

# Trafigura to secure US LNG supply for Germany in US\$3Bn deal



Some US\$3Bn in US LNG will make its way into the German gas grid as part of a four-year loan deal between the German Government, more than 25 banks including Deutsche Bank and commodities trader Trafigura.

The supply has been agreed based on the loan facility that is partly secured under Germany's United Financial Loan programme, through the German Export Credit Agency Euler Hermes Aktiengesellschaft.

The loan has been jointly arranged and underwritten by Deutsche Bank and another unnamed international bank and syndicated to more than 25 banks in a transaction that was, according to Trafigura, "1.6 times oversubscribed".

"The loan will support a new commitment by Trafigura to

deliver substantial volumes of gas into the European gas grid, and ultimately into Germany, over the next four years.

Trafigura will supply the gas to Securing Energy for Europe (SEFE), which was recently recapitalised by the German Government. The first gas delivery took place 1 November 2022 and Trafigura will primarily use existing quantities from its global gas and LNG portfolio to help secure gas supplies to SEFE. The agreement included a review of Trafigura's environmental, social and governance policies and performance," a statement from the trader said.

"We are proud to be contributing to Europe's energy security by supplying this significant volume of gas to Germany backed by our extensive portfolio and long-term US LNG contracts," said Trafigura head of gas and power trading Richard Holtum.

About 50% of Germany's natural gas has been supplied by Russia in recent years, and as a result, Germany has enacted emergency energy measures, announcing multiple LNG import terminals, including five based on FSRUs, since the start of Russia's war against Ukraine.

In April, the German Finance Ministry approved spending €2.94Bn (US\$3.09Bn) to fund the FSRUs, with Uniper and RWE signing 10-year charter deals on behalf of the German Government to secure two FSRUs each from Höegh LNG and Dynagas and an additional FSRU coming from US-based Exceleerate Energy.

The two Höegh LNG 170,000-m<sup>3</sup> FSRUs will be deployed in Germany, one at Wilhelmshaven and another at Brunsbüttel as the country's first LNG import hubs.

The 5Bn-m<sup>3</sup> Höegh LNG FSRU is scheduled to arrive at the turn of the year. However, due to the grid capacities, only about 3.5Bn m<sup>3</sup> (about 4% of Germany's gas requirements) of natural gas per year can then be transported via this pipeline before the construction of a new 55-km pipeline is completed.

# QatarEnergy, ConocoPhillips sign deal to supply LNG to Germany



Deal signed to supply Qatar LNG to Germany QatarEnergy, ConocoPhillips sign deal to supply LNG to Germany Qatar's first long-term LNG supply deal with Germany was announced Tuesday with QatarEnergy signing two LNG sale and purchase agreements (SPAs) with ConocoPhillips affiliates for the delivery of up to 2mn tonnes per year for at least 15 years.

Pursuant to the two SPAs, a ConocoPhillips wholly-owned subsidiary will purchase the agreed quantities to be delivered ex-ship to the LNG receiving terminal, which is currently under development in Brunsbüttel in northern Germany, with

deliveries expected to start in 2026.

The LNG volumes will be sourced from the two joint ventures between QatarEnergy and ConocoPhillips that hold interests in Qatar's North Field East (NFE) and North Field South (NFS) projects.

The SPAs were signed by HE the Minister of State for Energy Affairs, Saad Sherida al-Kaabi, also the President and CEO of QatarEnergy, and Ryan Lance, Chairman and CEO of ConocoPhillips at the QatarEnergy headquarters in Doha Tuesday.

Speaking at the signing ceremony, al-Kaabi said, "We are pleased to sign these agreements with our partner ConocoPhillips to supply up to 2mn tonnes per year of LNG to Germany from the two QatarEnergy-ConocoPhillips joint ventures in the NFE and NFS LNG expansion projects respectively, starting in 2026.

"These agreements are momentous for several reasons. They mark the first ever long-term LNG supply to Germany with a supply period that extends for at least 15 years, thus contributing to Germany's long-term energy security. They also represent the culmination of efforts between two trusted partners, QatarEnergy and ConocoPhillips, over many years, to provide reliable and credible LNG supply solutions to customers across the globe, and today, to German end-consumers. This is a concrete demonstration of QatarEnergy's resolve to provide reliable energy supplies to all major markets around the world, and of our commitment to the German people."

