



DMCC Launches Future of Trade Report on Energy – Examining Key Trends and Opportunities Ahead of COP28

- *DMCC's Future of Trade special edition report on energy examines major factors impacting and driving the global energy landscape, including a confluence of economic, geopolitical, trade, policy and financial influences*
- *Report outlines key recommendations to guide industry evolution and support energy trade growth and innovation particularly in the MENA region*
- *The Middle East will continue to play a central role across all segments of the energy sector, while the COP28 summit will spotlight the accelerating energy transition in the UAE and the wider region, supported by advanced technologies and government policy*
- *The energy segment represents one of the largest and fastest growing at DMCC, home to over 3,000 companies from the sector, providing an advanced and centralised trade hub for the global energy industry*
- *Full report can be downloaded here: www.futureoftrade.com*

1 November 2023

DMCC – the world's flagship free zone and Government of Dubai Authority on commodities trade and enterprise – today released a special edition of its Future of Trade thought leadership report series focused on the energy sector and energy transition.

Titled "The Future of Trade: Energy Markets, Trade and Transition", the report gathers unique insights and analysis from leading industry experts to arrive at the major factors impacting and driving the global energy sector.

Published ahead of the COP28 summit to be held in Dubai this November, the report is a timely contribution to the role of the energy industry, providing a thorough analysis of the global energy landscape, energy transition and the rising opportunities and challenges presented across the energy supply chain.

With a focus on the Middle East and the UAE in particular, the report highlights that the region is poised to further bolster its role in the global energy market through robust upstream capabilities, notable capacity expansions, especially in the UAE and Saudi Arabia, increased investment in LNG amid the growing interest for Gulf supplies as well as strong appeal to foreign investment mainly in the UAE.

The report also examines how the energy transition trajectory across the region is becoming clearer with the increased investment in renewables and clean hydrogen production. In addition to the advantaged natural resources and unparalleled infrastructure, strong policy support for the rollout of low-carbon technologies furthers the regional potential. The report finds that the UAE is leading the Middle East in installed capacity for renewable and low-carbon energy sources and that Saudi Arabia is expected to make significant strides in this area in the medium-term.

Ahmed Bin Sulayem, Executive Chairman and Chief Executive Officer, DMCC, said: *"DMCC's energy ecosystem is one of the largest and most advanced in the region with 3,147 members across all market segments including Aramco Trading, Mercuria, Coral Energy, BB Energy Gulf, Lukoil Marine Lubricants, Trafigura PTE, Monjasa and Yellow Door Energy to name a few. Placed within a region renowned for its hydrocarbon economy, DMCC stands out as a competitive centre not only for conducting business, but for incorporating every aspect of energy into its ecosystem. This includes renewable energy and energy conservation built directly into its infrastructure, and interactive, social activities that promote and engage discussion and debate amongst industry leaders. As a result, we*

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continue to attract businesses to our community and develop our offering in line with the expectations of our customers."

On a wider global scale, the report sets out four main scenario pathways for the energy transition with the probability of each – Accelerate (47%), Boost (30%), Blowout (19%) and Net Zero (4%). The synthesis of these scenarios offers insight into the future outlook and resulting outcome. The first scenario remains the base case for the energy transition, reflecting the growing energy transition momentum this decade led by rapid technology deployment and strong global policy support. The outcome of the COP28 summit in the UAE in November is anticipated to provide key signposts on this matter.

The Future of Trade report outlines a number of important recommendations to help guide the evolution of the energy sector and drive the growth of global trade, including:

- **Reimagine the traditional supply chain** – Firms should develop acute awareness of how the shifting geopolitical and geoeconomic landscape impacts traditional energy supply chains and efforts to prepare for the energy transition, in order to both identify challenges and mitigate risks.
- **Ensure security of energy supply** – Governments should maintain a diverse energy portfolio to provide resilience against supply disruptions and fluctuations in the renewable energy generation.
- **Foster local and regional partnerships** – Partnerships, including public-private partnerships, should be actively encouraged as they play a significant role in establishing market credibility, fostering innovation and facilitating the transfer of advanced energy technologies.
- **Promote innovation through industrial clustering** – Large-scale investments must be made in R&D and the development of knowledge and production hubs, which will facilitate industrial clustering and a multiplier effect on production, innovation, efficiency and trade.

The energy sector has become one of the largest and fastest growing segments at DMCC, recording a remarkable 15% year-on-year increase in member companies over the past five years. Today, DMCC is home to more than 3,000 companies operating in the energy sector, accounting for approximately 13% of its member base, including a diverse array of leading industry players.

The broad energy market is an important enabler of economic development and growth in the UAE, with the UAE Energy Strategy 2050 aiming to triple renewable energy contributions and invest AED 150-200 billion by 2030 to meet the rapidly rising demand. In line with its mandate to enable and attract trade flows through Dubai, DMCC is cementing the position of the emirate as a leading global hub for the energy market by providing a comprehensive ecosystem and a thriving business environment.

To download and read the full report, please visit: <https://www.futureoftrade.com/>

About DMCC

Headquartered in Dubai, DMCC is the world's most interconnected Free Zone, and the leading trade and enterprise hub for commodities. Whether developing vibrant neighbourhoods with world-class property like Jumeirah Lakes Towers and the much-anticipated Uptown Dubai, or delivering high performance business services, DMCC provides everything its dynamic community needs to live, work and thrive. Made for Trade, DMCC is proud to sustain and grow Dubai's position as the place to be for global trade today and long into the future.

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