is exporting more crude so far in September than it shipped last month, a sign that the country is falling further behind in efforts to comply with its Opec+ production limit.

A long-time laggard, Iraq already owes its partners in the producers’ group compensation cuts to make up for pumping too much in past months. With these extra reductions that Iraq promised for August and September, its production goal would be about 3.4mn barrels a day.

In the first 15 days of September, Iraqi exports alone reached 3.26mn barrels a day, 8% higher than last month’s daily average, according to tanker tracking data compiled by Bloomberg. Adding as much as 650,000 barrels a day of crude to account for Iraqi refinery use would put Opec’s second-biggest producer well over its production limit.

Sixty years on from its founding, the Organization of Petroleum Exporting Countries is restricting output with other major producers to try to revive the oil market from the Covid-19 demand crisis. Leaders of the Opec+ coalition were chairing a monitoring meeting yesterday to make sure group members toe the line, so the timing of data suggested rising exports from Iraq is awkward.

Earlier this month, Iraq said it might need more time to implement its promised additional production cuts.

Iraq pumped 3.72mn barrels a day in August, according to a Bloomberg survey. Iraq’s oil ministry and its state oil marketer didn’t immediately respond to requests for comment.

Crude prices have slipped since the end of August on concern that coronavirus flare-ups will slow a recovery in demand and that Opec+ compliance may be slipping.

Opec was already facing compliance questions concerning the UAE, which pumped at least 100,000 barrels a day more than it should have in August. Tanker tracking can shed light on how much oil a country is producing. However, countries may sell barrels from storage, and those don’t count toward output limits. Producers also sometimes mix other petroleum products into the crude they ship, inflating their export numbers.

The daily average provided by preliminary tanker tracking may also change over the month because shipments are not always spread uniformly over the period.

After reviving crude prices from an unprecedented collapse over the spring, Opec+ is seeing the recovery stall and fuel demand falter as the deadly pandemic surges once again.

The peak holiday driving season has passed in the US, yet rush-hour traffic is still sparse and crude inventories stubbornly high. In India, the third-biggest consumer, transport-fuel sales remained 20% below year-ago levels last month. Even in China, where refiners binged on crude at the height of the crisis, buying has slowed.

As OPEC+ meets this week, UAE

emerges as main laggard

LONDON/DUBAI (Reuters) – The United Arab Emirates has emerged as a major laggard in delivering oil output cuts in August, figures used by OPEC+ showed on Wednesday, as the group meets this week amid signs of a faltering demand recovery.

Compliance with oil production cuts in August among OPEC+ members was seen at around 101%, four OPEC+ sources told Reuters on Wednesday, a figure calculated using production assessments from six secondary sources.

Several of the secondary sources showed the UAE missed its target in August, with the International Energy Agency (IEA) giving OPEC’s third-largest producer a score of only 10%, significantly lower than an average of around 80% from other sources.

The UAE had said its overproduction was due to higher demand for associated gas for power generation, driven by hot weather and more people ditching foreign holidays, adding that it will compensate for the August rise by reducing its oil supply in the coming months.

Abu Dhabi National Oil Company (ADNOC) will reduce crude oil supplies to term buyers in October and November.

A technical committee of the alliance of the Organization of the Petroleum Exporting Countries and its allies, known as OPEC+, meets on Wednesday to discuss market fundamentals and compliance.

One of the OPEC+ sources said the UAE will submit its plan to compensate for its overproduction in August.

Secondary source data including from the IEA, price reporting agencies S&P Global Platts and Argus Media, and publication Energy Intelligence have shown that laggards Iraq and Nigeria have by and large made efforts in August to compensate for their overproduction.

A higher-level ministerial monitoring committee meets on Thursday, and is unlikely to announce recommendations for expanding the oil cuts – currently at 7.7 million bpd until the end of the year – any further, sources told Reuters this week.

