

Energy Transition



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COP28 WHITEPAPER ENERGY TRANSITION HYDROGEN EXCLUSIVE SOUNDINGS 2022



“My Case Against Fossil-Fuel Advertising”

By: Bill Spindle, Former Council on Foreign Relations International Affairs Fellow in India

IN 1970, PRESIDENT RICHARD NIXON signed a bill banishing cigarette advertising from television and radio, citing the risk to public health. The time has come to do something similar today for fossil fuels. I have reported on energy and climate change off and on for more than a decade, first for The Wall Street Journal and more recently for a new outlet, Semafor.

A few things are critical to know about the present moment in the clean energy transition. Never has the need for clear-eyed, scientifically based action to end the world’s use of fossil fuels been greater. For that same reason, never has the fossil fuel industry’s determination to thwart and slow that effort, to muddy the waters of rational action, been greater. And rarely has the industry had the sort of fulsome profits garnered of late to put towards this goal.

Advertising—in all its various forms, across the many platforms on which we encounter it every day—is one of the fossil fuel industry’s biggest tools in this campaign to undermine the transition away from fossil fuels. One investigation put the total industry advertising budget at \$1.4 billion between 2008 and 2017. By another reckoning, the industry spent almost \$10 million on more than 25,000 Facebook ads alone in 2020.

The problem is that this money goes toward protecting and promoting a fundamentally unhealthy product, much like tobacco. Only fossil fuels are unhealthy in a far more serious way: our need to combust them to fuel our lives is the primary cause of global warming, which is now seriously threatening the whole of the world we live in.

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CLIMATEPENPAL.ORG



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“My Case Against Fossil-Fuel

By: Bill Spindle, Former Council on Foreign Relations International Affairs Fellow in India

I experienced this first hand in my most recent role writing a newsletter about climate change and energy transition for Semafor, a start-up news organization that launched a few months ago. Chevron, one of the world’s largest oil and gas companies, was among the biggest advertisers. I felt the ads were inappropriate for a newsletter devoted to solving the very problem fossil fuels are causing—as a spate of criticism from outside the organization when the ads first appeared echoed. Why would Chevron want its name associated with coverage about a problem its primary product is causing? The first answer is Chevron was often touting endeavors of its own that the company claims to be clean solutions. In the case of the ads in my stories, the project was one where the company produces natural gas from cow manure.

Now, methane is a potent greenhouse gas, however it’s produced, and even if getting it from cow manure is better for the environment than drilling in the ground for it. Also these “green” initiatives comprise a very tiny part of what Chevron really does — which almost exclusively is extract oil and gas from underground for combustion in the production of energy. The rest of the time, on other platforms, Chevron spends its money promoting oil and gas. This includes spending on organizations and lobbying that flat-out try to slow and discredit renewable energy, our main alternative to fossil fuels. For the ads that didn’t tout anything other than Chevron’s name and logo, no mention of oil or gas, the answer is that the company simply wants the audience to associate its name with whatever good work was going in that space addressing the global warming problem. It’s image-burnishment by association.

InfluenceMap, a climate think tank that tracks the communications of the five biggest oil companies, said that in 2021 60 percent of the companies’ public messages contain “green” claims, while 23 percent promote oil and gas. Meanwhile, in the real world, the companies are spending only an average of 12 percent of their capital budgets on ‘low carbon’ investments this year, the group said.

Semafor removed the ads from the newsletter. But to my distress, they continued to appear in my climate stories when readers found them on the Semafor website, shared them from the newsletter or posted them on social media. The ads even appeared when I posted the stories in my own social media feeds.

I’ve since parted ways with Semafor. I expressed my misgivings, and didn’t see a way for me to continue if the fossil fuel advertisements stayed.

None of this is to say phasing out fossil fuels will be simple—indeed, if anything, my experience at Semafor underscored for me how complicated this task really is. And I’m hardly the first to propose the idea of an advertising ban. This petition has gathered some 6,700 signatures asking The New York Times to stop accepting fossil fuels ads. Climate activists have campaigned against corporate greenwashing for many years.

What I can say as a climate journalist is that the time for an ad ban has come. The energy transition is gaining traction rapidly. The Biden administration’s policies — the recent massive climate law, a huge infrastructure package earlier in the year and the historic semiconductor manufacturing support bill—will pour funds into the effort. Europe’s energy crisis is spurring a tumultuous turnover in energy infrastructure in a

hurry. The global climate diplomatic process run by the United Nations just completed a conference in Egypt—COP27—that seriously, if only briefly, contemplated giving the official stamp to phasing out all fossil fuels.