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## الراعي: نحتاج إلى رئيس منقذ

# يعلن التزامه الحاسم بمشروع إخراج لبنان من أزمته



وطنية - ترأس البطريرك الماروني الكاردينال مار بشارة بطرس الراعي قداس الاحد في كنيسة السيدة في الصرح البطريركي في بركي، بمناسبة الذكرى السنوية الثامنة لمقتل صبحي ونديمة الفخري، عاونه فيه المطرانان حنا علوان وموسى الحاج، امين سر البطريرك الاب هادي ضو، ومشاركة عدد من المطارنة والكهنة، في حضور عائلة الشهيدين الفخري برئاسة باتريك الفخري ومحامي العائلة العميد روبير جبور، خبير الطاقة الدولي الدكتور رودي بارودي، قنصل لبنان في قبرص كوين ماريل غياض، قنصل جمهورية موريتانيا ايلي نصار، نقابة المعلوماتية والتكنولوجيا برئاسة النقيب جورج الخويري، رئيس مؤسسة البطريرك صفير الاجتماعية الدكتور الياس صفير، عائلة المرحومة انطوانيت رزق وهبة، عائلة المرحوم الشاب ريان وهبة، وحشد من الفاعليات والمؤمنين.

بعد الانجيل المقدس القى البطريرك الراعي عظة بعنوان: "في الشهر السادس ارسل الملاك جبرائيل من عند الله" ( لو 1: 36). قال فيها: "في الشهر السادس، هذا التحديد التاريخي لا يرتبط فقط بالبشارة لذكريا وبمولد يوحنا المعمدان، بل يعني أن الله يواكب تاريخ البشر، ويكشف أسرار الخلاص في الوقت المناسب ومع الأشخاص الذين

اختارهم لهذه الغاية. بهذا يظهر لاهوت الزمن الذي تقدمه لنا الليتورجيا؛ فهي تعتبر إنفتاحا دائما على تجليات الله، وانتظارا لها في مسيرة الرجاء. ولذا، تدعو لتقديسه، ليلا ونهارا، من خلال صلوات الساعات، المعروفة بالفرض الإلهي، الذي يلتزم به الكهنة والرهبان والراهبات. كما تقسم السنة الطقسية إلى أزمنة مرتبطة بتاريخ الخلاص. فتفتح الكنيسة من خلالها كنوز الأفعال الخلاصية واستحقاقات المسيح الفادي، وتجعلها حاضرة في كل الأوقات وتفسح في المجال أمام المؤمنين للتقرب منها والإمتلاء من نعمة الخلاص (دستور الليتورجيا المقدسة، 102). ولأن الزمن مرتبط بتجليات أسرار الله، تدعونا الكنيسة "لقراءة علامات الأزمنة"، وتفسيرها في ضوء الإنجيل، بالشكل المناسب لكل جيل من أجيال البشر، للتمكن من الإجابة على الأسئلة الدائمة حول معنى الحياة الحاضرة والمستقبلية والعلاقات المتبادلة بين الناس. يسعدنا أن نحتفل معا بهذه الليتورجيا الإلهية. ويطيب لي أن أرحب بكم جميعا. وبخاصة بعائلة المرحومة أنطوانيت رزق وهبه والمرحوم الشاب ريان وهبة، وأولاد المرحومين صبحي ونديمة الفخري اللذين قتلوا عمدا أمام دارتهما في بتدعي في محاولة سرقة سيارتهما وهما بريئان. وما زالت العائلة تنتظر مجرى العدالة، بعيدا عن أي روح ثأر. إننا نقدم هذه الذبيحة المقدسة لراحة نفوس المرحومين أنطوانيت وريان وصبحي ونديمة في الملكوت السماوي، ولعزاء عائلاتهم. كما اننا نرحب برعية القليعة العزيزة "وبحضور كاهنها وجوقتها التي تحيي هذه الليتورجيا المقدسة

وتابع: "الزمن مقدس. لأن الله يتجلى من خلاله ويحقق فيه تصميمه الخلاصي، بالتعاون مع كل إنسان. البشارة لمريم هي بشارة للكنيسة. فمريم الأم والبتول هي صورة الكنيسة على صعيد الإيمان والمحبة والإتحاد الكامل بالمسيح. الكنيسة، مثل مريم، أم وبتول. فكما أن مريم أنجبت ابن الله على الأرض بإيمانها وطاقاتها وفعل الروح القدس، وهي أم وبتول، هكذا الكنيسة بالإقتداء بمحبة مريم، وبإتمام إرادة الآب بأمانة، وبقبول الكلمة الإلهية أصبحت هي أيضا أما، لكونها تلد، بالكرازة والمعمودية، لحياة جديدة وغير مائة أبناءها وبناتها بفعل الروح القدس. وهم مولودون من الله لعريسها الإلهي، مع ثبات رجائها وإخلاص محبتها (الدستور العقائدي في الكنيسة، 64).