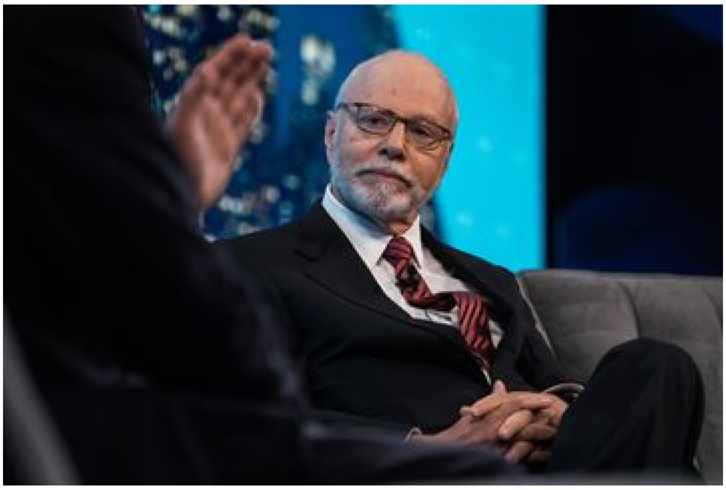
The meeting, instead, is expected to extend the compensation period for countries such as Iraq and Nigeria for their past overproduction, and discuss underperformance from other members, including the UAE.

The meetings come against the backdrop of worsening demand forecasts, including from OPEC.

In its monthly report, the organisation said it expected world oil demand to fall by 9.46 million barrels per day (bpd) this year, more than the 9.06 million bpd decline expected a month ago. [OPEC/M]

The OPEC forecast chimes with a worsening demand outlook outlined by the International Energy Agency and major oil industry producers and traders.

Elliott Discloses Stake in Takeover Target Noble Energy



Activist investor Elliott Management Corp. has taken a stake in Noble Energy Inc., the energy explorer that agreed in July to sell to Chevron Corp. for about $5 billion.

The stake was disclosed in a filing Tuesday with the U.S. Federal Trade Commission. Noble Energy and the New York-based hedge fund run by Paul Singer were granted early termination under the FTC’s Hart-Scott-Rodino Act — a requirement when an investor buys shares in a company above a certain threshold and seeks to hold discussions about such things as strategy or management changes.

he size of the stake and Elliott’s intentions aren’t known. Representatives for Elliott and Noble Energy weren’t immediately available for comment.

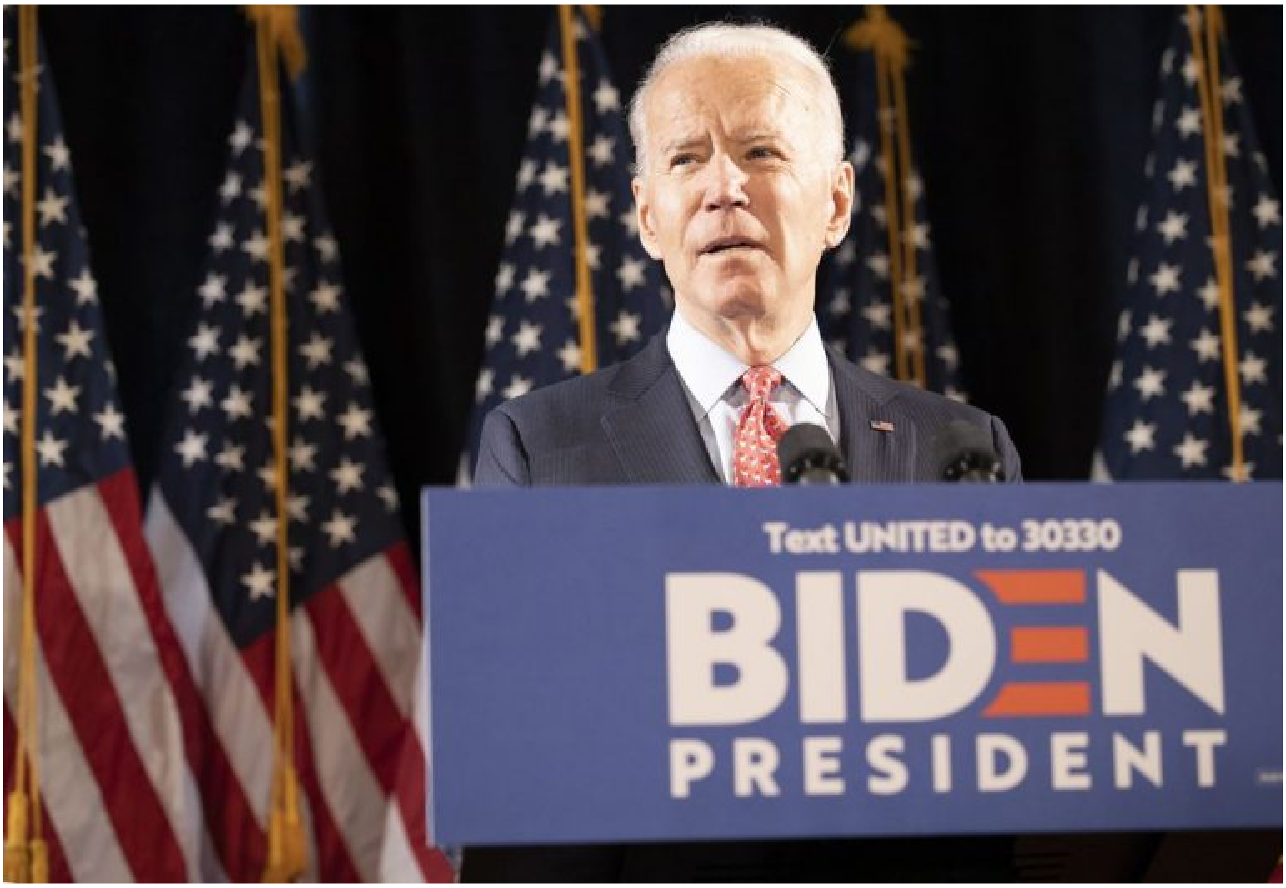
Chevron agreed to buy Noble Energy for the equivalent of roughly $10.38 a share at the time in the all-stock deal, a

