

# China leads global green-bond sales boom, but faces headwinds



China overtook the US to lead a boom in global green-bond issuance in the first quarter, but analysts said it needs to do more to draw investors to help fund President Xi Jinping's estimated \$21tn carbon neutrality pledge.

Pending tasks include raising investor awareness of the environment, harmonising fragmented rules and tackling 'greenwashing', or issuers' efforts to inflate their green credentials, they said.

At stake is Beijing's goal of net zero carbon emissions by 2060.

Chinese issuers including banks, property developers, power generators and railway operators sold \$15.7bn of bonds during January-March period to fund 'green' projects such as clean and renewable energy, according to Refinitiv data.

The volume of such bonds, mostly yuan-denominated, almost

quadrupled from a year earlier, the data showed.

That exceeds the roughly \$15bn of such bonds sold by US issuers in the first quarter, and helped drive a tripling of green bond issuance globally.

Green bonds blossomed “largely thanks to China’s recovery from the coronavirus,” said Nathan Chow, strategist at DBS. “In addition, the Chinese government is going all out to develop this market this year.”

China, the world’s biggest emitter of carbon dioxide, needs 140tn yuan (\$21.33tn) of debt financing over the next 40 years to meet its net-zero emissions target, investment bank China International Capital Corp (CICC) estimates.

With roughly 800bn yuan of green bonds outstanding, China is already the world’s second-biggest green bond market after the US.

However, green bonds account for less than 1% of China’s \$18tn bond market.

At this stage, “companies have no cost advantages issuing green bonds...and there’s not enough market support for many green projects which take a long time to complete and are seen as risky,” said CICC economist Zhou Zipeng.

Highlighting such headwinds, China’s first batch of “carbon neutral” bonds, launched in February, met tepid demand.

Several fund managers said green bonds are not yet on their investment radar.

“The only thing Chinese investors currently look at is yield. So obviously if green bonds cannot offer the extra returns, they ask the government, ‘what can you do to help me?’,” said Ricco Zhang, Asia-Pacific director of the International Capital Market Association (ICMA).

A brokerage source said state-owned companies were motivated to issue green bonds to align with government priorities, but investors lacked incentives to buy them.

Authorities are aware of the problems.

Earlier this month, Chinese central bank governor Yi Gang called for incentives to boost private participation in meeting Beijing’s carbon goals.

Moving closer to international standards by excluding coal from the green market would widen the potential foreign investor base, Chow of DBS said.

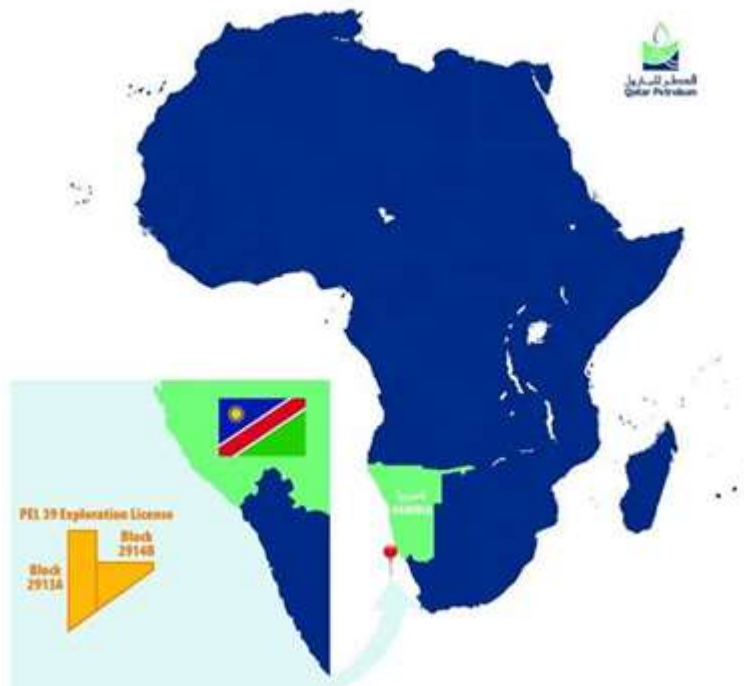
ICMA's Zhang said regulators also need to harmonise different domestic standards.

Currently, China's central bank, securities regulator and the state planner have separate rules for green bonds issued under their supervision.