Saudi Arabia and Russia killed that effort for now. Even the US, the largest producer of fossil fuels in the world, would go only so far as proposing to phase out all fossil fuel use that isn’t accompanied by technologies removing the carbon before it gets into the atmosphere. That’s a pipe dream for the end-game.

The many decisions to be made in the next five years will determine whether we succeed or fail in the existential task of curbing global warming. We must keep our eye on the ball: eliminating fossil fuel use as much and as quickly as possible.

The fossil fuel industry does not share this goal, to say the least. But none of this is to say that the fossil fuel industry shouldn’t have any say in the transition to clean energy, or that fossil fuels won’t play an important role in the transition. It should, and they will. The problem so far is that the fossil fuel industry isn’t interested in phasing out fossil fuels, at least on a timeline resembling what’s necessary.

We need to move fast. At least until fossil fuel companies and their allies demonstrably reposition themselves in the energy markets, we should be very wary of their involvement. That means limiting their ability to advertise.

Regulation is not a bad place to start. Laws restricting fossil fuel advertising, or perhaps requiring the inclusion of hazards or side effects as required on cigarette packages or alongside prescription drug ads would be a good thing. France implemented a law earlier this year barring ads that promote coal, oil and, starting next year, natural gas. The UK’s advertising watchdog, in a first, recently banned two sustainability advertisements from HSBC bank as misleading because they didn’t mention its fossil fuel projects and links to deforestation.

But in these days of fragmented and omnipresent advertising those would barely scratch the surface of a problem that extends far beyond the government’s legitimate reach. From there, we’ll all have to tap our inner Nixon (for these ends only, please!)

A first, easy step for serious news organizations not doing this already: remove fossil fuel advertisers from their climate and energy transition coverage. The fossil fuel industry seeks to leverage these channels, especially, as venues to disingenuously burnish their image. At this moment of crisis, this coverage shouldn’t become, essentially, a container for greenwashing. For the news organizations themselves, the ads also raise the specter of conflict of interest, perceived and real. They’re accepting huge sums from an industry with a long record of guiding public debate about climate change and energy transition away from the rational and science-based.

But it’s also time for all media — and the consumers of that media, too — to view fossil fuels for what they are: a deleterious product, unhealthy for ourselves and for the planet, one that shouldn’t be blithely promoted just like any other product.

We won’t be able to get ourselves off this bad habit right away and without great effort. But we shouldn’t be providing a platform for an industry trying to convince us this stuff’s not bad for us.

Source: Columbia Journalism Review

[LINK TO REPORT HERE](#)

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WHITEPAPER

Q4 2022

MIDDLE EAST & NORTH AFRICA Climate Finance Ambition Ramps Up

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Charley Rattan

Hydrogen - Offshore Wind Trainer & Advisor
Charley Rattan Associates

Hydrogen is a Long-Term Remedy to Energy Supply

There are encouraging signs that the nascent hydrogen economy is now starting to form and take shape. Hydrogen is more of a long term, rather than short-term solution, to energy supply. In the UK, it offers an opportunity to replace natural gas and reutilize some of the assets which people have invested in. If we are going to decarbonize industries, then hydrogen offers the route to net zero- there are not too many options for that. It is expensive, but natural gas is running out so something must be done.

Has investor sentiment towards hydrogen changed in the last 12 months?

The message coming through loud and clear is: Please don't think about the finance system. It is there, but projects must be robust and must make sure they follow KPIs, milestones, and all things that relate to good governance. The message from the banks is: Keep it tight, keep it robust. In the UK, people said building oil and gas assets in the North Sea could not

be done and yet it succeeded. There is appetite to do the same now with hydrogen. I get that same message from the Middle East, from Southampton, from Johannesburg and elsewhere. The money is there. Keep it tight, and you will be in a good place.

How are the skillsets needed for hydrogen being met?

The oil and gas sector offers a good starting point for the skills needed. It has a good safety culture and some of the skills required. It is a limited pool, but there's a chance for people to be trained. It's an opportunity to learn through doing rather than waiting for the perfect situation. There's a lot of roles to be filled and if you've got a background in major projects, in refining, oil, gas, and renewables, then you're in a good place, especially if you are up to date with the new technologies we are using today.

**Paraphrased Comments*

OUTLOOK

FROM COP27 TO COP28: WHAT LIES AHEAD FOR ENERGY TRANSITION?