7.5% premium over the last Friday’s close. Noble Energy investors are expected to vote on the deal Oct. 2.

Noble fell nearly 2% in trading Tuesday to $9.52 a share as of 12:18 p.m. in New York.

Elliott has a history of buying stakes in companies and pushing for changes, including breaking up potential transactions. It’s agitated at companies including AT&T Inc., Twitter Inc., and Softbank Group Corp., among others.

Climate Hawks Urge Biden to Shun Obama-Era Energy Moderates



Climate-change activists are pressuring Joe Biden to distance himself from former Obama administration advisers they view as either too moderate or too cozy with the fossil-fuel industry, a sign of disunity on the eve of the Democratic convention.

Groups such as Data for Progress and the Revolving Door Project are building a case against some people advising the Democratic presidential nominee, such as former Energy Secretary Ernest Moniz and President Barack Obama's environment aide Heather Zichal. Both have served on the boards of companies linked to fossil fuels since leaving government.

The effort reflects simmering tension between the party's moderate nominee and progressives whose votes he needs to win. Polls show a lack of enthusiasm for Biden among young voters, something that could be exacerbated by open divisions within the environmental movement. But if climate activists succeed in pulling him to the left, it could cost him mainstream support.

The activists are collecting information on the advisers and formulating a strategy that could include a letter-writing campaign and petitions, similar to what has been employed to pressure Biden to sever ties with Obama's one-time National Economic Council Director Larry Summers. Summers is a contributor to Bloomberg Television.

Obama's record on cutting greenhouse-gas emissions was widely regarded as ambitious at the time. But activists say now there's no time left for anything other than a no-holds barred approach.

"If you want to maximize the effectiveness of a Biden administration on climate you need climate warriors," said Jeff Hauser, founder and director of the Revolving Door Project, which is assembling critical dossiers on the Biden advisers. "If you are going to take the climate crisis seriously you can't be seeking a middle-road solution."

Not everyone’s on board with the activists’ approach, with the election quickly approaching. Biden is close to naming a running mate as the party prepares for a trimmed down, four-day nominating convention in Milwaukee set to begin Aug. 17.

