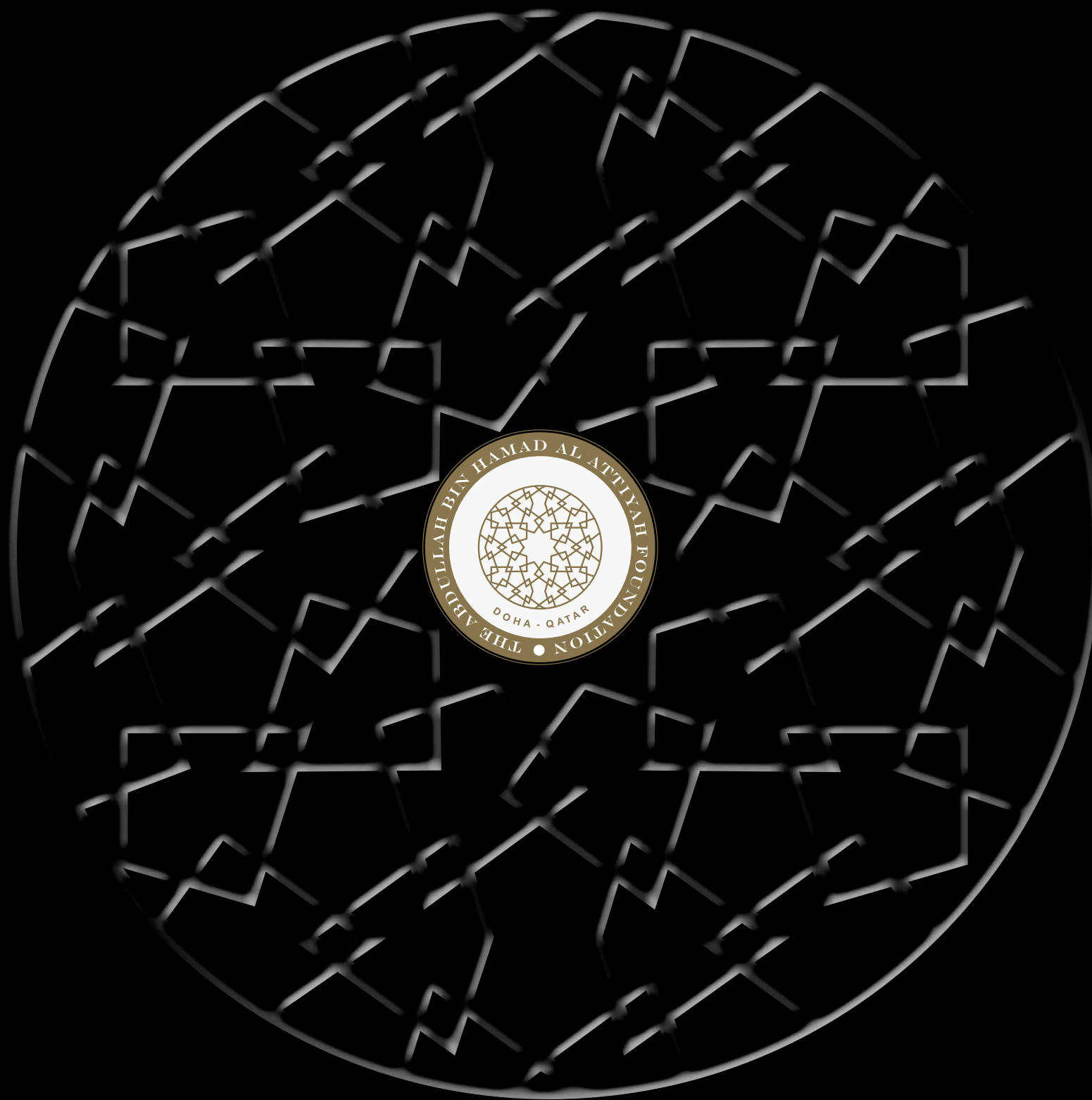
