



ESCWA

UNITED NATIONS ECONOMIC & SOCIAL
COMMISSION FOR WESTERN ASIA



ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA

The 2nd Energy Management Conference, 6-8 December, Gulf Hotel, Kingdom of Bahrain

ESCWA-KAPSARC Session on “Enabling Policies to Support Energy Productivity in the Arab Region - GCC”, 7 December 2015

INFORMATION NOTE

The United Nations Economic and Social Commission for Western Asia (UN-ESCWA) is jointly organizing with the King Abdullah Petroleum Studies and Research Center (KAPSARC) a session entitled “Enabling Policies to Support Energy Productivity in the Arab Region - GCC” which will be convened on 7 December 2015 in the context of the second Energy Management Conference & Exhibition, organized by the National Oil & Gas Authority (NOGA) and the Bahrain Society of Engineers (BSE), to be held on 6-8 December 2015 in Bahrain (<http://www.energymanagement.bh/index.php>).

I. Background Information

This session comes at a key stage of an ESCWA-KAPSARC joint project that was initiated in February 2015 to explore energy productivity in the Arab region, with an initial focus on the six countries of the Gulf Cooperation Council (GCC). This joint project aims to elaborate on energy productivity indicators as tools for evaluating, monitoring, and helping to improve the performance of various sectors in the national economy and to explore the social and economic benefits that are associated with enhanced investment in energy productivity in the region.

Indeed, during the past decades of fast economic expansion, while the Gulf Cooperation Council (GCC) countries have focused on economic growth and diversification, they have paid less attention to energy productivity. This is reflected in economic outcomes. While they have succeeded in achieving a high annual rate of GDP growth, it has been fueled by a significantly higher share of their oil and gas production being consumed domestically. Delivering growing per capita income has also proved a challenge for many countries, especially in the wake of the financial crisis. With fossil fuel exports still constituting the main source of government income for the GCC countries, the balance between economic growth and energy consumption is critical for sustaining their development course. Enhancing energy productivity through energy efficiency measures can prove to be the fastest and least costly means for maintaining such balance.

Furthermore, improving energy productivity has a particular potential for the region as the efficiencies associated with the production, distribution and end use of energy compare very poorly with international benchmarks. This situation is due to technological gaps and behavioural deficiencies, aggravated by a lack of adequate policies and economic incentives for promoting more sustainable energy consumption patterns.

“The Middle East, despite having comparatively little industry, which globally is the largest consumer of energy of any end use sector, is the least energy efficient emerging region”¹.

Therefore, there is a large potential supply of avoided energy consumption that could be harvested by reducing the considerable energy inefficiencies that are prevailing in the region. It is estimated that the total annual primary energy consumption for the region for 2030 can be reduced to 75% of its projected value in a conservative ‘low policy intensity’ scenario, and down to as much as 50% of its projected value if more aggressive ‘technical potential’ scenarios are pursued².

In view of the above, the King Abdullah Petroleum Studies and Research Center (KAPSARC) and the United Nations Economic and Social Commission for Western Asia (UN-ESCWA) have initiated a joint project to explore the energy productivity of the Arab region. The project initially focuses on the six countries of the Gulf Cooperation Council (GCC), and will highlight the social and economic benefits that come with enhanced investment in energy productivity. Preliminary results of the project will be presented by the end of 2015 and the outcomes of the project will be later on published in a joint KAPSARC-ESCWA report.

II. Objective and topics of the session

The objective of this session is to bring together key experts and organizations, working on energy efficiency and economic development in the region, to discuss some of the preliminary outputs of this joint project. This will provide a basis to discuss issues related to the energy productivity situation in the region and to raise the essential inquiries about data quality and availability as well as other key aspects that are necessary to properly assess energy productivity in the region.

The session will elaborate on energy productivity indicators as tools for evaluating, monitoring, and helping to improve the performance of various sectors in the national economy, and assessing each country’s energy productivity situation.

The Session will be structured around two main themes in a "Panel" format, including short presentations to introduce each of the two themes. Expert panelists will provide some insights into the proposed topics and interaction with the audience will be sought to enrich the discussion.

The Session’s two main themes and related topics are as follows:

- **Theme I: Driving forces of energy productivity in GCC countries**

- Topic I.1:** What are the prospects for decoupling economic growth and energy consumption in GCC countries? What are appropriate energy productivity targets for the region?

- Topic I.2:** What are the macroeconomic consequences of current policies or alternatively enhancing energy productivity?

Topics to be discussed include the economic, social, environmental, and political driving forces that can shape the energy productivity and how can these driving forces be mobilized to enhance economic outcomes through a more focused setting of strategic goals.

- **Theme II: Energy productivity policy and management**

- Topic II.1:** What are the policy options for improving energy productivity in a low energy price environment?

¹ The Energy Revolution’s Impacts on the Arab World, Robert Springborg - MEI Policy Focus 2014-5,

² Delivering On the Energy Efficiency Promise in the Middle East, Oliver Wyman Report - 2012

Topic II.2: How to promote energy productivity at the sector level? Policy options and implementation instruments for government and industry in the GCC

Subjects to be covered include examples of public policies that have boosted energy productivity in the public and/or private sectors. The role that governments and stakeholders can/should play in designing and achieving the objectives of strategies, and their implementing instruments, to capture the shared benefits of increased energy productivity.

III. Participants

This session is relevant for those with an interest in the applied economics of energy policy focusing on energy efficiency within GCC countries. The session will target primarily government officials and decision makers, executives from the private sector, non-government organizations, researchers and other stakeholders across the energy sector. The session will also be of interest to non-government organizations, researchers and other stakeholders across the energy sector.

IV. Date and Venue

The ESCWA-KAPSARC session entitled “Enabling Policies to Support Energy Productivity in the Arab Region - GCC” will be held on 7 December 2015, at Gulf Hotel, Kingdom of Bahrain, as a special session of the second Energy Management Conference, organized by the National Oil & Gas Authority (NOGA) and Bahrain Society of Engineers (BSE), to be held on 6-8 December 2015 in Bahrain (<http://www.energymanagement.bh/index.php>).

V. Language of the Session

The session’s materials will be presented in English.

VI. Accommodations and Entry Visas

Each participant shall undertake the following preparation related to his/her participation: Securing hotel reservation in the venue location, visa, and any other requirements for travelling to Bahrain.

Participants can obtain their entry visa into Bahrain from the Bahraini embassy in their respective countries. If necessary, ESCWA may assist in obtaining the entry visa into Bahrain. For those interested, please send a clear scanned color copy of the passport, and include all essential personal data, to the concerned at ESCWA.

VII. Correspondence

Correspondence and inquiries regarding administrative and logistical arrangements should be addressed to:

Ms. Noha Ziade

Administrative Assistant, Energy Section
Sustainable Development Policies Division
ESCWA
Beirut, Lebanon

Tel: + 961 1 978 530

Fax: + 961 1 981 510 / 511 / 512

Email: ziaden@un.org

Correspondence and inquiries related to the session in general, and particularly its topics and format, should be addressed to:

Mr. Mongi Bida

First Economic Affairs Officer, Energy Section
Sustainable Development Policies Division
ESCWA
Beirut, Lebanon

Tel: + 961 1 978 526
Fax: + 961 1 981 510 / 511 / 512
E-mail: bida@un.org

Or

Ms. Nada Moudallal

Research Assistant, Energy Section
Sustainable Development Policies Division
ESCWA
Beirut, Lebanon

Tel: + 961 1 978 577
Fax: + 961 1 981 510 / 511 / 512
Email: moudallaln@un.org