

A sustainable energy future

PROFILE OF HE SUHAIL MOHAMED AL MAZROUEI

MINISTER OF ENERGY, UNITED ARAB EMIRATES



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Suhail Mohamed Al Mazrouei, who took over as the UAE’s oil minister in March 2013, is a relatively young 39 years of age, and his appointment has been interpreted by local commentators as symbolising the new direction Abu Dhabi wants to take in fuelling growth in the UAE.

That said, Mr Al Mazrouei is already an oil industry veteran: he began his career at the UAE’s state oil company ADNOC, as well as gaining international experience through secondments with Royal Dutch Shell in the North Sea, Nigeria, and Brunei, locations that will offer lessons to the UAE in how to get the most out of ageing fields and maintain gas production.

Before taking up his new post he headed new business development as the Deputy CEO of Mubadala Petroleum, where Maurizio La Noce, the Chief Executive, praised him for “his intellectual capabilities, his vision and foresight, and his diplomatic skills.”

As the head of Mubadala’s business development team, Mr Al Mazrouei was responsible for new business development activities in the Middle East and North Africa in oil and gas excursion and production.

In his new post as minister he will be expected to develop oil production, and equally importantly to enhance the UAE’s role in the renewable and sustainable-energy industry.

Among the responsibilities he takes on are new projects in gas exploration in East Africa and a liquefied natural gas (LNG) import terminal in Fujairah, along with domestic solar powered plants and an ambitious new nuclear programme that is the first to be launched by any country since Chernobyl. These multi-billion dollar investments are part of a new strategy for meeting the UAE’s power needs: not by building power plants to burn gas produced inside the country, but to import fuel, whether LNG or uranium rods.

Also at the top of his agenda will be negotiating the renewal of Abu Dhabi’s largest energy concession. ADNOC has started the tendering process for its onshore concession, inviting a wide range of international oil companies to prepare prequalification documents.

“The optimal path forward is rooted in the employment of best international practices to improve enhanced oil recovery,” said Mr Al Mazrouei shortly

after becoming the Minister of Energy, adding: “In the UAE we are utilising the opportunities afforded to us by these new technologies to the utmost degree.”

ADNOC hopes to award the new ADCO concession by next year. The current structure includes the majors ExxonMobil, Total, Shell and BP, companies that can draw on huge technological expertise. All four are in the running for the new concession, alongside the national oil companies of China and South Korea.

The new concession is likely to pump its fields until depletion, necessitating up-to-date methods of extraction and the latest technology to ensure production rates are as high as possible.

Abu Dhabi has set itself ambitious recovery rates. Ali Al Jarwan, the chief executive of the ADNOC subsidiary Adma-Opco, last year said the national oil company aimed to recover 70 per cent of oil in its reservoirs.

Such targets will require the help of technology-savvy international oil companies. Cutting-edge technology is the key for maximising production in Abu Dhabi’s maturing oilfields, Mr Al Mazrouei said in early April 2013.

New technology will also help to meet Abu Dhabi’s goal to increase production capacity from what is now about 2.8 million bpd to 3.5 million bpd by 2017. That target is warranted by increasing global demand and in line with Abu Dhabi’s efforts to balance the market as part of Opec, says Mr Al Mazrouei.

The minister projects global oil demand may increase by one million barrels a day to reach 105 million a day in 2030, amid economic expansion in Asia and South America.

When commenting on the challenges of energy security and his vision for the future, Mr Al Mazrouei said that “the recent events have proven that focusing on the security of energy is necessary in order to address natural disasters and geopolitical tensions as well as other unanticipated situations which occur periodically in the world. “In spite of the uncertainty facing the oil industry in general and demand for oil in particular, it is certain that the era of oil is still flourishing and demand in the long-term is expected to increase. The optimal path forward is rooted in the employment of best international practices to improve enhanced oil recovery.”