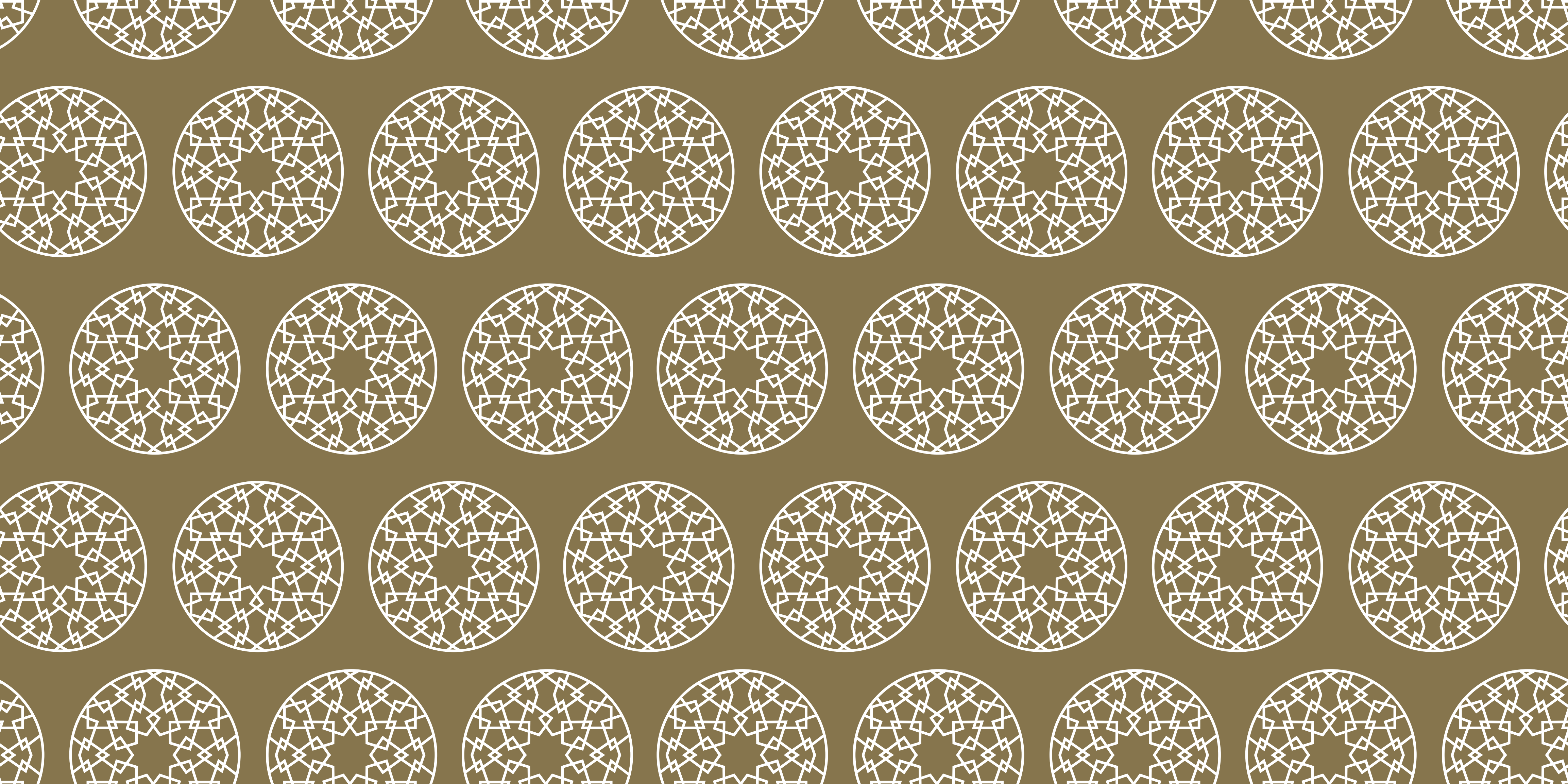