كم يؤلمنا عندما نرى المجلس النيابي يهدر الزمن خميسا بعد خميس، وأسبوعا بعد أسبوع في مسرحية هزلية لا يخلجون منها، وهم يستخفون بانتخاب رئيس للبلاد في أدق الظروف. إننا نحملهم مسؤولية خراب "الدولة وتفكيكها وإفكار شعبها

وأضاف: "تطل علينا بعد يومين ذكرى الاستقلال في غياب الشعور بها، كأن اللبنانيين يخلون من أنفسهم ويدركون أنهم نالوا استقلالهم سنة 1943 لكنهم لم يحافظوا عليه، وتناوب عليهم من يومها أكثر من احتلال ووصاية. تأتي ذكرى الاستقلال هذه السنة شاغرة وفارغة هي أيضا من معانيها وأبعادها. إذ ليس الاستقلال أن يخرج الأجنبي من لبنان بل أن يدخل اللبنانيون إلى لبنان. والحال أننا نرى فئات لبنانية تستجدي الوصاية وتتسول الاحتلال وتشخذ التبعية. لذلك، حذار الاستخفاف باختيار رئيس الجمهورية المقبل. نحن ننتخب رئيسا لاستعادة الاستقلال. فأى خيار جيد ينقذ لبنان، وأي خيار سيء يدهوره. إن قيمة الإنسان أن يقيم المسؤولية المناطة به، فلا يجازف بها ولا يساوم عليها. لذلك نناشد النواب ألا يقعوا من جهة ضحية الغش والتضليل والتسويات والوعود الانتخابية العابرة، ومن جهة أخرى فريسة السطوة والتهديد والوعيد. ونحن أصلا شعب لا يخضع لأي تهديد، "ورئيس لبنان لا ينتخب بالتهديد والفرص".

وقال: "في هذا المجال، لا يستطيع أي مسؤول أو نائب ادعاء تجاهل الواقع اللبناني والحلول المناسبة له. فكل اللبنانيين، نوابا ومواطنين، يعرفون سبب مشاكل لبنان والقوى والجهات والعوائق التي تحول دون إنقاذه. فلا أحد يضع رأسه في الرمال. وبالتالي لا عذر لأي نائب بالألا ينتخب الرئيس المناسب للبنان في هذه الظروف. هذا خيار تاريخي. فسوء الاختيار، في هذه الحال، يكشف عن إرادة سلبية تجاه لبنان فيمدد المأساة عوض أن ينهيها، وتكون خطيئتك عظيمة. فلنكن أسياد أمتنا ومصيرنا. بعيدا عن الصفات المتداولة بشأن رئيس تحد أو رئيس وفاق وما إلى ذلك من كلمات فقدت معناها اللغوي والسياسي، تحتاج البلاد إلى رئيس منقذ يعلن التزامه الحاسم بمشروع إخراج لبنان من أزمته، ويلتزم بما يلي:

1. تأليف حكومة إنقاذ قادرة على القيام بالمسؤوليات الكبيرة المناطة بها في بداية العهد الجديد.
2. إحياء العمل بالدستور اللبناني والالتزام به إطارا للسلم اللبناني، ومرجعية لأي قرار وطني، واعتبار اتفاق الطائف منطلقا لأي تطور حقوقي من شأنه أن يرسخ العدالة بين اللبنانيين. كما لا بد للمسؤولين في أي موقع كانوا من احترام الميثاق الوطني والأعراف لتقوية الوحدة الوطنية، ولضمان حسن العلاقة بين رئاسة الجمهورية ومجلس النواب ومجلس الوزراء.
3. إعادة الشراكة الوطنية وتعزيزها بين مختلف مكونات الأمة اللبنانية ليستعيد لبنان ميزاته ورسالته.
4. الشروع بتطبيق اللامركزية الموسعة على صعيد مناطقي في إطار

- الكيان اللبناني بحيث تتجلى التعددية بأبعادها الحضارية والإدارية والإنمائية والعامّة، فتتكامل المناطق على أساس عادل.
5. البدء الفوري بتنفيذ البرامج الإصلاحية السياسية والإدارية والقضائية والاقتصادية.
6. دعوة الدول الشقيقة والصديقة إلى تنظيم مؤتمر لمساعدة لبنان أو إحياء المؤتمرات السابقة وترجمتها سريعا على أرض الواقع، وتطبيق قرارات مجلس الأمن المختصة ببسط السلطة اللبنانية الشرعية على كامل أراضي البلاد، مع تثبيت حدوده مع كل من إسرائيل وسوريا.
7. إيجاد حل نهائي وإنساني لموضوعي اللاجئين الفلسطينيين في لبنان والنازحين السوريين، لأنهم أصبحوا على لبنان عبئا ثقيلًا إقتصاديًا وإجتماعيًا وأمنياً وديموغرافياً.
8. إخراج لبنان من المحاور التي أضرت به وغيرت نظامه وهويته، ومن العزلة التي بات يعيش فيها، والعمل على إعلان حياده.
9. أخذ مبادرة رئاسية إلى دعوة الأمم المتحدة بإلحاح إلى رعاية مؤتمر خاص بلبنان، والقيام بجميع الاتصالات العربية والدولية. "لتأمين انعقاد هذا المؤتمر، وقد حددنا نقاط بحثه أكثر من مرة

