



# Sustainable Responsibility & The 2030 Development Agenda

# Contents

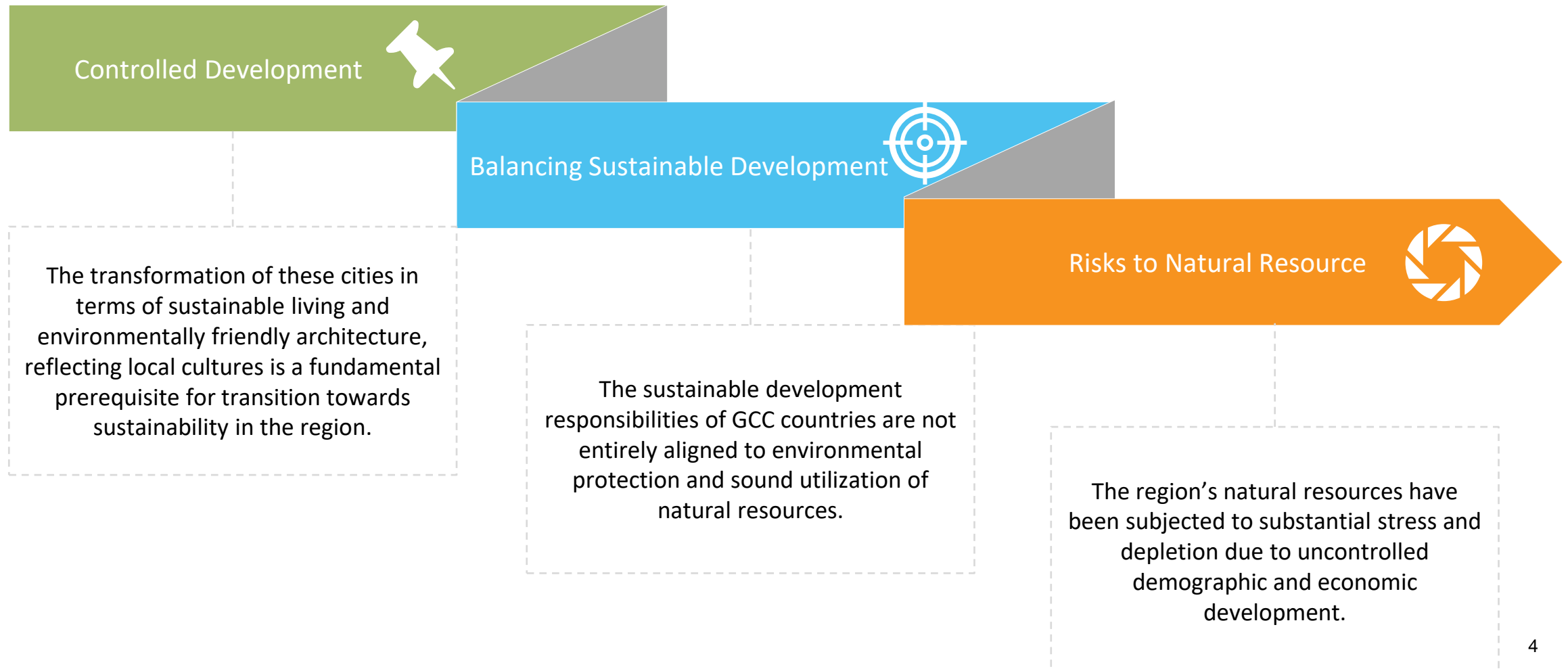
1. Introduction
2. Environmental Protection
3. Climate Change
4. Energy Conservation
5. Financial Inclusion
6. Green Technology

# INTRODUCTION



# GCC – Common Challenges

The Gulf Cooperation Council (GCC) region and the wider Arab world are faced with multiple interconnected dilemmas embedded in the social, economic, and environmental pillars of sustainable development.





