

KAPSARC Media Kit

2021



KAPSARC

مركز الملك عبد الله للدراسات والبحوث البترولية
King Abdullah Petroleum Studies and Research Center

About KAPSARC

The King Abdullah Petroleum Studies and Research Center (KAPSARC) is an advisory think tank within global energy economics and sustainability providing advisory services to entities and authorities in the Saudi energy sector.

More than 150 great minds in the energy economics field from more than 20 nationalities have gathered in Riyadh to advance the understanding of energy economics and to act as a catalyst for dialogue. Through our initiatives and projects we aim to create a road map to future better welfare for societies locally and globally.

KAPSARC develops economic frameworks to help achieve effective alignment between energy policy objectives and outcomes and improve societal well-being and prosperity, both in the region and worldwide.

Since its inauguration by King Salman bin Abdulaziz in 2016, the Center has served as the focal point of innovation, research and analytics in the energy research industry in the Kingdom and the world.

KAPSARC researchers collaborate with leading international research centers, public policy organizations, and industrial and government institutions to share knowledge, insights and analytical frameworks.

In 2020, KAPSARC successfully moved up the ranks of the think tank index despite the formidable challenges imposed by the pandemic. The Center ranked 12th out of 60 research centers in the Energy and Resource Policy Think Tank category and placed 15th out of 101 amongst MENA research centers according to the University of Pennsylvania Think Tank and Civil Societies Program.

KAPSARC Contributions to Saudi Energy Ecosystem

The Center's mission is to advance Saudi Arabia's energy sector and inform global policies through evidence-based advice and applied research.

KAPSARC is focused on three major domains: Global Hydrocarbon Market, KSA Energy Sector, and Climate and Sustainability.

Our local and global team members are working together to provide advice to the Saudi energy sector using our analytical capabilities, produce internationally recognized research, tools and data to impact global policymaking, in addition to incubating distinctive talent for the advancement of Saudi Arabia's energy sector as well as using KAPSARC's unique foundations and resources for novel initiatives to maximize institutional impact.

Programs of Knowledge and Analysis

We prioritize six research programs that address the most prominent topics in energy economics.

- Oil and Gas
- Transportation and Infrastructure
- Utilities and Renewable
- Climate and Sustainability
- Energy Macro and Microeconomics
- Solutions Productization

Initiatives

KAPSARC's research agenda addresses and engages with the interests of its stakeholders, offering informed insights into the impacts of local, regional and global energy-related issues.

Our agenda covers a broad range of initiatives, from the potential impact of global freight on Saudi energy demand to emissions reduction policies that could help the Kingdom meet its commitments to the Paris Agreement.

Evaluation of Public Investment Projects

The Kingdom has begun to diversify its economy, changing its resource use and creating new development opportunities. This initiative assesses the opportunity costs of Saudi energy resources to inform Saudi Arabia's economic decision-making. It will also help shape a framework for evaluating public investment projects in the Kingdom.



Climate Change Policies and Governance

This initiative will investigate emissions-reduction policies to provide options to Saudi policymakers as they implement the Paris Agreement and prepare to negotiate the new nationally determined contributions. It will also examine development pathways that can help Saudi Arabia achieve its economic and carbon abatement goals.



Future of Global Oil Markets

This initiative investigates what role oil can play in an environmentally sustainable future energy and feedstock mix. It also considers the extent to which the Kingdom needs to diversify and bolster its economy to remove its reliance on oil revenue and oil-based economic activity.



Future of Natural Gas Markets

This initiative explores the potential of Saudi Arabia's consumption, domestic supply, and natural gas trade in the global context. It will provide a roadmap for a functioning, competitive and globally connected natural gas market in the Kingdom of Saudi Arabia.



Electricity Sector Transitions

This initiative explores the role of electric power in the energy transition and investigates how the transition will affect the global supply of and demand for electricity. How Saudi Arabia can mitigate the risks and capitalize on the opportunities presented by this transition are questions at the forefront of the initiative.



Productivity and Economic Diversification

This initiative focuses on the relationship between employment and sustainable economic growth in Saudi Arabia, and the determining factors that lead to business growth and job creation. It also examines the drivers of productivity in the country and how they might impact upon the Kingdom's economic diversification.



Energy and Economic Vulnerability

In an interconnected world, national economies and societies are vulnerable to global energy price shocks and disruptions to energy systems. This initiative will explore policies that can help identify and mitigate against such risks in the Kingdom and help it achieve macroeconomic stability.



Future of Transport and Fuel Demand

This initiative aims to advance the understanding of passenger transport energy demand using a network analysis of future passenger transport activity, starting from Riyadh, Saudi Arabia. It also investigates how changes in freight movement globally will alter the Kingdom's energy demand.