THE ABDULLAH BIN HAMAD AL-ATTIYAH FOUNDATION  
FOR ENERGY & SUSTAINABLE DEVELOPMENT



INAUGURATION  
NOVEMBER 1<sup>ST</sup> 2015





HIS EXCELLENCY ABDULLAH BIN HAMAD AL-ATTIYAH

*“The Foundation will have leading experts from around the world, thinking clearly without the burdens and pressures of bureaucracy, budgets or politics.”*



**The Abdullah Bin Hamad Al-Attiyah  
Foundation for Energy & Sustainable Development**



**His Excellency Abdullah Bin Hamad Al-Attiyah**

**Chairman of  
Abdullah Bin Hamad Al-Attiyah Foundation  
for Energy and Sustainable Development**



Born in Qatar in 1952, H.E. Al-Attiyah has more than 30 years of experience in the energy industry and has served in a variety of senior leadership positions within the government of Qatar.

In 1992, H.E. Al-Attiyah was appointed Minister of Energy & Industry and Chairman and Managing Director of Qatar Petroleum, before being entrusted with the additional responsibility of Second Deputy Prime Minister in 2003. Four years later, H.E. was elevated to Deputy Prime Minister, and in 2011 was appointed Chief of the Amiri Diwan. H.E. Al-Attiyah has also served as Chairman of Qatar's Planning Commission, and was elected as Chairman of the United Nations Commission on Sustainable Development in 2006; and the President of 18th Session of UNFCCC Climate Change Conference (COP18/CMP8) Doha-2012.

During his illustrious career, Al-Attiyah has been bestowed a number of awards and honours including the Grand Cross in the Order of the Orange Nassau conferred by Her Majesty Queen Beatrix of the Kingdom of Netherlands, and the Grand Cordon Order of the Rising Sun awarded by His Imperial Majesty Emperor of Japan in recognition of his contribution in promoting bilateral relations between Qatar and Japan.

In December 20th 2011, HE Al-Attiyah was also conferred the Necklace of Independence award by HH Sheikh Hamad bin Khalifa Al Thani, the Emir of the state of Qatar, for his salutary contribution in towards Qatar's commitment to transparency in business and governance and for his efforts towards the progress of the national economy.



## *Founding The Foundation*



I am a man who smells energy, lives energy. I cannot change!

I am not a businessman and never worked in business. I decided after more than 40 years in the energy industry to create The Abdullah Bin Hamad al-Attiyah Foundation for Energy and Sustainable Development.

I would like to see The Foundation become the leading think-tank in the region and one of the leading institutions in the world in the areas of energy and sustainable development. The Foundation will aim to give advice and share knowledge, while specializing in research and analysis. We will create workshops, white papers, seminars and studies about energy - How do we deal with the market, with oversupply, demand and prices?

We will advise governments and companies on how to build their own projects, how to cut the fat in their expenses, how to avoid market shocks, how to be prepared, how to make the right calculations and how to plan ahead both in the short term and the long term.

We want people to knock on our door with questions which we will aim to answer based on our vast experience. The Foundation will have leading experts from around the world, thinking clearly without the burdens and pressures of bureaucracy, budgets or politics. Some of them might have retired from their government or corporate jobs, but they had played big roles in the advancement of the international energy industry and policy and they have a lot to contribute.

We will talk, think, advise and help others.

This is the vision I have for my Foundation.

## VISION



*– To become the leading “think tank” in the region and one of the leading such institutions in the world in the areas of Energy and Sustainable Development.*

## MISSION



*– To provide information, programmes, research and publications in the areas of Energy and Sustainable Development so that the knowledge, insights and wisdom of His Excellency Abdullah Bin Hamad Al-Attiyah may be preserved and built upon for the benefit of future generations in the State of Qatar and amongst a wider audience.*



## *The Foundation*



The Foundation, established in 2015, aims to preserve the legacy of over 30 years’ service to the State of Qatar, chiefly in the oil and gas Industry, and to promote the ongoing work of its founder, His Excellency Abdullah Bin Hamad Al-Attiyah.

The vision of the Foundation is to become the leading think-tank in the region and one of the leading institutions in the world in the areas of energy and sustainable development. The Foundation will aim to give advice and share knowledge by:

- Providing information, research and analysis on Energy and Sustainable Development, primarily related to the Arabian Gulf region
- Running joint educational programs with Qatar-based educational establishments
- Providing relevant publications, papers and special reports to its members
- Participating in and organizing events (Conferences, Symposia and Seminars) related to Energy and Sustainable Development.

The Foundation, founded in the State of Qatar, is a “Not-for-Profit” organisation.

The Board consists of distinguished senior stakeholders – both past and present – from Qatar’s oil and gas industry. All members hold multiple directorships in Qatari oil and gas companies, financial institutions and in the diplomatic service. They all served with H. E. Al-Attiyah during Qatar’s transformation of the oil and gas industry.

Chairman: H. E. Abdullah Bin Hamad Al-Attiyah  
(Former Deputy Prime Minister & Minister of Energy and Industry)

Deputy Chairman: H. E. Dr. Ibrahim Ibrahim

Member: H.E. Abdulaziz Bin Ahmed Al-Malki

Member: Nasser Khalil Al-Jaidah

Member: Saad Bin Sherida Al-Kaabi

Member: Hamad Rashid Al-Mohannadi

Managing Director: Reda Ibrahim Ali

**INDUSTRY MEMORIES  
&  
FUTURE SOUNDINGS**

By  
His Excellency Abdullah Bin Hamad Al-Attiyah







## *The Role of HH Sheikh Hamad*



The Father Emir His Highness Sheikh Hamad bin Khalifa al-Thani had a big role in developing Qatar's energy industry. He always kept very close, always asked questions, discussed our plans and always asked me to explain everything in detail.