"Sometimes it's hard for international investors to have a granular understanding of different (Chinese) green bonds. This brings challenges for green investors to identify the right target for investment," he said.

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**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 12,300km<sup>2</sup>.

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## Sea-level rise: New study sheds light on responsible ice sheets



Though it is well known that climate-induced sea level rise is a major threat, new research has found that previous ice loss events could have caused sea-level rise at rates of around 3.6m per century. This offers vital clues as to what lies ahead should climate change continue unabated. A team of scientists, led by researchers from Durham University, used geological records of past sea levels to shed light on the ice sheets responsible for a rapid pulse of sea-level rise in Earth's recent past. At the end of the last ice age, around 14,600 years ago, sea levels rose at ten times the current rate due to Meltwater Pulse 1A (MWP-1A); a 500 year, ~18m sea-

level rise event.

Until now, the scientific community has not been able to agree about which ice sheet was responsible for this rapid rise, with the massive Antarctic Ice Sheet being a likely suspect, but some evidence pointing towards ice sheets in the Northern Hemisphere. The new study uses detailed geological sea-level data and state-of-the-art modelling techniques to reveal the sources of MWP-1A. Interestingly, most of the meltwater appears to have originated from the former North American and Eurasian ice sheets, with minimal contribution from Antarctica, reconciling formerly disparate views.

In addition to flooding vast areas of low-lying land, this unparalleled discharge of freshwater into the ocean – comparable to melting an ice sheet twice the size of Greenland in only 500 years – will have disrupted ocean circulation, with knock-on effects for global climate. Knowing the source of the meltwater will improve the accuracy of climate models that are used to replicate the past and predict changes in the future.

The results are important for our understanding of ice-ocean-climate interactions which play a significant role in shaping terrestrial weather patterns. The findings are particularly timely with the Greenland ice sheet rapidly melting, contributing to a rise in sea levels and changes to global ocean circulation. Of the findings, lead author Yucheng Lin, in the Department of Geography at Durham University, notes: “Despite being identified over 30 years ago, it has been surprisingly challenging to determine which ice sheet was the major contributor to this dramatic rise in sea levels.

“Previously, scientists tried to work out the source of the sea-level rise based on sea-level data from the tropics, but the majority of those studies disagreed with geological records of ice sheet change. Our study includes novel information from lakes around the coast of Scotland that were isolated from the ocean due to land uplift following the retreat of the British Ice Sheet, allowing us to confidently identify the meltwater sources.”

Co-author Dr Pippa Whitehouse, in the Department of Geography at Durham University, said: “The technique we have used allows us to really dig into the error bars on the data and explore which ice-melt scenarios were most likely. “We found that most of the rapid sea-level rise was due to ice sheet melt across North America and Scandinavia, with a surprisingly small contribution from Antarctica.

“The next big question is to work out what triggered the ice melt, and what impact the massive influx of meltwater had on ocean currents in the North Atlantic. This is very much on our minds today – any disruption to the Gulf Stream, for example due to melting of the Greenland Ice Sheet, will have significant consequences for the UK climate.”

Rising sea levels due to warming climate pose a great risk to society, improving our understanding of why and how fast change could happen; thus helping us plan for the impacts.

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# **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.*

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**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.

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# 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.

## Russia has multi-pronged strategy to confront climate change: Official



The graphic features a dark blue header with the GECF logo on the left and five small video thumbnails on the right. Below the header, the background is a composite image of power lines at sunset and a green forest. Two circular portraits are centered: HE Yuri Sentyurin on the left and HE Alexey Kulapin on the right. Text below the portraits identifies their roles. A dark blue box on the right contains the event title and contact information.

**GECF**

HE Yuri Sentyurin  
Secretary General  
Gas Exporting  
Countries Forum

HE Alexey Kulapin  
Director General  
Russian Energy  
Agency

**GECF Gas Lecture Series**  
"The Russian Federation's climate  
policy in the energy sector"

For more information:  
[events@gecf.org](mailto:events@gecf.org)

@GECF\_News  
[www.gecf.org](http://www.gecf.org)

Russia has a multi-pronged strategy to confront climate change, by further developing its human capital, natural gas, hydrogen, and renewable assets, a senior national energy policymaker said yesterday.

Speaking at the 51st edition of the GECF Gas Lecture Series, entitled 'The Russian Federation's climate policy in the energy sector', Alexey Kulapin, director general, Russian Energy Agency, noted that Russia's energy system is underpinned by the vision of a greener energy system on one hand and stability and security on the other.