# GCC – Sustainability Lessons & *Future Direction*

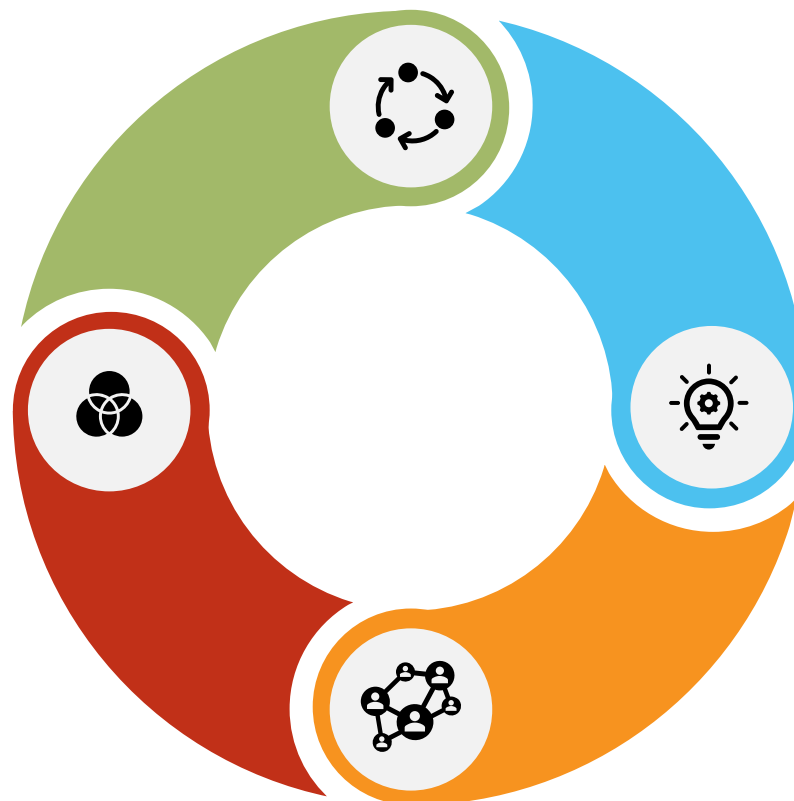
The question of how to design effective sustainability strategies that are aligned with the context of the GCC region is a relevant one

## Fostering Transition and Broadening the Sustainability Agenda

The sustainability aspects of policymaking in the GCC region requires a show of shift in strategies and transition to sustainable modernization.

## Investing in Technology, Research and Innovation

GCC countries need to implement measures in order to encourage entrepreneurship and the development of local markets aligned with sustainable value creation



## Cooperation and Wide Participation

GCC countries have some way to go in regard to effective cross-sectoral partnerships as well as capacity development.

## Policy Integration and Sustainability Engagement

The engagement of GCC countries with the global sustainability agenda needs to move beyond participation through reporting and formal reference to local action

# A Call for Sustainable Development



The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, has at its heart, 17 Sustainable Development Goals (SDGs), for all countries - developed and developing - in a global partnership.

