Planned and committed MENA energy investments: $961 billion for next 5 years

Total planned and committed MENA energy investment 2019-23 (USD billion)

- REPDO – Round I ($6bn - Study)
- REPDO Phase II&III ($20bn – Study)

Oil capacity (Halfaya) expansions and new refineries (Karbala and Maysan)

Source: APICORP
Decrease in gas is offset by greenfield power and chemicals

Net Change in Total Investments For The Period 2019-23 (USD Billion)

Source: APICORP
Private sector: positive on reforms and economic diversification, private finance has not grabbed as big a share of investment

**Government led investments as a share of total MENA energy investment (%)**

**Major trends:**

**Sector reforms & balance sheet optimization:**
- IPO activity, restructuring and unbundling of state-owned entities,
- Sector reforms, privatisations, bond issuances

**Upstream Oil & Gas:**
- Large share of investment is still being shouldered by NOCs/IOCs equity

**Electricity:**
- Debt-equity ratios 85:15 for lower risk profile projects backed by strong government payment guarantees

*Source: APICORP*
Committed investments up by 1%, supported Iraq and Egypt

Committed MENA Energy Investment by sector 2019-23 (USD billion)

- Oil capacity (Halfaya) expansions and new refineries (Karbala and Maysan)
- Power: 6GW Hamrawein coal plant, Renewable Energy Programme and Luxor IPP
- Barakah nuclear power plant and Mohammed Bin Rashid solar plant
- Mega projects: Al Zour refinery and clean fuels project

Source: APICORP
Committed power investments overtook gas for 1st time

Committed MENA energy investment by sector (%)

Petrochemicals:
Largest increase in committed investment relative to our 2018 outlook ($33 billion)

Gas:
Decreased Y-o-Y investments due to:
1. Completion of several major projects:
   - KSA: Wasit (3 bcfpd peak, $4.7 bn)
   - UAE: Shah & Bab sour gas ($5bn)
   - Oman: Khazzan 45% complete
   - Egypt: Zohr + Ph.1 prod. facilities ($11 bn of $12 bn budget spent), WND
2. Major downward revision in Iran ($3bn, 1.3 bcm): sanctions and negative outlook
3. Possible delays: Algeria’s Berkhine gas development

Source: APICORP
Saudi Arabia’s power and Iraq’s oil sectors drive 7% growth in planned energy investment

Planned MENA Energy Investment 2019-23 (USD Billion)

Source: APICORP
Electricity consumption growth: towards long-awaited respite?

MENA historical production (TWh)

Source: BP
Electricity capacity: need to add 88GW or +4% yearly between 2019-2023. Higher share of renewables but gas remains dominant fuel.

MENA Required Capacity 2023 (GW)

- **Saudi Arabia**: 100 GW
- **Iran**: 90 GW
- **Egypt**: 60 GW
- **UAE**: 40 GW
- **Iraq**: 20 GW
- **Algeria**: 18 GW
- **Kuwait**: 12 GW
- **Oman**: 10 GW
- **Qatar**: 8 GW
- **Morocco**: 6 GW
- **Bahrain**: 4 GW
- **Tunisia**: 3 GW
- **Jordan**: 2 GW
- **Lebanon**: 1 GW

**Source**: APICORP