I received his full support and protection. He was a visionary and had a lot of confidence and trust in me, without which we would never have succeeded. He gave us the confidence to succeed.

I believe that His Highness is the man who changed the history of Qatar. When he became Emir in 1995 the oil price averaged \$16 a barrel, but it was his policies, confidence and vision that changed Qatar very dramatically, from a small, very depressed country to one of the richest countries in the world.

Under his rule, Qatar also became one of the most important countries politically and socially. He created from this small country one of the most influential countries in the region and he forced the rest of the world to respect it.

I remember one night His Highness was driving on the Corniche in Doha, when he saw the lights were still on at the Qatar Petroleum building, so he came in and joined us in the conference room which took us all by surprise. He asked questions, listened and gave us his support.

At the time we were working day and night, seven days a week. We had the challenge of how to utilize a huge gas field and how to get customers after Japan. We were also involved in many other projects, from oil exploration to future energy strategies, not just LNG.

I am proud that in less than 10 years after I became minister, Qatar became the largest LNG producer in the world.

**QATAR SUPPLYING  
77 MILLION TONNES  
OF LIQUEFIED NATURAL  
GAS PER ANNUM**



**قطر تنتج  
٧٧ مليون طن  
من الغاز الطبيعي  
المسال سنوياً**



## *Qatar – Building a Start-Up Energy Industry*



When I became oil minister in 1992, Qatar was a very depressed country. Our oil production was 350,000 barrels per day and the oil price was below 10 dollars a barrel. The government at the time had no money to finance any projects and told us - “go do it your own way, don’t come to us asking for funding”.

I felt I was in the middle of very troubled waters and faced a big challenge.

I knew we had to focus on gas; it was our only hope because we had this huge, untouched but potentially lucrative gas field. The challenge was how to attract customers, so we decided to focus on one customer and believed that if we succeeded in attracting one customer, others would follow. We went to Japan and chose to negotiate with Chubu Electric. Japan, Korea and Taiwan were already in the Liquefied Natural Gas (LNG) business at that time, but Japan which had been involved in the sector since the early 1970s, was the biggest potential customer.

It was important to convince a big customer of the benefits of buying Qatari LNG. The most important outcome of that first 25-year contract was not just the amount of LNG which was six million tonnes, but the fact that after the Japanese signed the deal other customers had confidence and followed like Korea, Taiwan, India, China and Europe.

Financing was difficult, but we have to thank the Japanese who played a strong role in convincing the banks to finance the downstream by almost \$2 billion dollars. The first export to Japan was in 1997 and I am happy and proud that we never defaulted on any cargo.

I can write a book about how to negotiate with the Japanese. You should not put pressure on them; you have to give them time to think; you should talk to them and build confidence. I am very proud of my friendship with the Japanese, which I still have to this day. I was very proud when in 2008 his Majesty Emperor Akihito gave me the highest decoration in Japan, called the Order of The Rising Sun -- I went to the palace and received this decoration personally from The Emperor.

I believed that it was vital to have a good team working with me and to have good relations with our foreign partners. So we were shocked when in 1992 BP decided to walk out of its gas deal with us. Unfortunately instead of walking out silently, BP made an official announcement which was a big mistake in my opinion. Years later, the CEO of BP Lord John Browne surprisingly asked me if there was a possibility for BP to come back. My reply was to tell him - “the postman never rings twice”. I told him BP had the opportunity but it walked away and did not do it quietly. But even after BP walked out in that way, we never changed our policy; we always respected our partners and our obligations.



## *Transparency – 21<sup>st</sup> Century Partnerships*



When I became minister I told the IOC that we should stop being at war.

“If you don’t beat me and I cannot beat you, join me”, I told them. In the 1970s and 1980s there was always conflict between the IOCs and the National Oil Companies. We had the reserves and the opportunities, while the IOCs had the finance and the technology. I am very proud we came together.

We gave them production-sharing agreements. In the old days they were called concessions, but we refused to call them concessions, we changed the model to production sharing agreements. We said we would not go back to imperialist days. Many countries came to see us for our production sharing agreements and they started using this model.