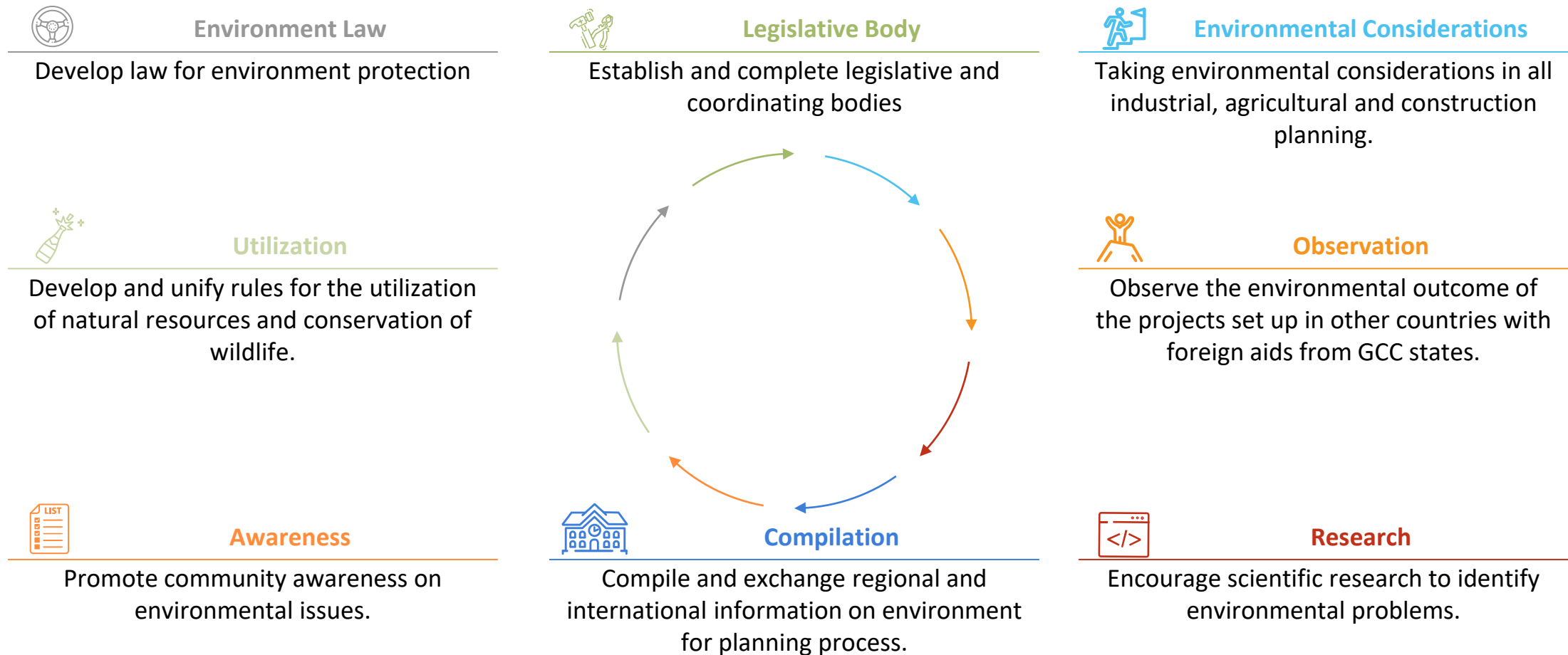


# ENVIRONMENTAL PROTECTION



# GCC – Environmental Cooperation

The Supreme Council (6th session, Muscat Summit, 1985) adopted the document of “ **The Policies and General Principles of Environment Protection at the GCC States**” to be the basis for developing strategies for the future environmental activities in the GCC States.





# UAE's Stance – *backed by UAE Federal Law No. 24 of 1999*



**UAE Federal Law No. 24 of 1999 on the Protection and Development of the Environment** aims to ensure the protection and conservation of the quality and natural balance of the environment as well as to control all forms of pollution and avoid any immediate or long-term harmful effects resulting from economic, agricultural and industrial developments.

## UAE Environmental Policy – Priority Points

Mitigating the repercussions of climate change in support of the country's economic development priorities

Sustaining local agricultural production and conserving its resources

Preserving natural environment

The sustainability of local animal production and the optimum utilization of local natural resources

Improving air quality

Integrated waste management

Strengthening and ensuring the safety of food products and diversifying their sources

Promoting environmentally sound management of chemicals

# Business Sector Alignment with SDGs

GCC entities have recorded a certain level of achievements in protecting the environment and natural species, while there is increased need to show more commitment in terms of policy formulation and creation of action plans.

## Success Stories

In 2021, **The Environment Agency Abu Dhabi** launched the largest **coral reef rehabilitation** project in the region which led to the rehabilitation of **1 million species of coral reef**.

The project also produced the most advanced and developed **Marine Conservation and Fisheries Research Vessel** in the Middle East which will study fish stocks and marine biodiversity.

In **Saudi Arabia**, **Aramco** identified **10 sites** for biodiversity conservation covering more than **500 species of plants and animals** and **55 species or sub-species** unique to the Kingdom