Bigger Objective

Some environmentalists prefer to focus on helping Biden defeat President Donald Trump and stop his rollback of environmental regulations. Trump, who is withdrawing the U.S. from the Paris climate treaty, has repeatedly called climate change a “hoax.” By contrast, Biden’s $2 trillion plan for combating climate change won robust praise last month from across the spectrum of environmental advocacy groups.

Others worry that a climate purity test means muzzling some of the nation’s top energy experts.

“It’s OK right now that he’s relying on those people, because he’s got to focus on the primary objective — which is stopping the catastrophe we are in right now,” said Brett Hartl, chief political strategist for the Center for Biological Diversity Action Fund.

But critics say Biden’s reliance on a stable of former Obama energy officials is already limiting the Democratic presidential candidate’s climate ambition.

Read More: Biden Feels Heat From Left to Drop Larry Summers as an Adviser

“The people who built the system and are profiting from it are not going to want to tear it down,” said Collin Rees, a senior campaigner with Oil Change U.S., an environmental group that advocates shifting away from fossil fuels.

Other aides to Obama who have drawn the ire of climate activists include one-time White House energy adviser Jason Bordoff, State Department official Amos Hochstein and economic

adviser Brian Deese.
None of the targeted officials are employed by the Biden campaign, though Zichal, Bordoff and Moniz have informally advised it, according to people familiar with the matter who asked not to be identified. And the campaign is widely consulting outsiders; senior campaign officials said they conferred with scientists and leaders of the environmental justice movement in developing Biden’s $2 trillion climate plan.

The activists point to signs of caution, including language in a Biden-Sanders unity task force report that rules out public financing of overseas coal projects but leaves the door open for supporting natural gas ventures.

Obama’s Record

Some environmental activists are advancing an array of choices deemed acceptable as possible cabinet members — from Washington Governor Jay Inslee for Interior secretary to California Air Resources Board Chair Mary Nichols as Environmental Protection Agency administrator.

Biden is naturally relying on advice from some of Obama’s old hands, having worked with many of the same advisers during his eight years as vice president, Hartl said.

Activists say they are most concerned by what Biden’s team has done in recent years — not the policies they pushed as part of the Obama administration.

“We are gearing up,” said RL Miller, chair of California Democratic Party’s environmental caucus and a member-elect to the Democratic National Committee. “We will be exposing the flaws in these people’s records as climate peacocks and we will be making it toxic for Joe Biden to be taking advice on matters of energy from them.”

LNG Exports

Zichal has served on the board of Cheniere Energy Inc., which became the first major U.S. exporter of shale gas in 2016, and has stressed the need to find a “middle ground” environmental policy. She also continues to promote marine protections and sustainability as head of the Blue Prosperity Coalition, has discouraged new offshore drilling off South Africa and previously was vice president of corporate engagement for the Nature Conservancy. Zichal declined to comment.

Bordoff has served on the National Petroleum Council, an Energy Department advisory group that includes oil company executives. He also founded a Columbia University energy policy center affiliated with the School of International Public Affairs Center. It draws funding from oil companies, climate-focused groups and other organizations, including Bloomberg Philanthropies, the charitable organization founded by Michael R. Bloomberg, the majority owner of Bloomberg LP.
Like Summers, Bordoff has praised energy exports, noting earlier this year that increased foreign sales of liquefied natural gas help lower the price of the fossil fuel that can displace dirtier-burning coal in generating electricity. He has also warned about “dwindling time” to make progress fighting climate change and last month argued the issue should be “squarely at the center of U.S. foreign policy.”

Bordoff is helping guide Columbia University’s creation of a climate school and develop a public database with environmental groups to track whether countries are spending Covid-19 recovery dollars to underwrite fossil fuels or clean energy.

“Throughout his career in policy and academia, Jason has focused on the urgency of the climate crisis and worked to achieve more rapid and ambitious action to achieve net-zero emissions by 2050,” said Artealia Gilliard, the Center on Global Energy Policy spokeswoman.