"Russia's energy policy is based on the need to strike a balance between solving climate problems and the need to further provide the economy and population with affordable energy resources," explained Kulapin.

Calling access to affordable energy a fundamental right, in line with the UN Sustainable Development Goal No. 7, the GECF secretary general commended the steps being taken by many of the forum's 19 member countries to achieve net-zero emissions.

"We heard a lot about Russia today but our other Member Countries are also leading the way in transforming their business model. Qatar, for example, is playing a greater role in the area of environmental, social, and governance (ESG) investments. Yet another member, Egypt, has blanket banned issuing of all new vehicle licences unless they run on the cleaner natural gas," said Yury Sentyurin.

"Being a world-leading coalition representing more than 70% of an important natural resource (natural gas) brings with it a remarkable weight. We strive to achieve actions that put nature, people, and planet at the heart of value creation."

Echoing these sentiments, Kulapin noted that Russia, as one of the largest players in the international energy markets, fully supports the efforts of the world community to combat climate change.

He highlighted that in November 2020, the Russian President signed a decree to reduce the country's greenhouse gas emissions (GHGs) as part of Russia's implementation of the Paris Agreement.

However, according to him, until new sources of energy are able to provide uninterrupted energy supply, natural gas, including liquefied natural gas (LNG), will remain the cleanest energy resource and will even serve as a transitional fuel to a low-carbon economy. In this regards, projects such as the Power of Siberia 1 and 2, Turkish Stream, and Nord Stream 2 were highlighted.

Currently, Russia enjoys a total LNG production of nearly 30mn tonnes per year (mtpy), which is set to increase by 2 to 2.5 times to 80-140mn by 2035, in line with the newly-adopted 'Energy Strategy 2035'.

Work is also underway to increase the use of gas in the transport sector. In the period 2018-20, a total of 250 refuelling stations offering compressed natural gas came alive, an increase of 60% on previous capacity.

In the area of electricity, Kulapin asserted that Russian already has one of the cleanest electricity structures, as 80% of generation comes from nuclear, hydroelectric, steam gas, and thermal cogeneration sources. This compares to United States (65%), Germany (57%) and China (below 30%) in terms of low-emission energy sources for electricity generation, he said.

"Despite this, the country has a deliberate policy aimed at improving the efficiency of energy production and consumption, which allows reducing greenhouse gas emissions in the energy sector."

On hydrogen, the official noted his optimism on its potential in various fields, as the 'Energy Strategy 2035' envisions competitively priced hydrogen exports of up to 7mtpy by 2035 and 33mtpy by 2050.

"Russia can provide competitive hydrogen both in the European and Asia-Pacific markets. The cost of producing low-carbon hydrogen from natural gas in Russia is at \$1-1.5/kg, whilst the cost of producing hydrogen electrolysis is \$3.5-4/kg. We are ready for mutually-beneficial cooperation with partners overseas," he said.

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# The Oil Industry's Biggest Spending Driller Is Now in China



(Bloomberg) – China's fear of dependence on foreign suppliers means its biggest oil company plans to be the world's top-spending driller this year, even as it says the nation's demand for crude is plateauing.

PetroChina Co. plans 239 billion yuan (\$37 billion) in annual capital expenditure, the company said Thursday in its annual results. That's more than global majors including Saudi Arabian Oil Co., Exxon Mobil Corp. and Royal Dutch Shell Plc, who're trimming spending as they handle the fallout of the coronavirus pandemic on oil prices and fuel demand.

China's quick recovery from Covid-19 means that its demand for oil and gas has fully recovered from the pandemic-induced swoon of early 2020, and President Xi Jinping continues to make energy security a top priority. The government earlier this month called for increased domestic production of coal, oil and gas over the next five years, an effort that's ostensibly at odds with Xi's long-term plan to decarbonize the economy.

The nation's demand for crude oil has already reached a plateau, and refined product consumption will peak and begin to decline in the next decade, Duan Liangwei, PetroChina's outgoing president, said on a conference call Thursday.

Demand for natural gas, one of the cleaner fossil fuels, is still expected to grow, and PetroChina is focusing its upstream operations there.

CNOOC Ltd., the country's biggest offshore driller, is budgeting 90 billion to 100 billion yuan in spending for this year, compared with a bit less than 80 billion in 2019, although the figure could still be adjusted, Chairman Wang Dongjin said Thursday during the company's annual earnings call.

