المملكة العربية السعودية
وزارة الطاقة والصناعة والثروة المعدنية

Saudi Arabia
Economic Diversification Plans

Ministry of Energy, Industry and Mineral Resources
Cape Town, South Africa

Outline

- **Background on Economic Diversification**
- **Measures Taken by KSA to Manage Climate Change Impact**
- **Conclusion**
- **Discussion**

Background on Economic Diversification

Decision was adopted in Doha "24.cp/18"

- To enable Countries to report their actions and plans for economic diversification actions that have co-benefit of emission reduction and adaptation to climate change
- To enable countries to address their economic diversification as a priority for future emission reduction plans in different economic sectors

Background on Economic Diversification

Economic Diversification in the Paris Agreement

- **Decision 128:** Identifying actions that could significantly enhance the implementation of adaptation actions, including actions that could enhance economic diversification and have mitigation co-benefits;
- **Article 4:** Mitigation co-benefits resulting from Parties' adaptation actions and/or economic diversification plans can contribute to mitigation outcomes under this Article.
- **Article 7:** Building the resilience of socioeconomic and ecological systems, including through economic diversification and sustainable management of natural resources.

Background on Economic Diversification

- Decision 24/CP.18 introduced international obligations to work on this issue and connect it to our Economic Diversification progress in the Kingdom.
- Since then we have been working to link all climate policy issues as part of Economic Diversification and Adaptation Plans.
- Decision 24/CP. 18 and the Paris Agreement helped the Kingdom integrate climate concerns into Economic Diversification planning and supported the government initiatives which aimed at achieving economic diversification through a sustainable development path

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- Assessment of Climate Action Impact on KSA
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Measures Taken by KSA to Manage Impacts

Clean Development Mechanism
Designated National Authority

Establishing a National Center to Address the impact of Climate Change and its action

- Established in 2009
- Raise KSA Climate Resilience
- Implement climate change agreements at the national level
- Analysis of socioeconomic impacts of response measures
- DNA has a strong and effective inter-ministerial and public/private inter-agency platform for coordinating effective responses to climate change issues in Saudi Arabia

- Communicate/update NDCs and submit to UNFCCC
- Annual review of the status of implementation of NDCs for internal purposes
- Prepares/updates National Communication Report & Biennial Update Report
- Awareness at the National Level

Measures Taken by KSA to Manage Climate Change Impact

Establishing a National Center to Address the impact of Climate Change and its action

Integrating Climate Change action within the program of Vision 2030

Each sector development, projects, or measures within a developing sector shall address:

Energy Efficiency

Renewable Energies

Carbon Capture and Utilization/Storage

Utilization of Gas

Methane Recovery and Flare Minimization

Measures Taken by KSA to Manage Climate Change Impact

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Integrating Climate Change action within the program of Vision 2030

Integration of Climate Change in all Adaptation Action

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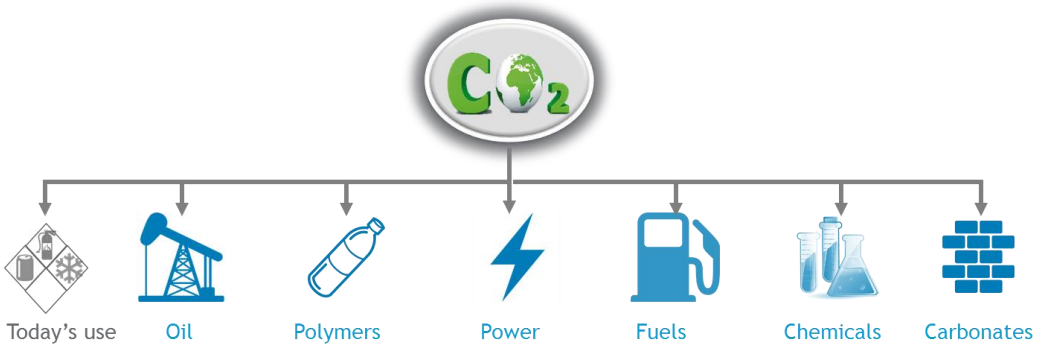
Integration of Climate Change in all Adaptation Action

Focus and invest on R&D "Emission to Value" (CCUS)

What can we do with CO2 other than sequestration?