Models, Data and Tools

This research aims to assess the opportunity costs of Saudi energy resources, to inform Saudi Arabia's economic decision-making. It will also help shape a framework for evaluating public investment projects tailored to the Saudi economy's specific characteristics.



Regional Energy Markets

This initiative analyzes energy market integration among Gulf Cooperation Council countries, the implications of China's changing energy demand, energy policies and security strategies for Saudi Arabia. It also assesses India's energy demand drivers, the significance of its energy policies, and security strategies for the Kingdom.

Leadership

Engineer **Fahad Alajlan** was appointed as the president of the King Abdullah Petroleum Studies and Research Center (KAPSARC) in August 2021. Prior to joining KAPSARC, Fahad was the director of the Hydrocarbon Sustainability Program at the Ministry of Energy. He was responsible for looking at the long-term energy trends and their impact on energy markets including global demand for oil and gas. Additionally, he oversees the Circular Carbon Economy National Program, which aims to utilize a comprehensive framework to manage emissions while furthering the socioeconomic development of the Kingdom.

Fahad also worked at the Ministry of Economy and Planning in Saudi Arabia, advising on energy markets, policy, and trends, as well as the industry and petrochemical sector. Before that, he served for more than 15 years at Saudi Aramco, where he held senior positions working across operation, corporate strategy and investment planning, as well as mergers and acquisitions.

He holds a B.Sc. in Mechanical Engineering from North Carolina State University and an MBA from Stanford University in California.



Fahad Alajlan
President

Dr. Fahad Alturki is Vice President of Knowledge and Analysis at KAPSARC. In this role he oversees KAPSARC's research programs and priorities, ensuring that these are strategically focused on impacts within the Kingdom of Saudi Arabia, both regionally and globally. Dr. Fahad interacts with key stakeholder groups within the Kingdom and internationally, in the private, academic, and government sectors. Moreover, he is responsible for setting the overall directions and parameters for collaboration with KAPSARC's partners and affiliates.

Prior to joining KAPSARC, Dr. Fahad was the chief economist and head of research at Jadwa Investment Company. Dr. Fahad has a proven track record in economics, with more than 20 years of experience in the field. Before joining Jadwa, Dr. Fahad was the chief economist at Barclays, Saudi Arabia. Prior to his time at Barclays, Dr. Fahad was an economic specialist at the Saudi Arabian Monetary Authority, where he worked for 11 years in the Economic Research and Statistics Department.

Dr. Fahad holds a B.A. in Business Administration from King Saud University in Saudi Arabia and master's and Ph.D. degrees in economics from the University of Oregon (Eugene, United States).



Dr. Fahad M. Alturki
Vice President of Knowledge
and Analysis

KAPSARC Research

Discussion Paper

Discussion Papers are policy papers written to showcase research results. Discussion Papers are similar to academic papers in structure except they are written for a wider audience that includes policymakers. We published 19 studies to provide insights and recommendations to achieve energy security and transition.

Instant Insight

An Instant Insight is a short written piece about recent news or events related to energy, economics, environment, and policies. During 2021 we produced seven papers to focus on electric vehicles, the rule of nuclear power in COP26, how Saudi Arabia moved in to hydrogen, the lessons learned from the Texas blackout incident, smart meters, and the impact of COVID-19 on the demand for transport and gasoline.

Reports

Each quarter, our Center publishes a special report named KAPSARC Oil Market Outlook (KOMO), which provides a comprehensive overview of world oil market fundamentals, including supply and demand balances, OECD crude oil inventories, risk assessments, and a Brent crude oil price confidence interval based on the researchers' analyses.

Methodology Paper

In 2021 we have produced three methodology papers, discussing the residential energy model for evaluating energy demand and energy efficiency programs in Saudi residential buildings, and the framework and methodology of the Circular Carbon Economy Index.

KAPSARC Research

Data Insight

A Data Insight is a one-page publication elaborating a data fact that shows recent data trend changes on topics related to energy, economics, and environment. Data Insights should showcase data trends and entice the users to use the data portal for open access energy data. They include a link to download the open access data behind the Insight and reflect KAPSARC's views as the home of energy data expertise. In 2021, we produced around 17 Data Insights to address the most important energy economics topics in the Kingdom and worldwide.

Commentary

A Commentary is a written piece that captures short-term and intermediate research insights. In 2021 we produced 16 papers in order to express KAPSARC researchers' opinions.

Workshop Brief

2021 was an exceptional year for KAPSARC, as we collaborated with several prestigious organizations and events. We participated in Atlantic Council Global Energy Forum 2021, which focused on the Circular Carbon Economy. We produced papers to summarize the most important discussions during our workshops.