"COP28 will be the most important event hosted by the nation in 2023," said His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai.

With over 80,000 delegates, led by 140 heads of state, and over 5,000 media professionals, the COP28, according to Dr. Sultan Al Jaber, Minister of Industry and Advanced Technology and UAE Special Envoy for Climate Change, is particularly significant.

Early this year, Dr. Al Jaber told early this year that as long as the world continues to rely on oil and gas, we can ensure reliable supplies of the least carbon intensive oil and gas available from the region.

As Managing Director and Group CEO of ADNOC, Al Jaber reiterated this message at ADIPEC in November: "The world needs all the solutions it can get. It is not oil and gas, or solar, not wind or nuclear, or hydrogen. It is oil and gas and solar, and wind and nuclear, and hydrogen. It is all of the above, plus the clean energies yet to be discovered, commercialized and deployed. The world needs maximum energy, minimum emissions."

Big Support for Hydrogen

At COP27 in Egypt, approximately \$83 billion of green deals have been signed, which reflect that energy transition remains a key deliverable and there is firm commitment towards achieving those goals, especially by countries from the Middle East, said Badar Chaudry, Senior Vice President - Energy Sector of Mashreq bank.

Chaudry noted that the announcements in Egypt were focused on hydrogen and the importance of having a long duration energy storage in the energy mix. "These two technologies have been backed extensively at COP27 and we expect that to happen at COP28 as well. The level of financial commitment required for hydrogen is easily more available in the region because of the natural environmental benefits or the capabilities that these countries have, including financing ability," he added.

From the COP28 ground, the direction of the energy transition is being prepared in major ways, and it has the support of key international players. In November this year, the UAE and the United States signed a new clean energy framework, 'Partnership for Accelerating Clean Energy', seeking to catalyze \$100 billion in financing, investment, and support to deploy 100 gigawatts of clean energy by 2035.

Will COP28 be an Energy COP?

Reem Al Hashimy, UAE's Minister of State for International Cooperation, emphasized during the World Policy Conference held in Abu Dhabi on December 9-12 that the UAE intends to "bring diverse and different thoughts to the table from all around the world and in particular the countries of the global south."

COP28, after is all about "how we manage to deal with a just energy transition by also ensuring prosperity and stability for people around the world, how we manage to do that in a manner that's equitable," Al Hashimy said.

**Paraphrased Comments*

EXCLUSIVE SOUNDINGS 2022

From international policymakers to industry experts and energy analysts, Gulf Intelligence has featured experts from across the world on energy transition and hydrogen throughout the year. Here's the highlights of their views that look to be a continuing trend to watch out for in 2023:



ESG: “We need to be cognizant of how oil and gas industry investments are being impacted by ESG practices and the climate disclosure drive from the financial community. The environmental aspect of ESG is perhaps outweighing the need to address social and development issues. We need to work with all industry stakeholders to ensure an investment-friendly climate, with sufficient finance along with technology research and transfer; this climate must be sustainable and work for both producers and consumers, both developed and developing countries.”

(The Late) Mohammed Sanusi Barkindo
Former Secretary General, OPEC

*Source: Atlantic Council

CLIMATE POLICY: “No matter how important the climate factor is, each country will work at its own pace and strengths when it comes to transitioning to clean energy. Therefore, you are going to see a variety of progress when it comes to policies and regulations in different countries and different regions.”

H.E. Sharif Al Olama
Undersecretary, UAE Ministry of Energy and
Infrastructure for Energy & Petroleum Affairs



TRANSITION FUELS: “Renewables will need a lot of investment, but till the time we reach there, the reliance on hydrocarbons will continue. So, we should not see renewables and hydrocarbons as a zero-sum game. We should look at cleaner hydrocarbons, as well as natural gas as an important fuel which can fuel the transition to a better world. That is very important.”

H.E. Sunjay Sudhir
India's Ambassador to the UAE
Permanent Representative to IRENA

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EXCLUSIVE SOUNDINGS 2022



CIRCULAR CARBON ECONOMY: “At the end of the day we need hydrocarbons. Whether we like it or not, the stuff we need is made of polyethylene or polyester, which contain carbon. If we can engage with the oil sector, they have so much of the infrastructure that could help accelerate our goals. Those working on green technologies and the petroleum sector need to come together and accept that we need to move faster.”