وأردف: "زارنا أول من أمس المجلس التنفيذي لنقابة المعلمين في المدارس الخاصة وشكا إلينا همومهم. معروف أن هذه النقابة تدير شؤون زهاء خمسة وخمسين ألف معلم ومعلمة في القطاع الخاص، وأن القطاع التربوي يشكل أحد مداميك لبنان الحديث، ويجب حمايته من الإنهيار، حفاظا على أجيالنا الطالعة. ما يقتضي الحفاظ على قيمة المعلم وتعزيز حضوره وإعطائه حقوقه كي يقوى على الاستمرار في أداء مسؤولياته في ظل سعر للصرف يتخطى الأربعين ألف ليرة لبنانية وبمعدلات غير مسبوقه للتضخم. فلا بد من إنصافهم لكي يتمكنوا من مواصلة أدائهم ورسالتهم براحة البال. أما رواتب المتقاعدين، في صندوق التقاعد، فتتراوح بين مليونين وثلاثة ملايين ليرة لبنانية، بالإضافة إلى أن بعض المصارف لا تعطيهم المبلغ كاملا، أو تعطيهم بدلا منه بطاقة شرائية. وهل يجوز هذا التعامل مع معلم أفنى سنوات عمره في تعليم الأجيال الطالعة، ألا يستطيع تأمين الحد الأدنى من "مستلزمات العيش الكريم في هذه الظروف؟

وختم الراعي: "مرة أخرى نحث السادة النواب لإنتخاب رئيس جديد للجمهورية، لكي تتكون السلطات مع فصلها. نسأل الله أن يمس ضمائرهم إنقاذا لبلادنا وشعبنا. فنرفع له الشكر كل حين، الآب والإبن والروح القدس، الآن وإلى الأبد، آمين.

استقبالات



بعد القداس، استقبل الراعي المؤمنين المشاركين في الذبيحة الإلهية، ثم التقى نقابة المعلوماتية والتكنولوجيا حيث أشار النقيب الخويري الى ان "الزيارة لآخذ البركة بعد انتخابات النقابة والمجلس التنفيذي"، وكانت مناسبة لإطلاع غبطته على برنامج عمل النقابة للمرحلة المقبلة من اجل تحقيق إستراتيجية التحول الرقمي . "كونها الاساس في مكافحة الفساد وإنشاء الدولة الرقمية

واستقبل الراعي خبير الطاقة الدولي الدكتور رودي بارودي، الذي استبقاه البطريك الى مائدة الغداء، وكان عرض الاوضاع الراهنة، وقدم بارودي للراعي اول دراسة من نوعها حول ترسيم الحدود البحرية بين لبنان وإسرائيل والتي كان عرضها في ندوته الأخيرة في جامعة سيدة اللويزة، كما قدم له مجسم "الفيفا" لكأس العالم في كرة القدم التي ستنتقل اليوم في دولة قطر.

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## محاضرة بارودي في جامعة سيدة ستفند اتفاق NDU اللويزة الترسيم وتحدد فوائده

# HOLISTIC ANALYSIS OF THE HISTORIC MARITIME BORDER AGREEMENT BETWEEN LEBANON & ISRAEL

BY ROUDI BAROUDI

Thursday, Nov. 17, 2022  
Abou Khater Auditorium



يوم الخميس الواقع في 17 تشرين الثاني الجاري سيعرض الخبير الدولي في مجال الطاقة رودي بارودي بحضور رئيس جامعة سيدة اللويزة NDU الأب بشارة خوري، وعدد من الأساتذة والطلاب من جميع

كليات الجامعة، وممثلين من الجامعات الأخرى، والعديد من المهتمين والاعلاميين. تحليلاً شاملاً لإنجاز ترسيم الحدود بين لبنان وإسرائيل، والذي تم عبر دبلوماسية ابداعية استخدمت للتوصل إلى هذا الاتفاق.

وسيركز بارودي على آثاره المحتملة على لبنان، مستنداً إلى رسم خرائط حصرية للمنطقة البحرية المعنية و نقاط البداية والنهاية الدقيقة للحدود المتفق عليها في البحر.