- Beverage
- Fire extinguishers
- Dry ice
- Urea
- Blanketing
- Shield gas in welding
- …

- EOR
- Working fluid for power cycles
- CO2 into chemical or fuels
- Convert CO2 into carbonates

- Program established on 2005 in partnership with the private sector
- Initiated partnerships with 11 global centers of excellence
- Established a fund to invest on all stages of R&D
- Current success: 2 commercial projects, 3 major pilots

Measures Taken by KSA to Manage Climate Change Impact

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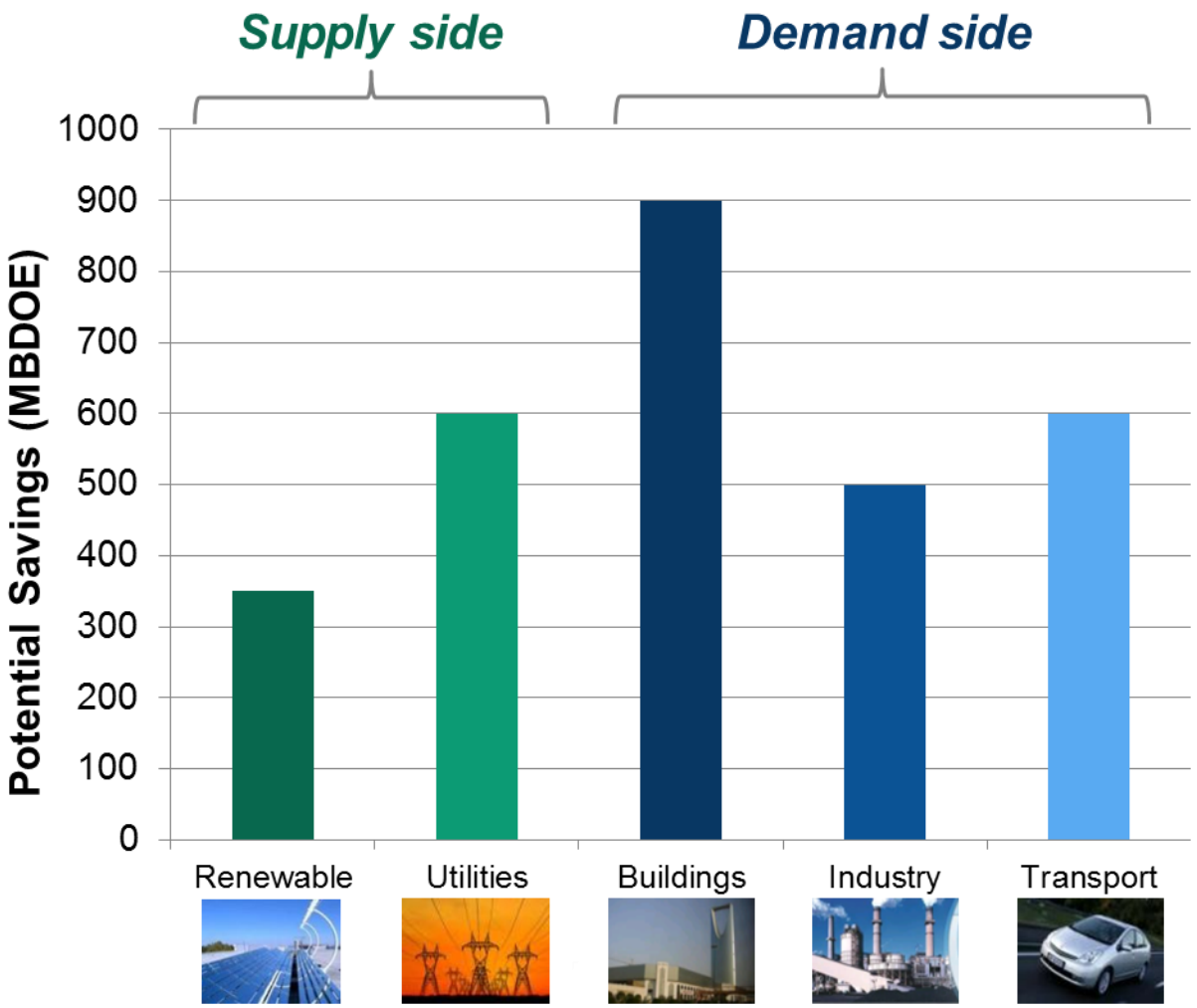
International Collaboration

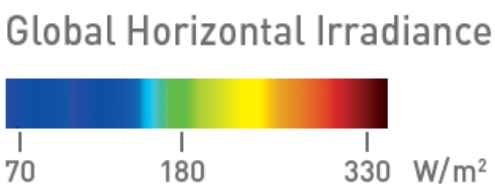
- **Carbon Sequestration Leadership Forum (CSLF)**
- **Clean Energy Ministerial (CEM)**
- **Mission Innovation (MI)**
- **Global Methane Initiative (GMI)**

