

# DELIVERING A SUCCESSFUL ENERGY TRANSITION

Dr Matar Al Neyadi, undersecretary at the UAE Ministry of Energy and Industry and chairman of the UAE Organising Committee for the 24th World Energy Congress, explains how the UAE is adapting to a fast-changing energy landscape

## TECHNOLOGY INNOVATION,

digitalisation and use of data are inherent to energy systems. The oil and gas sector, for example, has traditionally been a pioneer in using digital technologies to model exploration and production assets. Before the concept of the 'fourth industrial revolution' was even conceived, many industries had been using automation or automatic controls to operate equipment for decades.

The difference today is the pace at which change is taking place, particularly technological breakthroughs. The evolution of technology, customer-orientated services, disruptive business models, national strategies and agendas has never been faster. The energy market, often built on large and long-term plans, infrastructure and assets, now faces the challenge of adapting quickly to mirror these changes.

As the 2018 Global Issues Map developed by the World Energy Council shows, innovation remains the main issue that keeps energy leaders awake at night. Areas such as digitalisation, electric storage, market design, decentralised systems, and renewables are receiving greater attention as their impact grows across the energy industry. Yet at the same time we are seeing a decrease in the reliance on centralised technologies and greater certainty around electricity prices and energy affordability.

Understanding these dynamics and learning about the state of the energy industry is the first step towards a successful



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energy strategy and transition. For a nation like the United Arab Emirates, which is relatively young yet has a strong energy heritage, the opportunities that innovation and digitalisation offer are massive. Big data, smart metering, Internet of Things, 3D printing, blockchain: all these disruptive innovations will support smarter and more efficient energy usage

and production. If we look at buildings, for example, smart thermostats; controls and sensors can cut energy use by 10 to 20 per cent by using real-time data to improve operational efficiency. The potential for energy savings in the UAE can be even greater.

## The UAE as a regional leader in energy strategy and diversification

With the country's power demand requirements expected to increase at an annual rate of 5 to 6 per cent until 2021, the UAE has placed innovation and diversification at the heart of its growth plans. In 2017, the UAE launched the Energy Strategy 2050, which is groundbreaking in its ambition to develop clean energy, curb energy demand and manage emissions. Its aims, among others, are to achieve 50 per cent clean energy capacity by 2050 as well as a 40 per cent reduction in electricity and water consumption. While the strategy takes into account the international commitments made by our nation in terms of the environment, it also ensures a comfortable economic plan for growth across business sectors. A dedicated investment target of Dh600bn (\$163.3bn) by 2050 has been set to turn our ambitions into a reality.

The regulatory support provided, alongside other key factors such as cost competitiveness and affordable and innovative financing, has played a pivotal role in making our country a regional leader in diversification and clean energy. In a world that is continuously changing, creating the right conditions for the energy system to thrive without compromising either the environment or their bottom line is a shared responsibility. But achieving the perfect balance is not an easy task. Collaboration between policymakers, corporates, investors and entrepreneurs becomes imperative to ensure the energy system continues to deliver prosperity and progress for nations, organisations, the environment, communities and individuals for generations to come.

## 2019 Abu Dhabi World Energy Congress

Each nation and community needs to find its own recipe for a successful energy strategy and transition. While there are no 'one



size fits all' solutions, we can all learn from others' experiences. After all, action often starts by bringing ideas and people together.

In less than 12 months time, Abu Dhabi will welcome heads of state, ministers, corporate leadership, innovators and investors for the 24th World Energy Congress, a unique forum designed to develop collaboration across all sectors from oil and gas to nuclear, renewables, power and transport but also technology and finance. At the Congress, participants will not only have the chance to better understand the market challenges and most prominent solutions but also to inform and direct the debate.

The programme will challenge participants to not only meet and share ideas, but to also move beyond that to concrete actions that will be a breeding ground for innovation. We will look at disruptive trends and innovative technologies, ways of thinking, business models and policies that can deliver prosperity.

By hosting the 24th World Energy Congress for the first time in the Middle East, the UAE is getting its fair recognition as a forward-looking nation. Under the patronage of HH Sheikh Khalifa bin Zayed Al Nahyan, President of the UAE, our ambition is to deliver the most-action oriented Congress since its inception in 1924. Alongside our host sponsors, Abu Dhabi National Oil Company, Dubai Electricity and Water Authority, Emirates Nuclear Energy and Mubadala we will bring together over 15,000 attendees and more than 200 high level speakers from across the globe.

In addition to the host sponsors are other leading partners including Kuwait Petroleum Corporation, the Gulf Cooperation Council Interconnection Authority, Deutsche Energie-Agentur GmbH – the German energy agency, business insight provider IHS Markit and the World Nuclear Association. Working alongside these key players and more that are yet to be announced, the UAE will cement its position at the epicentre of the global energy debate.

Energy is not just an industry issue. It's a societal, technological and economic issue. We invite all key players to join us, contribute and create the policies and technologies of tomorrow. ☀