محاضرة بارودي في جامعة سيدة اللويزة NDU ستفند اتفاق الترسيم وتحدد فوائده

يوم الخميس الواقع في 17 تشرين الثاني الجاري سيعرض الخبير الدولي في مجال الطاقة رودي بارودي بحضور رئيس جامعة سيدة اللويزة NDU الأب بشارة خوري، وعدد من الأساتذة والطلاب من جميع كليات الجامعة، وممثلين من الجامعات الأخرى، والعديد من المهتمين والاعلاميين. تحليلاً شاملاً لإنجاز ترسيم الحدود بين لبنان وإسرائيل، والذي تم عبر دبلوماسية ابداعية استخدمت للتوصل إلى هذا الاتفاق.

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وسيتناول حديث بارودي التدايعات المفترضة ان يشهدها لبنان بعد التوقيع على الاتفاق من خلال الإجابة على الأسئلة التالية:

ماذا ستكون الآثار الحقيقية لهذا الاتفاق؟ هل حصل لبنان على صفقة عادلة؟ ماذا يعني الاتفاق بالنسبة لآفاق البلد كمنتج للهيدروكربون؟ ماذا سيقدم للمواطن اللبناني العادي؟ وغيرها من التدايعات المحتملة للاتفاق على مجموعة متنوعة من الجبهات، بما في ذلك أمن الطاقة والنمو الاقتصادي والأمن القومي، فضلاً عن التنمية البشرية والاجتماعية.

كما سيشرح العرض التنفيذي لبارودي كيف كانت الوساطة الأمريكية حاسمة في التوصل الى معاهدة فعلية فريدة من نوعها تتجاوز عقبات كبيرة خصوصاً عدم وجود علاقات دبلوماسية بين لبنان وإسرائيل، وكيف ان الاتفاقية تمنح العديد من المزايا الحيوية للبنان.

كما سيوضح بارودي، كيف قبل الفريقان حلاً عملياً لخلافهما المستمر حول النقطة البرية لحدودهما: نظراً لأن هذه البقعة تُستخدم عادةً

كنقطة انطلاق لخط الحدود البحرية، وسيتضمن حديث بارودي، لأول مرة في منتدى عام، الموقع الدقيق لنقطة البداية تلك والمهمة في عمليات الترسيم.

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# **International Expert to provide Holistic Analysis of the Lebanon-Israel Maritime Boundary Agreement at NDU**



# HOLISTIC ANALYSIS OF THE HISTORIC MARITIME BORDER AGREEMENT BETWEEN LEBANON & ISRAEL

Dr. Roudi Baroudi

Thursday, Nov. 17  
12:30 - 1:30 p.m.  
Abou Khater Auditorium



“BEIRUT (14 November 2022):” A four-decade veteran of the regional energy business will appear at Notre-Dame University of Louaize on November 17, 2022, to share unique insights and perspective on the recent US-mediated Lebanon-Israel maritime boundary agreement, the university announced on DAY.

Roudi Baroudi, a Doha-based author, economist, and executive who has advised major oil companies, governments, and multilateral agencies on energy policy, will provide a holistic analysis of this landmark achievement, including the creative diplomacy used to reach a deal, its potential impacts for Lebanon, and – based on exclusive mapping of the maritime area in question and – the precise beginning and end points of



the agreed border at sea.

“The very fact of the deal’s existence is historic on its face,” Baroudi notes, “but what will the real implications be? Did Lebanon get a fair deal? What does the deal mean for the country’s prospects as a hydrocarbon producer? What will it do for the average Lebanese citizen?” The talk will address these and other potential ramifications of the agreement on a variety of fronts, including energy security, economic growth, and national security, as well as human and social development.

Working from the aforementioned maps, which are informed by both stringent scientific standards and common-sense interpretations of international law, Baroudi’s Executive Presentation will explain how US mediation was crucial to creating a one-of-a-kind de facto treaty that bypasses significant hurdles and confers several vital advantages on Lebanon. The structure of the agreement means, for instance, that it does not require parliamentary ratification, and that the necessary interactions going forward will be handled by a third-party company licensed to operate in the relevant parts of Lebanon’s Exclusive Economic Zone.

Among other benefits, these and other features get around the absence of official diplomatic relations between Lebanon and Israel, dilute domestic political squabbles in both countries that might have delayed implementation of the deal, and obviate the need for government-to-government engagement in order to operate the mechanisms agreed to. And as Baroudi will explain, the parties accepted a pragmatic solution to their continuing disagreement over the land terminus point of their border: since this spot is ordinarily used as a starting point for a maritime boundary line, the two sides opted instead for a line that begins well offshore. Baroudi’s talk will include, for the first time in a public forum, the precise location of that starting point. He will also outline the similar strategic omission used to sidestep the absence of an agreed

“trijunction” where the EEZs of Lebanon, Israel, and Cyprus would converge on a map.