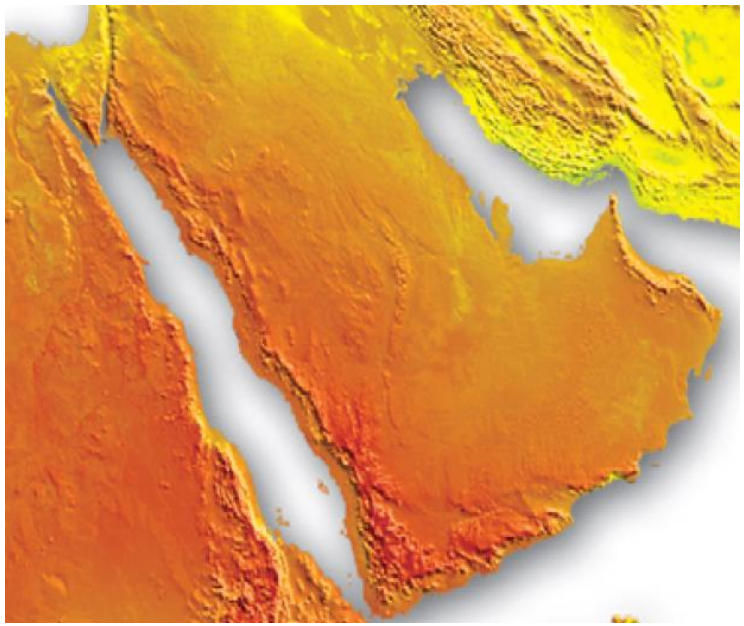
Energy Efficiency programs could deliver substantial savings by 2030



The Kingdom has natural advantages in solar nationwide and wind in certain areas

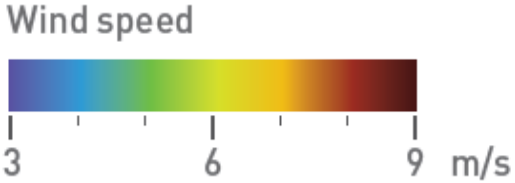
HIGH SOLAR IRRADIATION

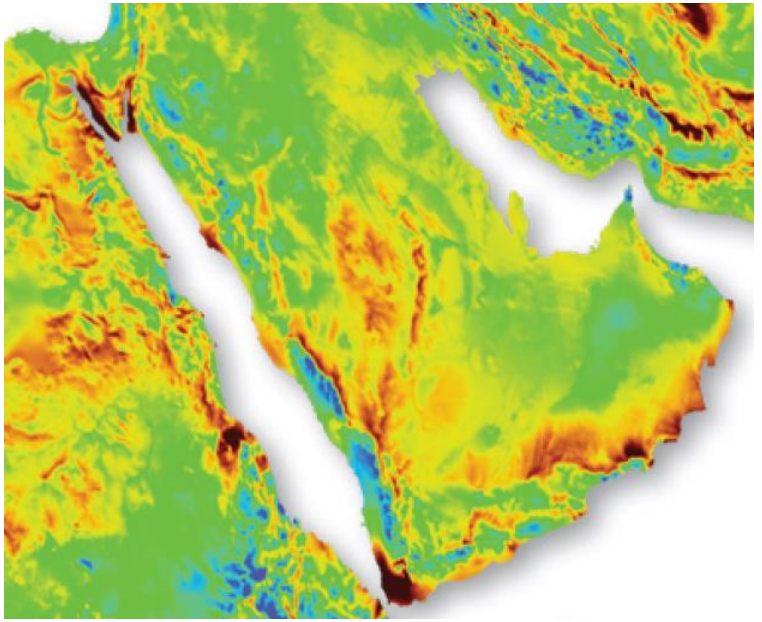




- Average hours of sunlight: 9.3
- KSA has high solar radiation levels well above the economic threshold for solar power generation

STRONG WIND POTENTIAL IN PLACES





- Threshold for economic sites ~6.9 m/s average wind speed

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Conclusion

- Climate Policy and some economic vulnerabilities present complex challenges to KSA long-term growth
- KSA has a pressing need to diversify economy to build a stable and resilient economy
- Decision 24/ Cp.18 advanced the integration of climate co-benefits into economic diversification
- Recent Government initiatives aim at achieving economic diversification through a sustainable development path that advances climate policy
- Such activities introduce several climate co-benefits leading to energy efficiency, development of clean energy technologies, etc.

Thank You