Dr. Jennifer Holmgren
CEO, LanzaTech

FOSSIL FUEL COMPANIES: “There is a willingness by energy companies to invest in technology, to put their capital in making the product cleaner. It’s pointing towards a debate that should be not binary, but rather include all. I don’t think we are there yet. One of the outcomes of this present energy crunch may give a greater realization on the importance of oil and gas in managing energy transition, as opposed to how oil and gas is seen, which is somehow being a blockage to energy transition.”

Dr. Raad Alkadiri
Managing Director – Energy, Climate and Resources
Eurasia Group



HYDROGEN PATHWAYS: “It’s important that when it comes to the carbon footprint of hydrogen pathways, we need a transparent, clear system that says how many kilograms of CO2 are being emitted per kilogram of hydrogen being produced. Then it becomes very concrete and transparent, and we get away from the whole color system. In terms of describing the various pathways, there’s no one clear winner. We are going to see hydrogen coming from fossil fuels and renewable energy sources and we will see hydrogen moving around the world – in many different derivatives of hydrogen.”

Daryl Wilson
CEO, Hydrogen Council



We wanted to reach out to let you know that Gulf Intelligence, with the support of our strategic partner Microsoft, will launch **The Middle East & Africa (MEA) Forum for Sustainability Leaders** as part of our stakeholder outreach following COP27.

Leaders of sustainability in charge of creating and implementing sustainability strategies are moving to the top of the organizational chart as sustainability becomes a core business priority for businesses across the Middle East and Africa. Moreover, we have seen the focus shifting to execution of strategic change as opposed to just performance monitoring, enabling organizations and government to make the urgent transition beyond sustainability pledges to tangible progress.

"Microsoft is excited to be the principal partner of the MEA Forum for Sustainability Leaders and support sustainability business leaders across the Middle East and Africa in navigating this critical transformation from monitoring to implementation to progress," said Sherif Tawfik, Chief Sustainability Officer for Middle East & Africa, Microsoft.

"The MEA Forum for Sustainability Leaders will be a knowledge resource that delivers timely and relevant insights to public and private sector organizations that are in the process of designing and embedding sustainability strategies," said Sean Evers, Managing Partner, Gulf Intelligence.

In the coming weeks, the **Forum** will commence to offer the following benefits to its virtual community:

Exclusive invitations to participate in our webinars and in-person roundtables

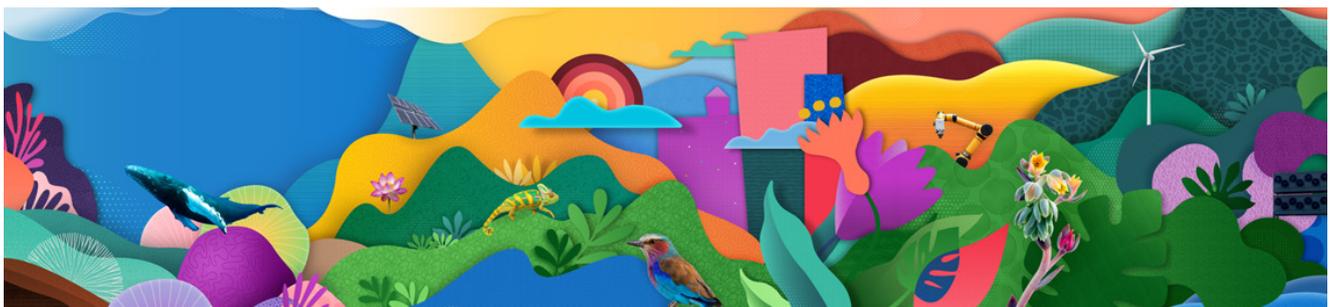
- Exclusive invitations to participate in our webinars and in-person roundtables
- Access to the sustainability podcast discussions and invitations to participate in it
- Weekly bulletin newsletter with the latest sustainability news, delivered directly to your email inbox
- Opportunity to participate in sustainability discussions that includes several Chief Sustainability Officers of different companies and markets.
- Social media coverage of content harvested from podcasts, which include mini OPEDs, quote infographics, and short video soundbites, will be accessible on Gulf Intelligence's LinkedIn and Twitter handles.

As part of the launch program, the Forum has produced a [Special Report](#) hosting 45 leading voices on Sustainability with Views You Can Use in the key areas of Energy Transition – Smart Cities – Circular Economy -- Green Technology – Climate Finance.

Please note that if you do not wish to be part of this new community of sustainability professionals, please click the [\[UNSUBSCRIBE\]](#) in the email signature below.

Kind regards,
MEA Forum for Sustainability Leaders Team

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