Deep Decarbonization

Moniz, an informal adviser to the Biden campaign, has joined the board of Southern Co., a utility that generates power from natural gas, coal, nuclear and renewables. He also proposed a “Green Real Deal” alternative to the “Green New Deal” backed by progressives. He’s drawn fire for forming a partnership with the AFL-CIO that endorses an “all-of-the-above” climate change strategy.

David Ellis, a spokesman for the Energy Future Initiative, a think tank led by Moniz, declined to comment. But he pointed to testimony Moniz gave earlier this year saying he “endorses a focus on the simultaneous needs for achieving deep decarbonization and ensuring that social equity issues are central in the clean energy transition.”

Hochstein, a former special envoy and coordinator for international affairs under Obama, worked with the State Department to ensure American energy companies had access to global oil fields. More recently, he has warned of the need to stabilize oil-dependent nations as the world moves away from petroleum and has stressed the importance of natural gas in buttressing renewable power.

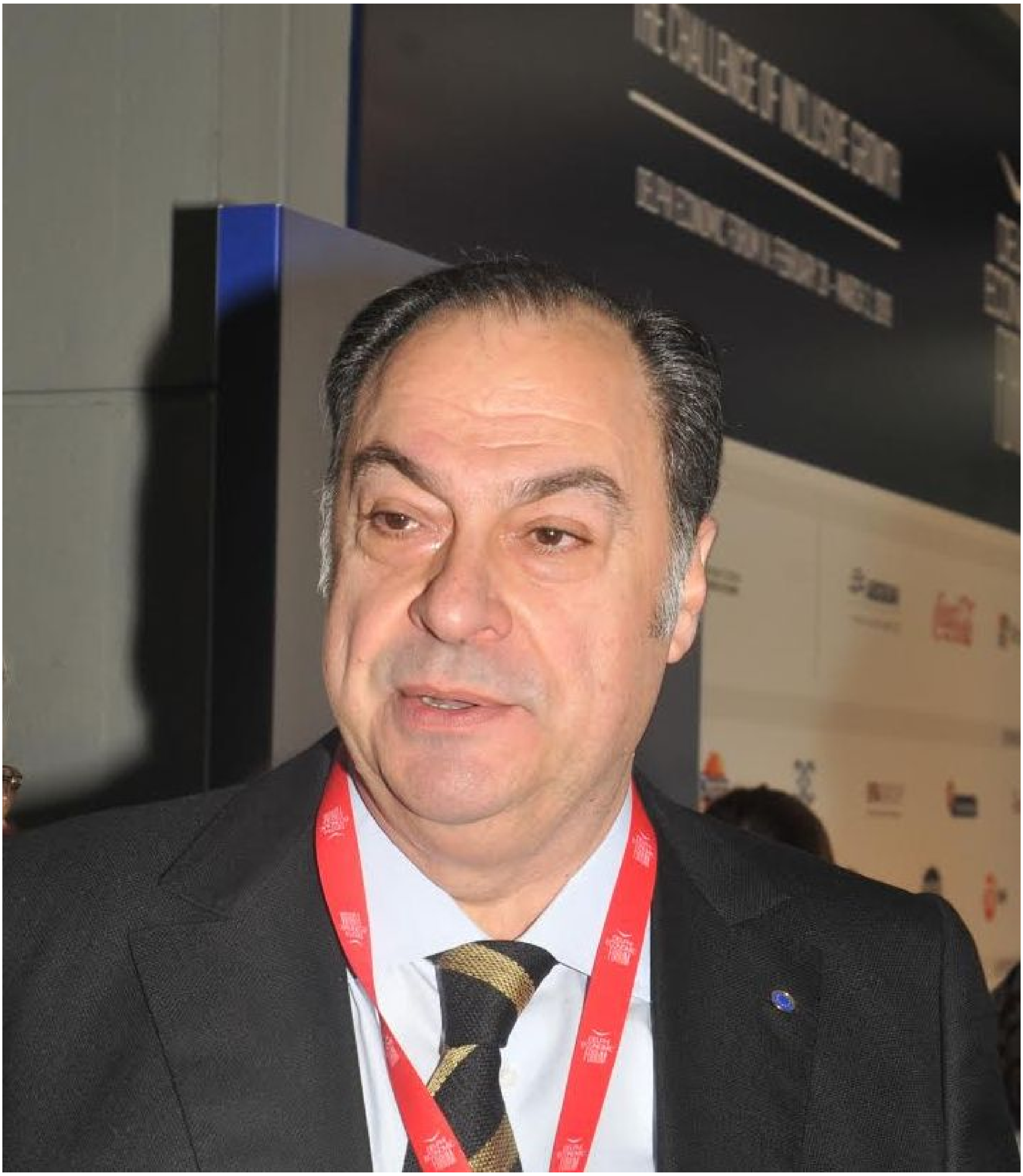
“I am not advising the Biden campaign, and I fully and 100% support the climate agenda that the campaign has laid out,” Hochstein said.