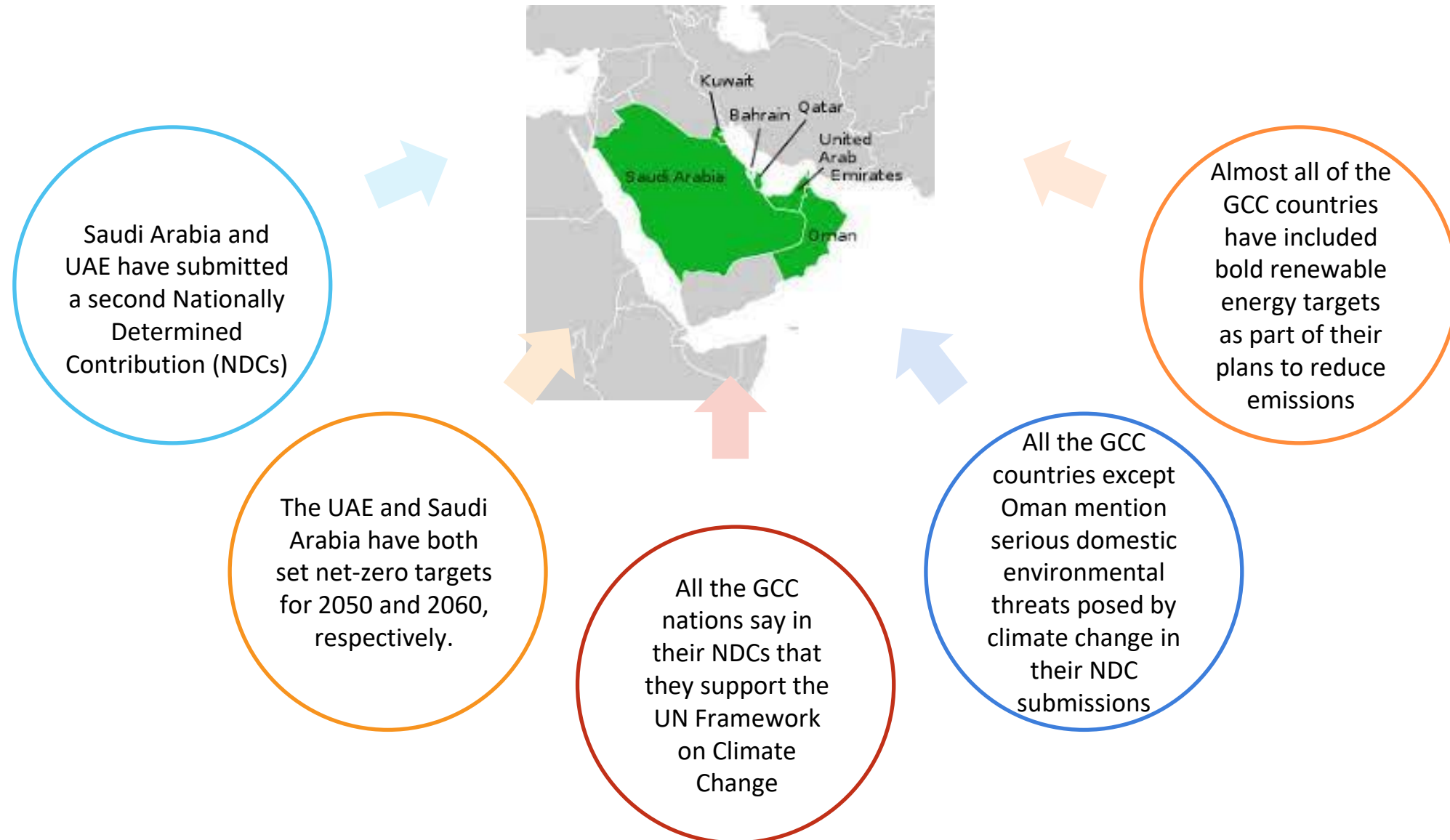
## Key Facts

- The **UAE** ranked 1st globally in Preservation Efforts by Legatum Prosperity Index, 2018
- The UAE achieved the Aichi Biodiversity Target No. 11 with a total of 12.21% of coastal and marine areas, exceeding the recommended 10%.
- **Oman** has designated the 8<sup>th</sup> of January of every year to be a special **Oman Environment Day**, as a way to celebrating the Sultanate’s accomplishments in the field of preserving the environment.