Roudi Baroudi, currently serves as CEO of Energy and Environment Holding, an independent consultancy based on Doha, has written extensively on the region, including “Maritime Boundaries in the Mediterranean: The Way Forward”, a 2021 book that called for the very sort of creative diplomacy used to reach the Lebanon-Israel agreement. His latest book – “Climate and Energy in the Mediterranean: What the Blue Economy Means for a Greener Future” (published by the TLN this year and distributed by Eurospan). Baroudi is also a Senior Fellow at the Transatlantic Leadership Network, a Washington, DC-based Think tank.

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**Saudi oil minister says Opec+ will stay cautious on production**



Bloomberg / Sharm El-Sheikh

Saudi Arabia's energy minister said Opec+ will remain cautious on oil production, weeks after the group angered the US by lowering output.

The 23-nation alliance, led by Riyadh and Russia, is set to meet on December 4 to decide whether to cut production again, keep it stable or reverse course and pump more. Members are looking at the state of the global economy and seeing plenty of "uncertainties," Prince Abdulaziz bin Salman said.

Oil has dipped since June as central banks raise interest rates and China maintains its Covid Zero strategy. But Brent is still above \$95 a barrel and up 23% this year, with many traders concerned about supply shortages once the European Union effectively bans the import of Russian crude from next month.

"Our theme is being cautious," the minister said at the Saudi Green Initiative during the COP27 climate summit in Egypt. "It's about being responsible and not losing sight of what the market requires."

He cited last month's report from the International Monetary Fund that said the "worst is yet to come" for many economies. "It's about recession," he said in a Bloomberg TV interview.



“I also see what central banks are saying and doing.”

China loosened some coronavirus restrictions on Friday, including cutting the amount of time travellers must spend in quarantine. The move boosted oil prices and Chinese stocks. But many analysts doubt there'll be a rapid reopening of the country.

“The jury is still out,” Prince Abdulaziz said. “The Chinese authorities are saying they are going to continue to be strict and diligent and follow the same regimentation that they have.”

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**Low-cost LNG supplier Qatar to remain in ‘relatively strong competitive position’ : S&P**



**\* Qatar's revenue stream will be significantly enhanced by North Field expansion, whereby Qatari liquefied natural gas production capacity is expected to increase by 64%**

As a low-cost LNG supplier, Qatar will remain in a "relatively strong competitive position" even after 2030, although demand is likely to peak in the mid-2030s, with increasing use of renewables in the energy market having a gradual impact on demand for hydrocarbons, S&P Global noted in its ratings upgrade.

S&P recently raised its long-term sovereign credit rating on Qatar to 'AA' from 'AA-', assigned a stable outlook, and affirmed the country's 'A-1+' short-term rating.

In its overview, S&P noted Qatar's debt interest costs as a share of government revenue have fallen, and therefore it expects them to remain low because the government is repaying maturing debt.

Additionally, the government's revenue stream will be significantly enhanced by the North Field expansion, whereby Qatari liquefied natural gas production capacity is expected to increase by 64% (by 2027).

"The upgrade reflects structural improvements in the Qatari government's fiscal position. The government's strategy of paying off maturing debt, will sustainably reduce debt-servicing costs to below 5% of general government revenue over 2022-2025," S&P said.

Higher gas production related to the North Field expansion, expected to come onstream from end-2025, should further increase Qatari government revenue.

Qatar remains one of the largest exporters of LNG globally. Between 2025 and 2027, the government plans to increase its LNG production capacity by about 64%, from 77mn tonnes per year to 126mn tpy.

The strategic pivot away from Russian gas, particularly by European economies, suggests there will be a ready market for the additional Qatari gas.

In its forecast, S&P said, "We assume that LNG production

levels will be largely flat until 2025, but increase by about 30% over 2026-2027, on the assumption that the full increase in capacity will take some time to be fully utilised.”

S&P said it expects “strong” non-hydrocarbon sector growth as Qatar hosts the FIFA World Cup from November 20 to December 18, which will support an economic expansion of about 5% in 2022.

After the tournament, S&P has forecast real GDP growth will average about 2.5% over 2023-2025 as gas production levels remain broadly stable and non-hydrocarbon sector growth normalises around 4%.

The country’s strong general government net asset position remains a credit strength and it expects it to increase over the period to 2025, supported by investment returns on Qatar’s sovereign wealth fund, Qatar Investment Authority (QIA), assets, and the government’s repayment of maturing external debt.

Averaging about 150% of GDP in 2022-2025, Qatar Government’s large liquid assets provide it with a strong buffer to mitigate the economic effects of external or financial shocks.

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## **COP27: Financing for climate ?damages gets a foot in the door**



AFP/Sharm El-Sheikh

UN climate negotiations yesterday offered a sliver of hope and “solidarity” for developing countries battered by increasingly costly impacts of global warming, in agreeing to discuss the thorny issue of money for “loss and damage”.

Countries least responsible for planet-heating emissions – but hardest hit by an onslaught of weather extremes – have been ramping up the pressure on wealthy polluting nations to provide financial help for accelerating damages.

