



CARMA NEWS BRIEFING

Energy News Briefing

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COVERAGE: September 7 - October 2, 2023

Welcome to the CARMA Energy News Briefing, your monthly dose of **hand-curated** industry news.

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Notable Stories

UK Sanctions Large-Scale North Sea Oil Project Amid Climate Warnings and IEA's Fossil Fuel Peak Predictions

Despite the International Energy Agency's (IEA) projection that fossil fuel demand will peak by 2030, the UK government approved the development of the vast Rosebank offshore oil field. While promising economic benefits and jobs, the decision has faced substantial criticism from environmental groups. [CNN](#)



Why it matters

Media coverage paints a dichotomy between environmental concerns and economic necessities. On one side, [CNN](#) highlights the IEA's stress on the impending peak in fossil fuel demand, suggesting that the world needs to accelerate its move away from these energy sources. This narrative aligns with the reactions of environmental groups, as captured by [The NY Times](#), who view the Rosebank approval as neglecting the urgency of the climate crisis, and is a part of a wider issue in the UK where the government is backtracking on [net zero policies](#). However, The NY Times also points out the economic reasons for the UK's move, emphasizing the projected economic boost, jobs, and national energy security.

EU's Carbon Tax Impacts Global Trade Dynamics

In response to the UK's weakened climate policies, British exporters are facing potential EU carbon border taxes, diverting revenues from the UK Treasury to Brussels. The EU's Carbon Border Adjustment Mechanism aims to balance global trade, levying carbon-intensive imports and protecting EU businesses from non-EU competition. [Financial Times](#)



Why it matters

The media draws attention to the economic implications of environmental policy, emphasizing the intricate balance between environmental responsibility and global trade. While the [Financial Times](#) underscores the fiscal consequences for the UK, notably the financial redirection from the UK to Brussels, [Bloomberg](#) portrays the EU's strategy as a benchmark for global carbon pricing, impacting trade relations with key partners like Russia, China, and the US. The media's dual narrative emphasize that the EU's push for climate neutrality not only affects European entities but might reshape global trade, pressuring nations to prioritize decarbonization.

Saudi Arabia Adopts Financial Strategies Amid Aramco's Shifted Pricing and Volatile Oil Dynamics

Saudi Arabia intends to access international debt markets to counter anticipated budget deficits in 2023-2024 due to declining oil prices and prolonged oil production cuts. Despite the rise in non-oil economic growth, the reduced oil revenue in 2023 has influenced a downgrade in the country's GDP growth forecast. Meanwhile, Saudi Aramco alters its pricing strategy amid concerns over weakening demand, especially from China and India. [Reuters](#)



Why it matters

The media portrayal emphasizes Saudi Arabia's reliance on oil for its fiscal health and how fluctuations in the oil market can trigger significant economic strategies. [Reuters](#) spotlights the nation's proactive financial planning, like tapping into the global debt markets, against the backdrop of dwindling oil revenues, painting a picture of fiscal resilience. In contrast, outlet [Oil Price](#) focuses on Saudi Aramco's surprising pricing decisions, which reflect broader apprehensions about global oil demand, hinting at the ripple effects of market dynamics in one nation affecting global energy landscapes.

Notable Quotes & Commentary

"We are investing on our world-leading renewable energy but, as the independent Climate Change Committee recognise, we will need oil and gas as part of that mix on the path to net zero and so it makes sense to use our own supplies from North Sea fields such as Rosebank." [Energy Live News](#)

Claire Coutinho
The UK's Energy Security Secretary

"Sunday is just the start of a long process but even if some companies are not impacted right away, they may be at a later stage, as the EU has an option of including more industries." commenting on Europe's Carbon Border Tax. [Bloomberg](#)

Tim Figures
Senior Expert at Boston Consulting Group

"The higher spending targets released in the Saudi government budget indicates that domestic growth will remain strong. The increase in spending should support the 4% growth in non-oil GDP next year." [Reuters](#)

Mazen al-Sudairi
Head of Research at Al Rajhi Capital

In Case You Missed It

BP CEO Looney Steps Down Amidst Relationship Controversies

BP's CEO Bernard Looney resigned unexpectedly following disclosures of not being fully transparent about personal relationships with colleagues. This major leadership change occurs as BP navigates through a transition, recently adjusting its ambitious green goals despite soaring oil profits. [The Washington Post](#)

Petronas Nears \$1.6B Deal for Stake in AM Green's Ammonia Unit

Malaysia's Petronas is reportedly close to acquiring a 25% stake in AM Green's ammonia unit for around \$1.6 billion, a move seen as part of India's broader push towards green energy and reduced oil and coal reliance. [Bloomberg](#)

Eni Announces Major Gas Discovery in Indonesia's Kutei Basin

Eni has discovered a significant gas reserve in Indonesia's Kutei Basin. This find, amounting to about 140 billion cubic meters of gas, solidifies Eni's presence in the region and aligns with its strategic shift towards gas and LNG. [Reuters](#)

ExxonMobil and Hess Abandon Kaieteur Block in Guyana

ExxonMobil and Hess Corp withdrew from the smaller Kaieteur exploration block in Guyana, redirecting focus to the highly lucrative Stabroek block. However, both firms emphasize a continued commitment to Guyanese oil exploration. [Oil Price](#)

Moldova Cuts Gas Ties with Russia's Gazprom

Moldova's Energy Minister Victor Parlicov announces that most of Moldova will cease purchasing gas from Russia's Gazprom, showcasing the nation's efforts to lessen its dependency on Russian gas. [Reuters](#)

California Targets Major Oil Firms in Climate Change Lawsuit

California sues major oil corporations including BP, Chevron, Exxon Mobil, Shell, and ConocoPhillips, along with the American Petroleum Institute, alleging a long-standing misinformation campaign concealing the ties between fossil fuel production and climate change. [CNBC](#)

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