

Should an oil nation lead COP28?

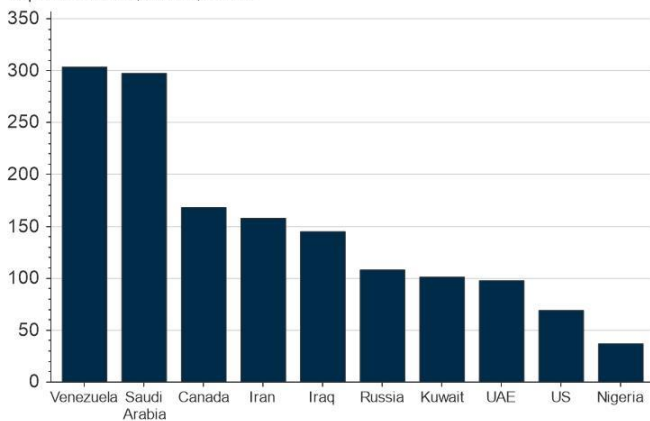
Brian Davidson & Ingrid Grodås Standal Aas
2 June 2023



Should a fossil fuel producer host the UN's flagship climate conference? Some of those planning to attend this year are concerned that allowing Dubai, which is part of the United Arab Emirates, to host COP28 may lead to the interests of the oil and gas industry being prioritised over the need to decarbonise rapidly. Highlighting the tensions, a group of US Congress members and Members of the European Parliament recently called for Sultan Al Jaber, the president of the climate conference who is also the head of the Abu Dhabi National Oil Company, to step down. As the charts below show, the UAE and other Gulf nations have some of the largest oil and gas reserves in the world.

Crude oil reserves

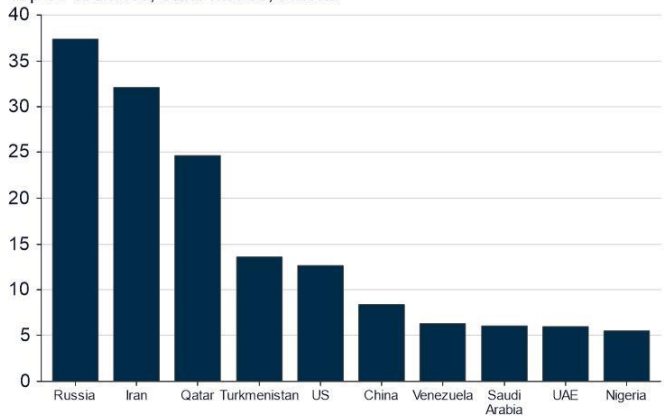
Top 10 countries, barrels, billions



Source: Refinitiv Datastream / Fathom Consulting

Natural gas reserves

Top 10 countries, cubic metres, trillions



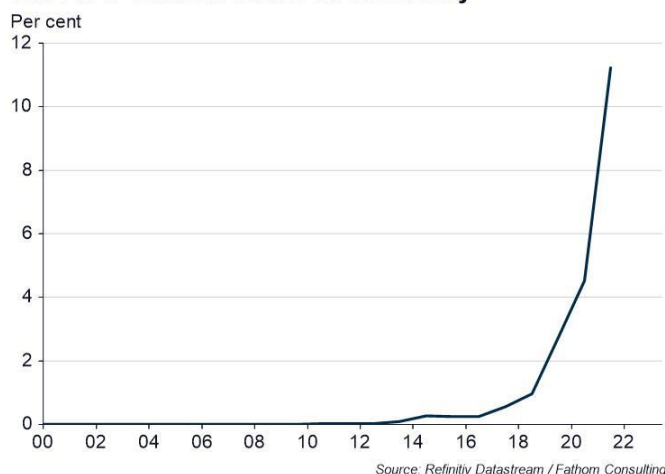
Source: Refinitiv Datastream / Fathom Consulting

Such concerns should be taken seriously, but the hosting of the conference in the UAE can also be viewed in a more positive light: it will be much harder for the world to meet its goals without the backing of petrol states or the energy sector. This may explain why some senior climate diplomats, such as John Kerry, the US special presidential envoy on climate, support Mr Al Jaber's COP presidency.

The transition will also present business opportunities to Gulf states who, given their reliable, year-round sunshine, can produce renewable solar electricity more cheaply than many other countries — a point that Mr Al Jaber knows well as the chairman of Masdar, a renewable energy company. Indeed, the UAE has been ramping up its renewable electricity production in recent years.