KAPSARC Data and Tools

In order to assess the effect of energy economics policies and predict the future, KAPSARC launched an open data portal to the public in 2016, which has grown to around 1,400 public datasets. The portal is designed to enable users to better understand energy, economy and environment. Critical energy economic data is available in an easy-to-use machine-readable format.

Our datasets are classified into 16 themes, to represent the energy-intensive sectors and the economy as a whole. They are collected from more than 230 sources and cover more than 30 countries.

To date, our dataset has had more than 8 million downloads. We develop tools and models to inform, and to help policymakers to make educated decisions. Our data and tools are important in presenting scenarios and understanding what will change our lives, and what will be the force driving energy markets.

KAPSARC Events

2021 was a quite busy and productive year for KAPSARC, as we hosted more than 12 webinars to shed light on the top energy economics issues.

Through our workshops we predicted the global gas market outlook, discussed the future of electricity, development of the energy economics open data ecosystem and pondered optimizing of renewable energy utilization.

For the first time we sponsored two webinars with the Economist Impact. The first one was under the theme 'Actionable insights, practical solutions,' and was titled "Achieving Net-Zero Emissions: Exploring the Role of the Circular Carbon Economy." The discussion focused on the reduction of greenhouse gas emissions and how a transition to carbon neutrality could be supported by the holistic approach of the Circular Carbon Economy (CCE), together with how its 4Rs (reduce, reuse, recycle and remove) can be applied and utilized to contribute to climate goals.

The second webinar was under the theme Sustainability Week: Countdown to COP26, and was titled, "Hydrocarbons in a Net-Zero Future: Carbon Capture and Other Approaches," where the speakers focused on how new models and technologies in a circular carbon economy can help to achieve net zero, and the role of hydrocarbons in a low-carbon future.

Visit our [YouTube](#) page, if you would like to learn more about our events in 2021.

CCE Guide

KAPSARC's role in producing the Circular Carbon Economy (CCE) Guide

As part of Saudi Arabia's G20 Presidency, the Kingdom has pioneered the concept of the circular carbon economy (CCE). Following on from the G20 Energy Ministers' Communiqué, the G20 leaders endorsed the CCE's 4 Rs framework (Reduce, Reuse, Recycle and Remove).

In September 2020, the G20 energy ministers' meeting, organized and held under the Saudi Arabia G20 presidency, commended King Abdullah Petroleum Studies and Research Center's (KAPSARC) role in presenting the CCE (Circular Carbon Economy) Guide in collaboration with several international organizations: the International Energy Agency (IEA), the International Renewable Energy Agency (IRENA), the Nuclear Energy Agency (NEA), the Global CCS Institute (GCCSI), and the Organisation for Economic Co-operation and Development (OECD).

Under this framework, carbon emissions can be reduced by energy efficiency, recycled through the natural carbon cycle with bioenergy, reused as an input for chemicals and fuels, or removed and stored in geologic formations. Watch the **video** to explore more about how we can safeguard the planet.

The CCE is an integrated and inclusive approach toward more comprehensive, resilient, sustainable, and climate-friendly energy systems that support and enable sustainable development. It encourages countries to take advantage of all technologies, forms of energy, and mitigation opportunities, according to resource availability, economics, and national circumstances.

The CCE Guide describes key aspects of the 4Rs approach to managing carbon emissions: Reduce, Reuse, Recycle, Remove. The website includes the CCE Visualizer that allows users to explore how the energy and carbon management system might evolve through 2050 within a CCE framework, and will serve as a global knowledge hub for the CCE.

Discover more about how we can safeguard the planet by visiting the CCE website **here**.

Story of the CEE Index

During last year's G20 Riyadh Summit, the Kingdom launched the Circular Carbon Economy concept, which was adopted by G20 countries as an integrated, comprehensive framework to reduce their carbon footprints.

The G20 energy ministers' Communiqué has commended KAPSARC's role in presenting the CCE (Circular Carbon Economy) Guide in collaboration with several international organizations: the International Energy Agency (IEA), the International Renewable Energy Agency (IRENA), the Nuclear Energy Agency (NEA), the Global CCS Institute (GCCSI), and the Organisation for Economic Co-operation and Development (OECD).

Throughout 2021, KAPSARC's team worked hard to launch the Circular Carbon Economy (CCE) Index, which aims to support planning and decision-making in the nexus of energy, emissions, and the economy.

The index also seeks to expand and add rigor to the conceptual basis of the concept of CCE, as well as its practical operationalization, by developing a robust quantitative framework to measure country performance and progress toward it.

The CCE Index is based on two sub-indices: one for measuring countries' current performance in the various dimensions of the CCE and the other for gauging how countries are positioned to make progress toward the CCE, based on key enabling factors.