Still, PetroChina's world-leading capex plan doesn't compare to pre-pandemic levels. The firm had intended to spend 295 billion yuan last year, before lockdowns beginning in January crippled the economy. It ended up shelling out about 246 billion yuan.

PetroChina and Cnooc, along with China's third oil major Sinopec, were forced to cut spending as oil prices cratered on the impact of the pandemic in 2020. Crude has rebounded this year amid production cuts and optimism that vaccines will help revive demand. Sinopec reports its earnings on Sunday.

Green Energy Their focus on fossil fuels aside, China's oil giants are still expected to help the country meet its

ambitious goal of reaching net-zero emissions by 2060. PetroChina didn't identify spending targets on green energy on Thursday, although it did say it planned to incrementally increase such spending every year going forward.

The company is looking to peak its carbon emissions by 2025, and achieve "near-zero" emissions by around 2050, although it didn't specify whether that relates only to its own operations, or whether it includes the much vaster challenge of accounting for the emissions from the fuel it sells.

Chairman Dai Houliang said the company plans to utilize wind, solar and geothermal resources and boost industrial use of hydrogen. For its part, Cnooc said it will increase its proportion of natural gas production to 30% by 2025, and expand its offshore wind power business in coming years.

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## **U.S. Oil Companies Lag Far Behind Greener Europe Rivals**



Europe's largest oil and gas companies are leaving U.S. rivals further and further behind in the race to cut their reliance on fossil-fuel sales.

Total SE, Galp Energia SGPS SA, Equinor ASA, Royal Dutch Shell Plc and Eni SpA are leading the pack, while Exxon Mobil Corp. and Chevron Corp. are among the laggards, according to newly released climate-transition scores from BloombergNEF and Bloomberg Intelligence.

A big reason for this state of affairs is that Europeans are investing far more in renewable energy, battery storage, electric-vehicle charging points, carbon-capture technology and other decarbonization efforts, said Jonas Rooze, head of sustainability research at BNEF. For example, five European companies account for 51% of all renewable energy assets held by the world's 39 largest oil and gas producers. However, it's worth noting that this is all relative—these companies still devote most of their capital expenditures on climate-changing fossil fuels, he said.

Between 1988 and 2015, 25 corporate and state-owned entities,

including Exxon Mobil, Shell, BP Plc and Chevron, as well as China's coal producers and Saudi Aramco, were responsible for about half of global industrial greenhouse-gas emissions, according to a 2017 report from CDP Worldwide. The energy transition presents huge challenges for Big Oil, since the clean energy pivot is emerging as many of the companies face pressure to boost shareholder returns. The S&P 500 Energy Index has dropped 15%—including reinvested dividends—since the start of last year.

“Ultimately, our view is only seven of the 39 companies are likely to reduce their Scope 1 and 2 emissions enough to meet the International Energy Agency's Sustainable Development Scenario,” said Eric Kane, head of environmental, social and governance research, Americas, at Bloomberg Intelligence. Scope 1 and Scope 2 refer to emissions produced by the companies themselves and by the power they consume. “Further, a third of companies in the peer are yet to set comprehensive greenhouse-gas reduction strategies.”

Bloomberg's climate transition scores are forward-looking and designed to help investors answer one key question: How prepared is the company for a net-zero world relative to its peers? The scoring system is zero to 10, with 10 being the best.

The research relies on about 40 data points that are combined into one overall score. To get there, BNEF and BI analyze both current and future carbon performance, as well as business-model risks, using the same scoring system. The most heavily weighted issues are whether a company is developing low-carbon operations with proven revenue models and whether it's expanding in high-carbon activities. And then, how do the companies' 2030 emissions forecasts compare with the IEA's Sustainable Development Scenario, which is aligned with maintaining warming well-below 2 degrees Celsius.

Companies like ConocoPhillips, Occidental Petroleum Corp. and



Santos Ltd. that focus on extracting oil and gas are “more sensitive to transition risks,” like declining demand for oil, than are refiners, Rooze said. Other companies such as PTT Pcl, ENEOS Holdings Inc., SK Innovation Co. and Saudi Aramco are penalized for failing to disclose key information about their operations, such as spending for exploration and production or the amount of crude oil they process, a key metric for gauging the scale of their refining business.