# CLIMATE CHANGE



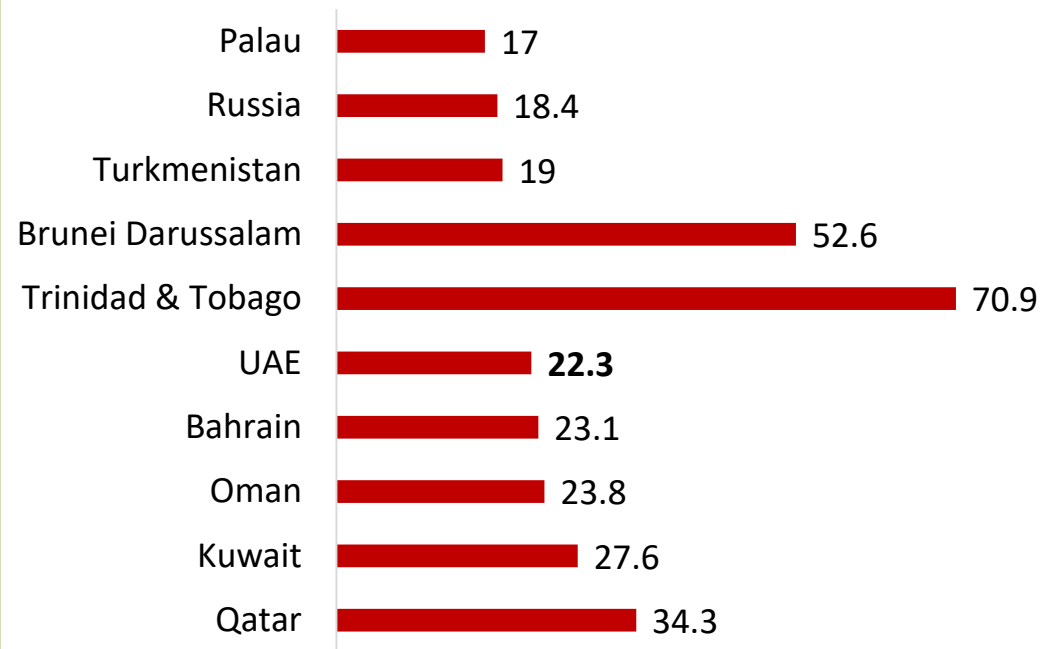
# GCC – Overview





# GCC – Emissions Per Capita

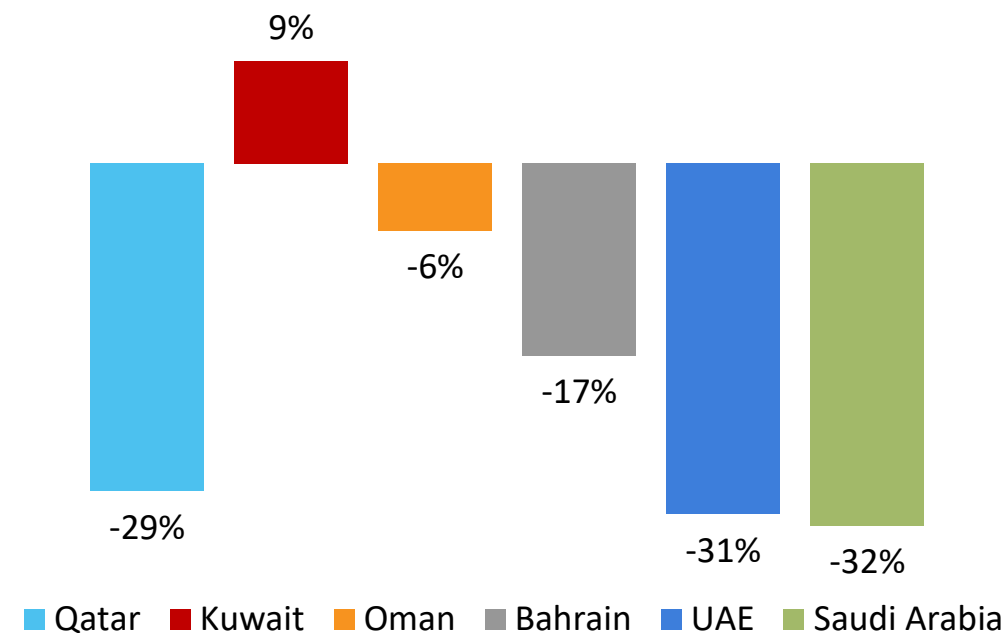
Ten Highest Emissions Per Capita By 2030 Based on NDCs (tCo2e)



Source: UNFCCC

**Saudi Arabia** is the only GCC country not ranked in the top 10 for highest per capita emissions by 2030, yet it still ranks 15th out of 196 countries.

Per Capita Emissions Reduction Between 2015 and 2030 Based on NDCs



Source: UNFCCC

All Gulf states except Kuwait plan to reduce emissions this decade

# Saudi Arabia's Stance – *To Reach Net Zero By 2060*

The Environment Regulation, Royal Decree No M/165 of 19 Dhul Qada 1441 Hejra (corresponding to 10 July 2020) which came into force on 13 January 2021, sets out wide-ranging prohibitions of pollution and contamination of air, land and water, with particular reference to all parties involved in services, industry or other economic activities.