Deese, an economic adviser to Obama, now works on sustainability issues at investment firm BlackRock Inc. While BlackRock has announced plans to stop investing in companies generating more than a quarter of their profits from coal production, environmentalists say the company hasn’t gone far enough. A BlackRock spokesman said Deese sits on the board of the environmental group League of Conservation Voters and helped negotiate the Paris climate agreement during his time in the Obama administration.
Biden should be getting advice from people who recognize there

needs to be an end to fossil fuels instead of embracing “false solutions” that allow the construction of more oil pipelines and gas development for decades to come, said Rees, the Oil Change U.S. official.

“Ten years ago, we were certainly in a different place,” Rees said. “Today, there’s no lack of powerful voices, there’s no lack of people who know their stuff, there’s no excuse for essentially defaulting to energy consultants when you are talking about these kinds of things.”

بعد التوتر اليوناني – التركي حول النفط: بارودي يحذّر من نزاع مسلّح جدّي



تصاعدت التوترات بين اليونان وتركيا في الفترة الأخيرة بعدما أرسلت أنقرة سفينة للتنقيب عن النفط بالقرب من منطقة تطالب بها أثينا.

خبير الطاقة الدولي رودي بارودي أجرى في حديث لـ"سبوتنيك"، تقييماً للوضع المتفجّر بين الطرفين، فقال: إذا لم تلتزم الأطراف بالمبادئ ذاتها الناتجة عن اتفاقية الأمم المتحدة لقانون البحار، ولم تسارع إلى إيجاد أرضية مشتركة، فإن مخاطر النزاع المسلح جدية. فتركيا واليونان يمكنهما الاستئناف أمام المحاكم الدولية،

ويمكنهما كذلك اللجوء إلى التحكيم إذا فشل الطرفان في الاتفاق على شكل من أشكال الإجراءات الدبلوماسية التقليدية لحل مطالبهما الإقليمية المتداخلة.

ووفق بارودي "يمكن ان يكون هناك حل عادل لكلا الطرفين، حل ينطلق من "منطق محايد" لقانون البحار، والذي تم استخدامه في مناسبات عدة في أجزاء أخرى من العالم لحل النزاعات سلمياً. ويمكن لشركات التي تقدّم حلولاً متقدّمة لرسم الخرائط و/ أو تستخدم Fugro مثل خرائط عالية الدقة للشواطئ، أن تقدّم سريعاً "نتائج دقيقة ومتّسقة" لكل ولاية". وتابع: هذا هو الطريق: الاعتماد على القانون والعلم والقواعد المعمول بها… وليس على التهديدات والشرائع.

وتعليقاً على الاتفاقات التي وقّعتها من أجل إعادة تحديد حدودها البحرية، تركيا مع ليبيا في عام 2019 من جهة، واليونان مع مصر في 6 آب من جهة أخرى، وما إذا كانت هذه المعاهدات معترف بها من قبل الدول المجاورة والمجتمع الدولي، قال بارودي "في الوضع الراهن، حدّدت هذه الدول الساحلية الحدود البحرية التي يبدو أنها تضمّ مناطق متداخلة ولا يزال لدى الدولتين الحق في رسم مثل هذه الحدود بموجب القانون الدولي، لكن هذه المعاهدات تلزم فقط تلك الدول التي تصادق عليها وليس دولاً ثالثة".