When looking company by company, Exxon Mobil’s focus on fossil fuels and limited clean-energy activity hinders its overall score, even though it’s a leader in carbon capture, utilization and storage technologies to remove carbon dioxide from the atmosphere.

In Europe, BP is ramping up investments in clean energy at the expense of oil and gas. Shell has pivoted to power while still investing heavily in gas, which it sees as a so-called bridge fuel to a more renewable future. The Bloomberg scores place BP and Total ahead of Shell because of their stronger emissions-reduction targets.

Sinopec ranks ahead of PetroChina Co. and Indian Oil Corp. in the Asia-Pacific region, mainly because of its focus on transition strategies, including renewables, EV charging and CCUS and stronger emissions target.

“While quite a few major oil and gas firms have set ambitious new emissions targets recently, meaningful action to develop new low-carbon business models remains limited,” Rooze said. “These are all huge companies, but most are just dabbling.”

- Exxon-Mobil hedge fund activist reveals the multimillion-dollar price-tag of its boardroom battle.
- Sovereign rating cuts are coming to those countries that ignore climate change.
- U.S. weighs creation of a global benchmark for Wall Street’s impact on global warming.

- CEO pay tied to ESG is setting Canadian banks apart from the crowd.
- There's some big American money joining the rush for carbon permits, as more bet that pollution prices will soar.

## أسعار البنزين.. الهدوء ما قبل العاصفة



:"كتبت جويل الفغالي في "نداء الوطن

تستمر أسعار المحروقات في لبنان بالإرتفاع بشكل متواصل. حيث سجلت منذ أوائل سنة 2021 حتى اليوم ارتفاعاً بنسبة 40 في المئة لصفحة البنزين الواحدة. ومن المتوقع أن تستمر الأسعار بالإرتفاع مع انهيار العملة الوطنية، والتداول بالدولار في السوق الثانوية على أعتاب 10 آلاف ليرة.

سجل سعر صفحة البنزين بشقيها 95 و98 أوكتان زيادة بقيمة 1000 ليرة، وارتفع المازوت 900 ليرة والغاز 400 ليرة، وأصبحت الأسعار على الشكل الآتي: بنزين 95 أوكتان: 32200 ليرة، بنزين 98 أوكتان: 33200 ليرة، المازوت: 22300 ليرة، والغاز: 24800 ليرة. وكتبرير

لهذا الإرتفاع، أوضحت وزارة الطاقة والمياه - المديرية العامة للنفط في بيان، الآلية المعتمدة أسبوعياً لتحديد أسعار مبيع المحروقات، ومنها البنزين والديزل أويل. وفي التفصيل فان جدول تركيب الأسعار يتكوّن من: المعدل الأسبوعي للأسعار العالمية؛ وهو عنصر متغير، ويشكل أكثر platts للمشتقات النفطية وفق نشرات من 70% من ثمن البضاعة. من ثم تضاف عناصر تشكل كلفة البضاعة من بلد المنشأ إلى الأراضي اللبنانية من نقل بحري، تأمين، مصاريف مصرفية، ربح وغيرها. وهذه العناصر منها ثابتة، ومنها تحسب على أساس نسب مئوية ترتبط بحركة الأسعار العالمية للمشتقات النفطية من بعدها تأتي عناصر ثابتة تحسب بالليرة ومنها الرسوم platts. والضرائب وهذه العناصر ثابتة ومحددة بالليرة اللبنانية. فيما يدعم مصرف لبنان ولا يزال حتى تاريخه شراء المشتقات النفطية بنسبة 90 في المئة، فتحسب هذه النسبة على أساس سعر الصرف الرسمي، في حين يتم إحتساب نسبة الـ10 في المئة المتبقية على أساس سعر صرف الدولار في السوق السوداء.