Every year as a minister I visited all our partners and customers. I am a big believer in not just signing contracts, but in making sure that we maintain a good relationship, friendship, understanding and trust directly with our partners and customers. That is why I introduced to QP the transparent policy, including the ethics law and the conflict of interest law.

I asked all our employees, including myself to sign them. We told all our partners and customers that they have to sign a legal document stating that no middlemen or intermediaries will be involved in our relationship, that they work directly with QP with no agents or promoters. We created a direct business relationship with them without agents or middlemen, the people who corrupt the energy sectors in many parts of the world.



## *Producer-Consumer Dialogue: Free Oil?*



It is always a challenge to work out how producers and consumers can create a formula for stabilization and avoiding shocks in the oil and gas markets. How can they work together, how can they both benefit?

We in Qatar always support greater cooperation between producing and consuming countries and I believe that the traditional confrontation between them should be left in the past. We should not waste time blaming each other and should seek solutions to ensure security of supply, stability of prices and the curtailment of greenhouse gas emissions.

We are helping to bring these people together in order to address global challenges and global solutions.

Dialogue is very important, producers need to know what the demand forecasts are going to be so they can make the right investments and consumers need to know if there is adequate supply. This balance is hard to achieve without dialogue.

One day a French oil minister complained to me that the oil price was very high and OPEC producers were not doing anything about it. He was very emotional, but I was very relaxed and told him - "Your Excellency, I have a proposal for you; how about if Qatar supplies France with oil for free, including transportation costs?" And I added that I had only one condition, and that was to split the gasoline tax France charges 50/50. He was shocked and looked at me and said "Minister, let's change the subject". When he was leaving I said jokingly that the offer was still valid.

It was the perfect example of how consumers are never happy when the oil price is high and how they always benefit when the price is low because the tax they impose on oil never goes down. The end user in Europe rarely feels the benefit of low prices at the pump and in their utility bills. Now let us say the oil price is \$47 a barrel, some governments would still sell it at 110 dollars a barrel which means every barrel gives them 50 dollars profit.



## *Oil & Gas Price Cycles*



When we were developing our gas in the early 1990s, the oil price was very low, so all our customers wanted to link the gas price to that of oil, but in the 2000s when the oil price was high, all customers wanted to disassociate the gas price from that of oil.

At that time we suggested that we should agree a minimum price, but the customers rejected that idea. When the oil price goes up the customers always want a new formula delinked to the oil price. The United States segregated the two and created the Henry Hub gas price. A few years ago the price of Henry Hub was 17 dollars, which was the highest gas price in the world, but now Henry Hub, because of shale gas, is below three dollars.

I remember when the price of Henry hub started to go down, some customers started to ask for a Henry Hub formula, and our answer was go and buy your gas from America. Now it looks like the United States will start exporting LNG by 2018 or 2020.

I always believed, based on my knowledge of the market, that prices in the hydrocarbon industry go in a cycle, they never stay high or low for a long time. In my years in the industry, I saw cycles lasting an average of 15 years. I saw how the oil price works, up in the first shock of 1973, then down in 1985. Then it also took 15 years to recover in 2000.

For the last 10 years the oil price was high because India and China entered the market, as big industrial nations, with very high demand. And they bought huge volumes. But because prices go in a cycle, I don't see the oil price rising to 100 dollars a barrel again anytime soon. We should forget that level of prices for the time being.

Higher oil prices are not always good for producers or consumers. Producers in my experience need a reasonable price for their product and a healthy customer. The debate on price indexation will continue because consumers never had a clear stand on it. When the price is low they want oil indexation, but when the price goes up they change their minds.

Current market conditions have highlighted the importance of dialogue even further. That is why there should always be dialogue and we must learn from past experiences.



## *OPEC – A Long Turbulent Journey*



I went to my first OPEC meeting in 1972, shortly after joining the oil ministry. It was an interesting experience sitting in the back seat learning from the people who were creating oil policies. Since then I attended OPEC conferences regularly for 40 years.

The challenge for OPEC then was how to confront the International Oil Company (IOC) which controlled the industry and benefited from keeping prices low because it owned the concessions and the refineries. The main focus was how to create a lobby to put pressure on the IOCs to increase prices and how to set up National Oil Companies.

In 1973 an oil shock followed the embargo by OPEC and Arab producers in response to US support for Israel in the Yom Kippur war. Prices began rising from two to three dollars to over 36 dollars in 1981. That was a turning point for producers who started to control their own assets and the IOCs started to lose control. By 1975 producers started setting up their national oil companies, but could not get rid of the IOC totally because they needed their technical help. It was a marriage of convenience.