But in a sign of how contentious the issue is among richer nations fearful of open-ended climate liability, the issue was only added to the formal agenda to the UN’s COP27 climate summit in the Egyptian resort town of Sharm el-Sheikh after two days of last-ditch negotiations.

This “reflects a sense of solidarity and empathy for the suffering of the victims of climate induced disasters,” Egypt’s Sameh Shoukry, the COP27 president, said to applause.

At last year’s UN summit in Glasgow, the European Union and the United States rejected calls for a separate financial mechanism.

Instead, negotiators agreed to start a “dialogue” extending through 2024 on financial compensation.

The issue has grown ever more urgent in recent months as nations were slammed by a crescendo of disasters, such as the massive flooding that put a third of Pakistan under water in August.

Senegal's Madeleine Diouf Sarr, who represents the Least Developed Countries negotiating bloc, said climate action across the board had been far too slow.

"Lives are being lost. Climate change is causing irreversible loss and damage, and our people carry the greatest cost," she said, adding that an agreement on funding arrangements must be reached in Egypt.

Appeals for more money are bolstered by a field known as event attribution science, which now makes it possible to measure how much global warming increases the likelihood or intensity of an individual cyclone, heat wave, drought or heavy rain event.

"Today, countries cleared an historic first hurdle toward acknowledging and answering the call for financing to address increasingly severe losses and damages," said Ani Dasgupta, head of the World Resources Institute, a climate policy think tank.

But he said that getting negotiators to agree to discuss the issue was only an initial step.

"We still have a marathon ahead of us before countries iron out a formal decision on this central issue for C027," he said.

Wrangling over loss and damage has unfolded against the backdrop of an unmet promise by rich nations to provide \$100bn a year starting in 2020 to help the developing world green their economies and anticipate future impacts, called "adaptation" in UN climate lingo.

That funding goal is still \$17bn short. Rich nations have vowed to hit the target by the end of 2023, but observers say the issue has severely undermined trust.

The UN Environment Programme has said the goal – first set in 2009 – has not kept up with reality, and estimates that funding to build resilience to future climate threats should

be up to 10 times higher.

Meanwhile, countries are far off track to reach the Paris deal goal of limiting global warming to 1.5 degrees Celsius.

The UN says the world is currently heading to 2.8C of warming, or a still-catastrophic 2.4C even if all national pledges under the Paris treaty are fulfilled.

Depending on how deeply the world slashes carbon pollution, loss and damage from climate change could cost developing countries \$290-580bn a year by 2030, reaching \$1-1.8tn in 2050, according to the Grantham Research Institute on Climate Change and the Environment in London.

The World Bank has estimated the Pakistan floods alone caused \$30bn in damages and economic loss. Millions of people were displaced and two million homes destroyed.

Simon Stiell, the UN's climate change executive secretary, said vulnerable countries are "tired" and "frustrated".

"Here in Sharm el-Sheikh we have a duty to speed up our international efforts and turn words into action to catch up with their lived experience," he said.

Up to now, poor countries have had scant leverage in the UN wrangle over money. But as climate damages multiply, patience is wearing thin.

The AOSIS negotiating block of small island nations told AFP that they would like to see the details for a dedicated loss-and-damage fund worked out within a year.

"There's not enough support for us to even to begin to prepare for the loss and damage that we are expected to face," said AOSIS lead negotiator on climate finance Michai Robertson.

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# China is doubling down on

# coal despite its green ambitions



Bloomberg / Beijing

China is building a vast array of new coal-fired power stations, potentially more than the operating capacity of the US, even though it knows the plants will probably never be fully used.

The puzzle of why the world's leading installer of clean energy is investing so much in the worst polluting – and increasingly expensive – fossil fuel shows the depth of Beijing's concern over the global squeeze in energy supplies. But it also reflects planning for a gradual relegation of coal's role, from prime power source to a widely available but often idle backup to China's rapidly expanding renewables fleet.

Work on at least 165 gigawatts of plants powered by coal should begin by the end of 2023, the National Development and Reform Commission told executives at a meeting in September, according to state-backed Jiemian News. The chairman of China Energy Engineering Corp, meanwhile, has forecast the country

could add a total of 270 gigawatts in the five years to 2025 – more than currently exists in any other nation.

New coal permits have already increased, and while the final extent of the ramp-up isn't known, adding 270 gigawatts could cost 568bn to 766bn yuan (\$79bn to \$106bn), according to a calculation based on BloombergNEF data. Excluding China, the rest of the world's pipeline of coal power projects stands at about 101 gigawatts, data compiled by Global Energy Monitor show.