### إتجاه النفط عالمياً

الإرتفاعات الأسبوعية الذي شهدتها أسعار المشتقات النفطية في الآونة الأخيرة، "في طريقها إلى التراجع مرحلياً، بالتزامن مع الإنخفاض المحتمل في سعر برميل النفط عالمياً"، بحسب الخبير النفطي الدولي رودي بارودي. "فمنذ أن بدأت عملية التلقيح ضد فيروس كورونا على المستوى العالمي، بدأت أسعار النفط بالإرتفاع. وهذا يعود لإعادة فتح الأسواق العالمية ومعاودة النشاط الإقتصادي. إلا انه في المقابل شهدت سوق الطيران تراجعاً ملحوظاً. حيث انخفض عدد الرحلات الجوية من حوالي 140 ألف رحلة في شهري آذار ونيسان من العام 2020، إلى حدود 30 ألف رحلة حالياً. وإذا استمر وضع سوق الطيران في الفترة القصيرة المقبلة على ما هو عليه اليوم، واستمر التراجع في الطلب على النفط، من القطاعات التي تعتمد على الطاقة بكثافة، فان سعر برميل النفط عالمياً سيعود وينخفض مرحلياً إلى ما بين 55 و62 دولاراً". وهذا ما سيؤدي، برأي بارودي، "إلى تخفيف الضغط في السوق المحلي من أحد أهم عنصرين يشكلان الأسعار، أي أسعار النفط عالمياً، وسعر صرف الدولار. ومن وجهة نظر بارودي فان "هذه الانخفاضات العالمية في حال حدوثها ستكون موقته. حيث من المنتظر ان تعاود". أسعار النفط ارتفاعها مع استعادة الاقتصادات تدريجياً لعافيتها.

دولار لبنان يبقى المعيار

لكن في حال استمر انهيار الليرة مقابل الدولار، فإن قيمة الـ10 في المئة التي على المستوردين تأمينها بالعملة الصعبة سترتفع. الأمر الذي سيؤثر سلباً على الأسعار، ويحرم المواطنين من تراجع أسعار النفط عالمياً. هذا طبعاً، من دون أي حديث عن رفع الدعم أو حتى ترشيده. في ما يتعلق بإرتفاع سعر الدولار في السوق السوداء وتأثيره على أسعار المحروقات، فإن دعم مصرف لبنان الذي لا يزال حتى اللحظة يؤمن دولار استيراد المحروقات بنسبة 90 في المئة سيكون قاصراً عن لجم الاسعار. إذ إن الإرتفاع الحتمي للأسعار عالمياً، وانهيار العملة الوطنية محلياً، واستمرار الغموض وعدم الوضوح في ما خص سياسة الدعم عوامل ثلاثة سترفع، بحسب بارودي، "سعر صرف الدولار مقابل الليرة، وتؤدي إلى مزيد من ارتفاع الاسعار في المشتقات النفطية ومختلف السلع والخدمات". ومن هنا لا يستبعد أن يصل سعر صفيحة البنزين إلى 50 ألف ليرة أو أكثر، لأن عملية تسعير المحروقات تستند إلى عدة عوامل ومنها سعر النفط العالمي، وطمع وإحتكار المستوردين، وشبهات الفساد في وزارة الطاقة، التي من الصعب حلها في المدى المنظور.

## الفقر ثم الفقر

الهمّ النفطي يأتي في الوقت الذي تتفاقم فيه معاناة اللبنانيين يوماً بعد آخر. فالمصير المجهول، وترقب المزيد من الإنهيار والتدهور في القادم من الايام، "يعززهما غياب حكومة تكون بخدمة الشعب"، يقول بارودي. "والبدء بتنفيذ السياسات الإصلاحية المطلوبة، فالمواطنون يقومون بواجباتهم كاملة، سواء بدفع الضرائب والرسوم أو الالتزام بالقوانين. لكن مع الاسف فإن الدولة لا تقوم بواجباتها تجاههم. فالموضوع لا يتوقف فقط عند البنزين والمياه والكهرباء، "فهناك شعب بأكمله يفتقر إلى الحصول على أدنى حقوقه

في المحصلة فإن لبنان الغارق في رمال الدولار المتحركة وفساد الطبقة السياسية لن يتأثر ايجاباً من تراجع أسعار النفط عالمياً في الفترة القادمة. حيث من المتوقع الا ينخفض سعر صفيحة البنزين عن 30 ألف ليرة. وفي حال صدقت التوقعات بان يكون انخفاض سعر برميل النفط هو الهدوء الذي يسبق "عاصفة" الارتفاع بعد فتح الاسواق، فإن سعر جميع المشتقات النفطية سيقفز في السوق الداخلية إلى معدلات قياسية. ذلك بالطبع من دون أن يكون هناك أي رفع أو حتى ترشيد للدعم، حيث إن أي تخفيض في الدعم مع ارتفاع السعر العالمي للنفط، سينتج عنه سعر، لن يكون بمتناول 95 في المئة من الشعب اللبناني.