Producers thought the high oil prices would go on forever, so they were shocked when by 1985 the prices started to crash and never exceeded 17 dollars a barrel until 2000.

OPEC started to talk for the first time about cutting supply and I found that there was no trust amongst the members. They would commit to cutting supply, but some never did. We met many times and meetings started getting longer, from three days to more than three weeks.

One OPEC conference in Geneva lasted one month! We had one meeting and the rest was all bilateral talks on how to convince members to respect production quotas and how much to cut from each country. That made the market nervous and prices went down more. We had to break meeting for one week over Christmas because Swiss security told us they would be too busy to provide us with full security.

In the 1990s, non-OPEC producers were beginning to have a bigger market share, so we started talking to them to persuade them to cooperate. I was elected OPEC president several times, and visited some of those countries. I said, "you have to support OPEC", but they never did. In fact, when we cut production to try and control prices, they increased production. OPEC was always open to them, always wanted to work with them.



## *The Day the Jackal Hijacked the Peace*



I almost never missed an OPEC meeting, except for one in 1975. Maybe I was lucky. I had just got married and my wife had a medical problem so I had to take her to London.

That year Carlos hijacked the meeting at OPEC's Vienna headquarters and took ministers and delegates hostage. Initially we had no idea who was behind it, but then we heard about this man called Carlos the Jackal from Venezuela, who had ties with a radical movement.

It was suggested that the late Libyan leader Muammar Gaddafi had hired him. Libya was an OPEC member, but Gaddafi had another agenda. It was suggested that the hijacking was not to ask for a ransom, but to assassinate the ministers of Iran and Saudi Arabia. In the end and after three people were killed Carlos took a ransom.

OPEC changed in some ways after Carlos.

Before, meetings did not have much security, ministers came and went without security and they would sit in cafés during breaks. But after 1975, the building became like a police headquarters, more security than delegates! Everybody was concerned and worried about another attack.

Finally, the Saudi Arabian Oil Minister Zaki Yamani said he no longer trusted the security at the headquarters in Vienna and insisted the ministers' meetings be moved to Geneva, which was very costly. So when I became minister in 1992, I told other ministers that we have to change, we have to go back to Vienna because it was more economical.

In 1995, Ali al-Naimi became Saudi Arabia's oil minister, the first to come from a business background after working his way up at ARAMCO. I really appreciated him and I told him we have to change OPEC, we cannot have these long meetings, it will affect the market which needs us to send a strong signal that we are not in dispute. So after 20 years we moved back to Vienna and agreed that meetings should not exceed two days.



## *Education Of Future Energy Leaders*



Developing the energy industry in Qatar was not easy at the start. We had to educate ourselves, but we learned quickly. We should not deny that our foreign partners gave us a lot of technical support that helped us to develop.

Now we are very proud that Qatar's energy industry is fully managed by Qataris as chief executive officers, and that we have created very successful technical and commercial teams.

We started to create scholarships for Qataris and sent hundreds to study at good Universities especially in the United States, including the current QP CEO Saad Al-Kaabi. Our mission was to prepare young Qataris who can face the challenges of the future. Foreigners come then leave, but citizens never leave. You cannot just build your future on foreign expertise.

Most of the engineering graduates came back to work in Qatar's energy sector. Today we are also very proud that we have a lot of Qatari women working in the industry as engineers.

The idea of developing academic institutions in Qatar came from Sheikha Mozah (wife of former Emir Sheikh Hamad bin Khalifa Al Thani) who asked how can Qatar become a modern country and how can it become the capital of education in the Middle East? She said we must look at the best universities to bring to Qatar. Some people were not convinced that we will succeed, but now Qatar University has one of the best engineering departments in the region and we collaborated with the best universities like Texas A&M, which has a branch in Qatar now.

The scholarship programme continues until now and we are still developing strategic links with educational institutions within Qatar to increase the number of home grown engineers and other specialists. This is not a quick fix, but it will build up the national knowledge base going into the future.

We have expanded the industry very quickly and today we have almost 77 subsidiaries, all trying to employ more Qataris. We have several strategies for ensuring that we have the human resources that we need to keep pace with our ambitious expansion programmes. Now even our foreign partners are hiring Qataris; they also give us a lot of technical support and we use their training centers to train our nationals. That is a big change from the 1960s, 1970s and 1980s when the IOCs resisted the idea of employing nationals.