## **Saudi Green Initiative – Objectives**

Achieve net zero emissions by 2060

Plant 10 billion trees and rehabilitate 40 million hectares of land over the coming decades

Reduce carbon emissions by more than 278 mtpa by 2030

Plant 450 million trees and rehabilitate 8 million hectares of degraded land by 2030

Increase domestic generation capacity from renewable energy to 50% by 2030

Raise protected areas to more than 30% of total land area

Contribute to cutting global methane emissions by 30% as part of the Global Methane Pledge by 2030

Achieve 20% protected terrestrial, coastal and marine environments by 2030

# Business Sector Alignment with SDGs

Nationally Determined Contributions (NDCs) remain hugely varied in level of commitment, with GCC countries applying conditions to their plans and showing increasing commitment to be seen as part of the solution to climate change.

## Success Stories

In 2017, **Majid Al Futtaim (MAF)** committed to becoming **Net Positive in water and carbon by 2040**, with solar plants in 5 shopping malls to generated over **2,900 GWh** of renewable energy saving **1,700 MtCO2e** per year.

**Kuwait National Petroleum Company** owns the largest solar project in **Kuwait** is the 1.5 GW Al Dibdibah Solar PV plant/Shagaya Phase II. With a construction cost of USD 1.2 billion, it is expected to begin operation by 2022 and to generate 15% of the oil sector’s electricity needs.

**Petrofac** has transformed an office space of more than **2,000 square meters** in **Muscat - Oman**, with the aim of minimizing its environmental impact. The refurbishment, which will reduce energy consumption by **35%**.



## Key Facts

- **Saudi Arabia** plans to be the regional leader for renewables, with 58.7GW operational by 2030.
- The **UAE** was one of the first countries in the region to adopt the Paris Agreement on Climate Change (2016).
- **Qatar** plans to use solar power to cool the 2022 FIFA World Cup stadiums with project estimated to have a capacity of 3500 MW.

# ENERGY CONSERVATION





# GCC – Energy Consumption



To invest over **AED600Bn** in clean and renewable energy until 2050



Could save over **\$200Bn** from energy reform over the next decade



Allocated **\$170Mn** to reduce GHG emissions



To save **BD230Mn** in 5 years by investing on renewable energy



Invested **\$23Bn** in renewable energy in 2021



To invest **\$3.6Bn** in energy sector, including hydrogen projects.

The rapid demand growth in electrical energy in GCC countries is due to the region's rapid **economic growth**.

Large scale **infrastructural development, heavy industry and petrochemicals** all required substantial electrical power, as such, an increase in energy demand.

Furthermore, **the low pricing of electricity** in the GCC countries plays an important role in increasing electrical power demand.

The energy sector in GCC countries plays a vital role in achieving economic and social development, and contributing to the Gross Domestic Product (GDP).

The sector has two main effects on the achievement of sustainable development;

- The suffering from negligible contribution of renewable energy source in energy production and the high consumption pattern.
- Adverse effect of the sector on the environment.

# GCC – Drivers of Energy Demand Growth

## Climate Conditions and Water Scarcity

Due to extreme temperatures across the GCC region, especially during summer months, GCC countries rely heavily on desalination, requiring substantial government investment in desalination facilities and distribution networks.



## Population Growth and Urbanization

Most of the GCC region is highly urbanized (on average, urban dwellers account for 80% of the population, while both Kuwait and Qatar are almost 100% urbanized) and has influenced GCC government spending on infrastructure.



## Economic Development

GCC governments used the revenues resulting from exports to pursue aggressive economic and social development, including the development of largescale infrastructure and the launch of heavy (i.e., energy-intensive) industries such as petrochemicals and cement production.



## Energy Pricing and Consumption Patterns

Inefficient pricing practices also lead to enormous energy waste in buildings, industry, and households. In total, energy subsidies currently cost GCC governments more than \$160 billion annually in foregone revenues



# GCC – Regulatory Support

The per capita electricity consumption during the period 2007-2035 in the GCC is likely to increase at an annual rate of 2.5%, thus, in a matter of a few years, GCC residents may well be outright leaders in the per capita residential electricity use race.