Additionally, it allows for additional comparisons among top oil-producing countries through a separate set of add-on indicators that estimate how these countries' industrial performance and business environments are aligning with the CCE.

How Does the Index Work?

By scoring countries on a scale of 0–100. Scores are applied both at the indicator and index/sub-index levels. Countries included in the 2021 CCE Index First Edition:
Figure 4 The Circular Carbon Economy Index 2021 – Methodology

Our Role in Cop26 Summit

KAPSARC played a central role in the COP26 Summit. During the summit we launched the Circular Carbon Economy Index, which compares and ranks countries by their carbon management performance to help shape environmentally conscious practices for a sustainable future.

During the summit we hosted a webinar in collaboration with the Oxford Institute for Energy Studies (OIES) and the World Energy Council (WEC), entitled “Reduce, Reuse, Recycle & Remove: Achieving a Net-Zero Emission World using the Circular Carbon Economy Approach,” in order to highlight the role of the circular carbon economy (CCE) framework in achieving net-zero emission targets and in addressing various gaps and challenges that still remain, and how we can overcome them.

The workshop discussed the importance of the circular carbon economy and how it can solve the world’s net-zero equation. We also published several OPEDs to address Saudi Arabia’s commitment in eliminating carbon emissions and how the CCE could be helpful in reaching Paris Agreement goals.

KAPSARC in the News

Last year was a significant one for us. We engaged with *The Economist* in two events and we were picked up by leading local media outlets and mentioned in several news stories, TV reports, features and media releases.

Discover some of our media appearances:

KAPSARC Suggests Policies to Foster the Employment of Nationals in Saudi Arabia

Along with the new rules for foreign workers in Saudi Arabia that allow expatriate workers to transfer between employers upon the expiry of the binding work contract without the employer's consent, KAPSARC has published a new paper to suggest Policies of Fostering the Employment of Nationals in Saudi Arabia.

In the news story we explored how the labor subsidy policies interact with pre-existing nationalization of workforce policies such as the Nitaqat Saudization quotas and the expatriate levies. Moreover, the paper investigates various ways of financing the subsidies, in particular through adjustments of the public wage bill, through increased levies on expatriates, or using part of the fiscal proceeds of an energy prices reform.

KAPSARC Assesses Saudi Arabia's Challenges and Opportunities in the Transition to a Hydrogen Economy

Saudi Arabia aspires to be a global power in the field of clean hydrogen production. In early 2021, His Royal Highness, Minister of Energy and Chairman of the Board of Trustees of the King Abdullah Petroleum Studies and Research Center (KAPSARC), Prince Abdulaziz bin Salman, stated that Saudi Arabia aims to become another Germany when it comes to renewables.

KAPSARC Sponsors a Panel Session in The Economist's Sixth Annual Sustainability Week

The story highlighted our sponsoring of a panel session in *The Economist's* sixth annual Sustainability Week, which was held from March 22 to March 25, 2021, under the theme 'Actionable insights, practical solutions.'

The session highlighted how the G20 Communiqué paved the way for promoting the CCE's 4Rs framework (Reduce, Reuse, Recycle and Remove) as a tool to manage emissions and foster access to energy, which is considered a historical step to fight climate change, and which happened under Saudi Arabia's G20 presidency.

KAPSARC Analyzes Sectoral Investment in Saudi Arabia for Eight Non-Oil Sectors

Within this news story we analyzed the determinants of investment behavior in Saudi Arabia for eight non-oil sectors. Saudi Arabia is currently proceeding with its historic Vision 2030 reform plan, which aims to significantly increase the private sector's contribution to the country's GDP. The objective of Vision 2030 is to increase the private sector's contribution to GDP from 40% to 65%, raise the share of non-oil exports in GDP from 16% to 50%, and reduce unemployment from 12% to 7%. In this regard, the role of the private sector investment is important for the Kingdom. Private sector investment not only contributes to economic performance over the business cycle but also improves the economy's long-run growth prospects.

Strong Growth Forecast for Saudi Economy

Along with the fifth anniversary of the historic launch of Saudi Vision 2030 (SV2030), our experts published a research paper to discuss the macroeconomic and structural transformation according to SV2030, with an emphasis on economic diversification in order to shape the roadmap toward a diversified and sustainable Saudi economy.

The paper, titled "Economic Diversification Under Saudi Vision 2030: Sectoral Changes Aiming at Sustainable Growth," expected that the Saudi economy would grow over the coming decade. The finance, insurance, real estate and business sectors will expand by 9% annually over the coming decade, increasing its relative share to almost 12% of overall economic activity.

You can find us at:



For any inquiries, please contact the
media and communications team at:
media@kapsarc.org



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