China's strategy is designed to avoid the pitfalls that have hobbled parts of the US and Europe, which stopped investing in fossil fuel production and infrastructure before renewables were ready to take over. That's led to an over-reliance on imports in some places, and in others a dependence on grids that can fall prey to the unreliability of sunshine and wind.

At the recent party congress, President Xi Jinping laid out how China's energy transition would be different by following "the principle of building the new before discarding the old." In practice, that means adding both clean power and more coal to try and eliminate economy-crippling power shortages and create a buffer against volatile global fuel prices, while at the same time advancing the country's long-term climate goals. As China's economy grows, it requires ever more power, and it has said it plans to peak coal consumption only by the middle of the decade.

But even as new plants are built, the intention is for them to be used less and less as they're displaced by increasing amounts of clean energy.

In the context of global energy insecurity, it's not surprising that China would ramp up its coal capacity, said Yan Qin, an analyst in Oslo, Norway, at Refinitiv. "But the push to add more clean energy to the grid hasn't slowed down, meaning that growing renewables will squeeze the running hours of coal plants," she said.

The plan carries big risks. Coal financiers are directing capital to investments that are almost designed to be stranded. If they protest because their projects are being



underutilised, it could slow the decarbonisation of the planet's worst polluter. And the world's carbon budget is finite, which means that any coal burned at all in China increases the chances of missing targets to avoid catastrophic warming.

The NDRC's proposal is already facing some pushback from utilities and local lenders, according to a person familiar with the matter. Many coal power generators are losing money amid high fuel prices and aren't enthusiastic about funding and running plants that would only be used during times of peak demand, the person said, declining to be identified because the talks are private.

Still, it's clear that the regulator's tone on coal power has changed since last year's energy crisis, according to the person. More plants will be built in areas that are reliant on hydropower, and near the massive wind and solar farms being built in the desert interior, to ensure reliable supply when intermittent renewables generation stalls, the person said.

China is also making efforts to lessen the burden on coal power generators, in large part by leaning on miners to boost output to record levels and keep the Chinese market well below sky-high international prices. The government has also given utilities leeway to charge higher rates to industrial customers. And, it's making progress in developing a mechanism that would compensate coal plants that sit idle while on backup duty, Refinitiv's Qin said.

In any case, the rate at which clean energy is added will probably be more instructive than power plant spending in determining when coal burning starts to dwindle, said Dave Jones, a lead analyst at the climate think tank Ember in London.

Once renewables are installed they're basically free to produce, which means they'll be prioritised over coal. The moment that new clean energy generation outpaces new power demand is when coal use begins to fall, he said.

China is by far the world's largest renewables market, and its expansion continues to accelerate. Spending in the first half

of this year more than doubled to \$98bn, compared to \$12bn in the US. As wind, solar and hydropower all charted strong growth over the period, mostly coal-based thermal power generation dropped 3.5%.

Although the historic drought in the summer curtailed hydropower so much that coal is back on track for a year-on-year increase, it won't be long before new clean energy capacity puts the fuel into permanent decline, Jones said.

"There is so much wind and solar being built and generating clean electricity," he said. "As long as China's not inventing a whole new use for thousands of terrawatt-hours of power, then from a demand perspective it's got to be reducing coal power, because there's nowhere else for that electricity to go."

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## **QatarEnergy announces hydrocarbon discovery in Brazil's Sepia field**



QNA/Doha

QatarEnergy Monday announced an oil discovery in the 4-BRSA-1386D-RJS well in Brazil's world class Sepia oil field, which is located in the prolific Santos Basin in water depths of about 2,000 meters off the coast of Rio de Janeiro.

QatarEnergy acquired a working interest in the Sépia Co-Participated Area in December 2021 during the 2nd Transfer-of-Rights Surplus Bidding Round, which was organized and managed by Brazil's National Agency for Petroleum, Natural Gas and Biofuels (ANP). The Area is operated by Petrobras (with a participating interest of about 52 percent) in partnership with TotalEnergies (19.2 percent), QatarEnergy (14.4 percent) and Petronas Petrleo Brasil Ltda (14.4 percent), with Pre Sal Petroleo S.A. (PPSA) as manager. The Sepia shared reservoir is currently producing about 170,000 barrels of oil per day.

Commenting on this occasion, HE the Minister of State for Energy Affairs, the President and CEO of QatarEnergy, Saad bin Sherida Al Kaabi, said: "We are encouraged by this discovery, which comes as a result of strategic cooperation with reputable partners in our effort to unlock more global energy resources as part of our comprehensive growth strategy. On

this occasion, I would like to congratulate our partners, and I look forward to more future achievements.”

The discovery is significant in that the well penetrated a net oil column, which is one of the thickest ever encountered in Brazil. Partners will continue operations to characterize the conditions of the discovered reservoirs and verify the extent of the discovery by conducting well tests. (QNA)