Country	Building EE Regulation	Type of Compliance	Mandatory/Voluntary
Bahrain	Thermal Insulation Requirements (1999)	Prescriptive	Mandatory
Kuwait	Energy Conservation Code of Practice 2014	Prescriptive	Mandatory
Saudi Arabia	Saudi Energy Efficiency Building Code (2007)	Performance and Prescriptive	Mandatory
UAE	Thermal Insulation Requirements (2003) Green Building Regulations and Specifications (2011)	Prescriptive Performance	Mandatory Voluntary
Qatar	Global Building Assessment System (GBAS): All New Commercial Buildings (2012) All New Commercial Buildings (2016) All New Residential Buildings (2020)	Sustainable Building Labeling System	Mandatory
Oman	None	NA	NA

# Qatar's Stance – *EE Program Saved \$1.1Bn in 2021*



**Law No. 30 of 2002 – Environmental Protection Law** establishes general provisions for the protection of the environment in Qatar, with objectives including; maintaining environmental quality and natural balance, avoiding damage and adverse effects resulting from plans and programs of construction, industrial, agricultural, or economic development, and raising environmental awareness.

## Qatar Energy Efficiency Strategy

### Policy

Through the National Programme for Conservation and Energy Efficiency (Tarsheed) and other efficiency measures, Qatar has been attempting to reduce the consumption of both desalinated water and electricity since 2012.

### Objectives

Qatar aims to further reduce per capita consumption of **electricity and water** by **8% and 15%**, respectively, after consumption of water and electricity per capita had fallen by **20% and 18%**, respectively from 2012.

### Action Points

Qatar installed a total of **17,000 electricity meters** and **17,000 water meters**, and plans to make them smart – able to be read and controlled remotely by 2024.

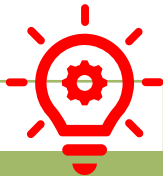


# Business Sector Alignment with SDGs

The GCC have several interrelated programs and regulations in place to substantially reduce electricity consumption, including smart metering, demand-side management to encourage energy users to consume more efficiently, and distributed generation.

## Success Stories

- Masdar** committed over \$20 billion to renewable energy which has expanded the UAE’s renewable energy portfolio **400% in the last 10 years**.
- Sharjah Electricity, Water and Gas Authority (SEWGA)** created a unit called **conservation department** with a target to conserve electricity, water and gas.
- Saudi Arabia’s National Energy Services Company, TARSHID** has successfully completed the implementation of **six energy saving measures**, designed to reduce energy usage and guarantee energy efficiency of over **32%**, equivalent to **5.6 GWh per year, for 10 years**.



## Key Facts

- **The Gulf States** plan to invest \$100 billion in renewable energy projects over the next 20 years.
- The **UAE** is ranked 1st globally in Ease of Access to Electricity, Global Competitiveness Report 4.0 by WEF, 2018.
- The Mohammed bin Rashid Al Maktoum Solar Park is the largest single-site solar park in the world, with a planned capacity of 1,000 MW by 2020, and 5,000 MW by 2030, with a total investment of AED 50 billion (USD 13.6 billion).

# FINANCIAL INCLUSION

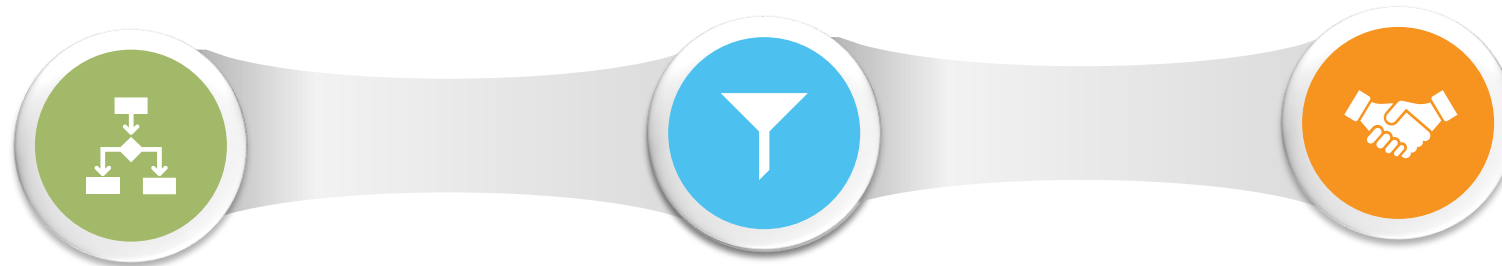


# UAE's Stance – *Sustainable Finance*

The UAE Sustainable Working Group provided a roadmap to achieving the sustainability objectives of the UAE, and developing sustainable finance policies in the UAE, setting out 3 key deliverables;