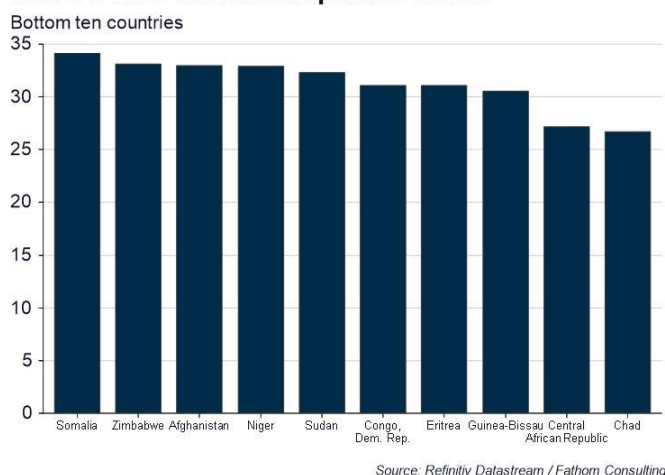
UAE low-carbon share of electricity



Furthermore, parts of the existing oil and gas infrastructure could be used to transport hydrogen or for carbon capture and storage, two energy industries of the future. It is therefore not surprising that Mr Al Jaber has spoken about the opportunities that the transition creates.

Self-interest and realpolitik aside, it is important to focus on what the scientists think and the views of those people living in regions which are more vulnerable to the effects of climate change and less able to adapt. African countries make up nine out of the top ten countries most exposed to the worst effects of climate change, according to the Notre Dame Global Adaptation Index, one of a series of useful energy- and climate-related sovereign datasets now available on Datastream (lower scores indicate greater vulnerability). The global North will need to explain to these countries what they are doing to keep a temperature increase of 1.5C alive – hard cash will help, to pay for loss and damage, adaptation and transition support.

Notre Dame Global Adaptation Index

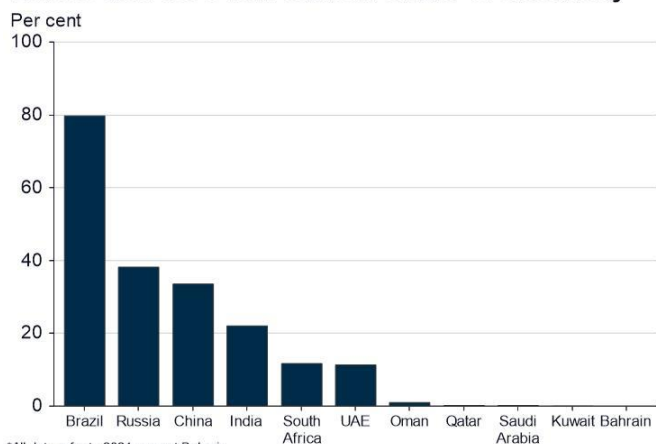


The UAE itself will also have some explaining to do: despite the recent increase, only 11% of its electricity comes from low-carbon sources. While this is a lot higher than the other five members of the Gulf Co-operation Council (GCC), it is much lower



than all the G7 countries and most BRICS. What is more, annual CO2 emissions per capita are also much higher in the GCC than most other countries.

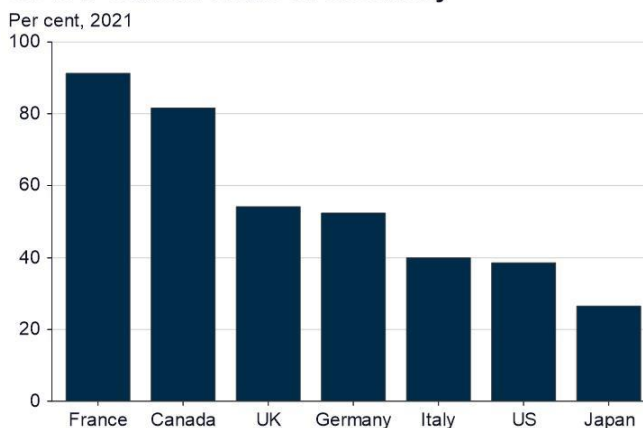
BRICS and GCC low-carbon share of electricity*



*All data refer to 2021, except Bahrain, which is 2020

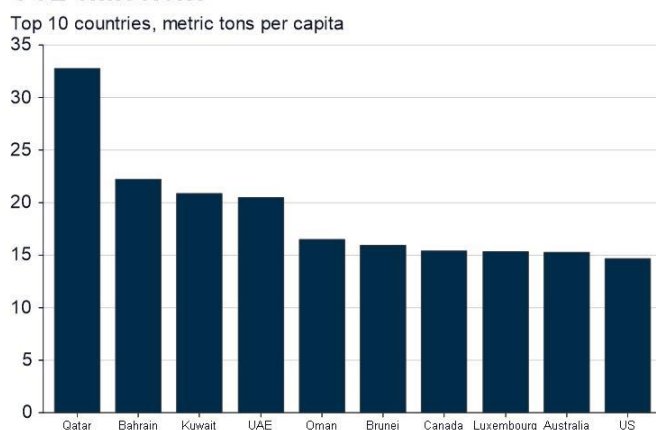
Source: Refinitiv Datastream / Fathom Consulting

G7 low-carbon share of electricity



Source: Refinitiv Datastream / Fathom Consulting

CO2 emissions



Source: Refinitiv Datastream / Fathom Consulting

Further reading:

[March round-up: climate economics](#)

[Avoid greenwashing and make a difference](#)

[EMs need to scale up green investment](#)



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