AFED 2015 Report

Energy Profile of the Arab Countries

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Outline

- Trends in consumption
- Consumption Patterns
- Energy Pricing Policies
- Energy Efficiency
- Renewable Energy
- Conclusions
Growth of Energy has been always higher than that of population and GDP
Per capita income is driving energy consumption. Disparities go in parallel.
Primary Energy Consumption is dominated by Oil and Gas
Slight shift to more Gas
Sectors’ Contribution to Consumption

Final energy consumption in 13 Arab countries in 2009:
- Industry: 33%
- Other: 24%
- Tertiary: 7%
- Residential: 29%
- Transport: 7%

Electricity consumption in 18 Arab countries in 2011:
- Other: 14%
- Residential: 41%
- Commercial: 19%

Source: RCREEE & Plan Bleu study (2012); AUE (2011)

Source: RCREEE
Pricing Policies

- Subsidies is part of the social contract (political stability)
- More subsidies in resource-rich countries (GCC, Egypt, Algeria, and Syria).
- Less Price distortions in resource-poor countries (Lebanon, Jordan, Morocco, and Palestine)

Phasing out subsidies while alleviating its social impacts:
- Egypt announced a five-year plan to phase out electricity subsidies.
- Jordan eliminated fuel subsidy in 2004 over four years.
- Morocco phased out subsidies, generating tax
- UAE removed subsidies of transportation fuels
Fossil Fuel subsidies

Source: IEA (2014)
Prices of Transport Fuels

Gasoline prices (US Cents/litre)

International crude oil...
- UAE
- Iraq
- Bruni
- Iran
- Oman
- Algeria
- Qatar
- Kuwait
- KSA
- Venezuela

Diesel Prices (US Cents/litre)

International price of...
- UAE
- Qatar
- Oman
- Equador
- Egypt
- Kuwait
- Iran
- Algeria
- KSA
- Venezuela

Source: GIZ (2015)
The least energy efficient emerging region

![Bar chart showing energy intensity for World, OECD, and Arab Region.]

- **World**: 0.24
- **OECD**: 0.13
- **Arab Region**: 0.4

**Energy Intensity (TOE/1000 (2005) USD)**
Energy Intensity

Average EI is Higher than the world average

Source: SE4ALL
Installed Capacity of RE is dominated by Wind
## RE Policies

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Conclusions

- Driving forces for demand are different across countries
- Consumption patterns vary accordingly.
- Consumption is dominated by oil and gas
- Building sector is the major electricity consumer
- Subsidies promote wasteful over consumption.

- EI is higher than world average
- RE is dominated by Wind
- RE policy framework still in early stages
- A need to remove barriers to EE and RE
Thank You

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