- ❑ Strengthening ESG corporate disclosure standards across UAE in line with UAE and international best practices.
- ❑ Encouraging companies to adopt good corporate governance to embed sustainability across corporate governance structures
- ❑ Developing a taxonomy of sustainable activities to inform investors and set a path for economic transition

## UAE Sustainable Finance Framework



### Pillar 1

Mainstream sustainability in financial decision-making and risk management

### Pillar 2

Enhance supply and demand for sustainable finance products and green investment projects

### Pillar 3

Strengthen enabling environment that promotes sustainable finance practices through collaboration between financial and real sector stakeholders.

# GCC's Budding Interest in Sustainable Finance

Item	Saudi Arabia	UAE	Qatar	Kuwait	Bahrain	Oman
Public Sustainability Targets/Pledges	Yes	Yes	Yes	Yes	Yes	Yes
Sustainable Finance Strategy and Ambition	No	Yes	No	No	No	No
Corporate Sustainability Reporting Standards	Yes	Yes	Yes	Yes	Yes	No
Financial Disclosure of Climate Risks Standards	No	In Progress	No	No	No	No
Sustainable Finance Taxonomy	No	In Progress	No	No	No	No
Standards for Sustainable Investment Products	No	No	No	No	No	No
Sovereign Sustainable Bond Program	In Progress	In Progress	No	No	No	In Progress
Sustainability Indices	In Progress	Yes	Yes	No	No	No
Sustainable Finance Training Program	No	Yes	No	No	Yes	No



# GREEN TECHNOLOGY

# GCC – Green Tech Partnerships

As the Gulf works towards meeting its ambitious sustainable energy targets, regional leaders are leveraging a global network of partners to achieve their goals. Among these collaborators is the UK, home to one of Europe's largest green technology.

*Several major green tech businesses, across sectors such as waste-to-energy, desalination, wind power and solar storage, are already on the ground in the GCC helping to springboard the region towards its sustainability goals.*



**Solar Water** is partnering with the Gulf to implement **the world's first carbon-neutral hydro-infrastructure desalination dome**, designed to produce clean water for municipal and industrial consumption without the need for fossil fuels or excess brine waste.

The region's first Solar Water dome will be located at **Neom in Saudi Arabia**



**GreenFuels** is powering **Oman's first sustainable biodiesel plant** in a joint venture with local company **Wakud**. The facility will use old cooking oil as feedstock.



Ryse Energy, a global leader in renewable off-grid energy systems has recently moved its international operations to **Masdar City in Abu Dhabi**, demonstrating its commitment to the region as it expands into new markets to decarbonize infrastructure in the oil and gas and telecommunications industries.

# Business Sector Alignment with SDGs

Estimates show that between 2019 and 2023, MENA will receive up to \$1 trillion in alternative energy technologies, as innovators look for sources that are both efficient and environmentally conscious.

## Success Stories

**Mondelēz International** developed a **cloud-based technology** to efficiently monitor the use of water, electricity and natural gas at its **Bahrain** factory, with positive improvements being noted as CO2 emissions from the factory were down by **65% in 2020**

In April 2022, **Emirates Waste to Energy Company** constructed **UAE’s first Waste-to-Energy plant** in Sharjah which will divert **300,000 metric tons of waste** from landfills annually, displacing almost **450,000 metric tons of CO2 emissions** while producing enough electricity to power **28,000 homes**.

Many climate tech companies are working in **Saudi Arabia** to develop carbon-neutral alternatives to everyday technology. Companies like **Red Sea Farms, Iyris, and Mirai Solar** have helped Saudi take steps toward Vision 2030.



## Key Facts

- Countries like **Bahrain** are using cutting-edge technology, such as **data analytics and renewable energy generation**, and public-private collaboration to build future-fit and **net zero manufacturing industries**.
- The manufacture of solar technology is also gaining importance in the region. From the construction of a **100-MW solar park** on top of a landfill site in **Bahrain** to moves by existing manufacturers like **Arla Foods** to green their electricity supply, the Gulf states are driving the installation of **solar technology**

THANK YOU