

GTL heralds new era for Qatar

INTERVIEW WITH ABDULLAH BIN HAMAD AL ATTIAH

SECOND DEPUTY PREMIER, MINISTER OF ENERGY & INDUSTRY, QATAR



ABDULLAH BIN HAMAD AL ATTIAH

received his degree in Humanities from Alexandria University in 1976, beginning his career in public & international relations and administration in the Ministry of Finance and Petroleum. In 1986 he was made Director, Office of the Minister. He served as Director of the Office of the Minister of Interior from 1989-92 before being appointed Minister of Energy and Petroleum, and Chairman and Chief Executive of Qatar Petroleum in 1992. In 1998 he was made Chairman of the Planning Council; from January 1999 to April 2000 he was Minister for Energy, Industry, Electricity & Water, and on 16 September 2003 he was appointed Second Deputy Premier.

How significant is the contribution of Qatar's oil and gas resources to the country's economic development, and how sustainable will this impact be in the long-term?

Although Qatar is the smallest oil producer in OPEC, we have developed our capacity significantly. Only a few years ago, our production did not exceed 350,000 barrels per day and our reserves were estimated at about 2 billion barrels. Today, we have expanded our capacity to 830,000 barrels per day and our current reserves are now estimated at almost 4.5 billion barrels. So even our oil sector has been a success story.

Gas, as you know, is a different story. We have more than 900 trillion cubic feet of proven reserves from the single offshore North Field. This is considered the biggest single non-associated gas field in the whole world, and makes Qatar one of the three main gas producing countries, alongside Russia and Iran. Our current production from the North field is running at 4 billion standard cubic feet per day (scfd), however, when all the existing projects which are currently in development come on-line, this output will shoot up into the region of 24 billion scfd. Despite this increase, the lifespan of the North field is expected to last for many years to come.

Our key challenge is to develop the optimal ways in which to effectively utilise our huge gas reserves. Firstly, as a producer of LNG. Qatar will soon be the biggest LNG producer in the world per year, reaching an output of more than 77 million tonnes per year by the end of this decade.

The second major utilisation is Gas to Liquids (GTL). Qatar is now moving very quickly to develop GTL diesel production as a 21st Century fuel. We are on course to be the biggest producer of GTL in the world by 2012.

Will GTL diesel be significantly more costly than its oil-derived equivalent?

GTL-produced diesel should command a premium in comparison with the classical diesel, because it is the cleanest diesel in the world. This high quality fuel can significantly reduce emissions in big cities like London or Paris, when utilised for public transportation and automobile traffic.

Our GTL facilities will produce high quality gasoils for diesel use, lube base oils and paraffinic naphtha – all

of which are products in high demand today. Significantly, it will be the first time that lube oil will have been produced from a gas.

How are you meeting the challenge of developing the non-oil and gas sector economy?

Our industrialisation initiative will go far beyond the investments in LNG, GTL and the pipeline export projects to our neighbours. Qatar is also planning a major industrialisation programme, which includes the production of aluminium and steel.

In addition to the petrochemical industries, we will be a major producer of helium and we are attracting and utilising new technologies through joint venture partnerships from all around the world.

How attractive is Qatar to further foreign investment for such projects?

We have already proven, through successful projects with most of the world's major petroleum and chemical companies, that Qatar is an attractive country for foreign investment, and this demonstrates how Qatar has opened its energy sector without any complications.

Together with our foreign investor partners, we have spent more than US\$40 billion over the last five years in the energy sector and we will be investing more than US\$75 billion in active joint venture projects over the coming seven years.

All these major projects will create high quality jobs for our citizens. We are therefore investing heavily in training and education in disciplines such as IT and

Qatar Petroleum's Halul island oil terminal



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RasGas plant at Ras Laffan Industrial City: Qatar plans to export 77 million tonnes of LNG per year by 2010

engineering and have already established a university campus in these disciplines under the umbrella of the Qatar Foundation. Traditionally, most of the students have been male until now, but more females are now also enrolling. We consider Qatar to be a liberal country in this regard, and we are attracting and encouraging more females to join our workforce in the all different sectors, including senior management.

How is Qatar contributing to the international petroleum industry in terms of the stabilisation of price and sustainability of supply?

Qatar has been a member of OPEC since the 1960s and we believe that we can continue to make very positive contribution to OPEC in this regard. Furthermore, we support greater cooperation between petroleum producing and consuming countries. Next year Qatar will host the IEF forum in Doha, which will seek to establish a round table in this regard, and we expect representatives from more than 60 countries

Abdullah bin Hamad Al Attiyah in conversation with Eamonn Daly, Chief Operating Officer, *World Petroleum*



to attend. We believe the traditional confrontation between producing and consuming nations should be part of history. We should look to the future and not waste time blaming each other but instead seek sustainable solutions to ensure security of supply, stability of price and the curtailment of greenhouse gas emissions. We in Qatar feel we play a very positive role towards achieving these objectives and are helping to bring all these people together in order to solve these global challenges with global solutions.

Geopolitical conflict, especially in parts of the Middle East, is seen as a major risk factor in terms of security of supply. How is Qatar contributing to stability in the region?

Politics is normal, it's healthy, and you will always find a lot of political dispute. However, we share common economical interests with our neighbours in the Middle East, which can lead to greater cooperation and progress towards a more secure future all.

It must be said that despite geopolitical conflicts over the last 60 or 70 years, the Middle East has never had any real difficulties in terms of the continuity of petroleum supply. The Middle East will continue to be the most important region in terms of supply of petroleum energy. More than 60 per cent of the world's oil resources, and more than 45 per cent of its gas, is found in the region. We know how to manage our reserves. We know how to ensure security of supply and we know that security of supply is very important.

Despite its small geographical size, Qatar is making a very positive effort to help stabilise Middle East issues in terms of diplomacy and hosting international forums and meetings bringing various parties together to foster greater dialogue. We are also setting an example in terms of our own country's progress in trade and democratic reform.

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