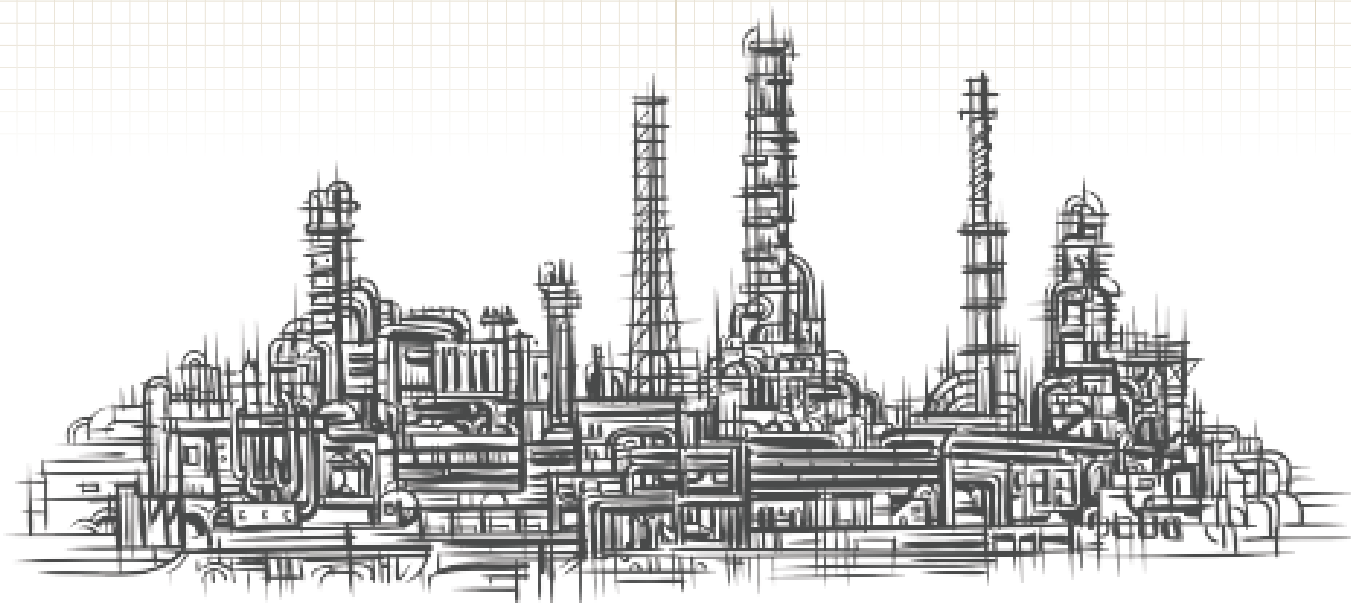


A Guide to Abu Dhabi Oil and Gas 2019-2020

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A GUIDE TO ABU DHABI OIL AND GAS

Abu Dhabi, the capital of the United Arab Emirates, witnessed a massive average of 2.86 million barrels of oil, in the first half of 2018 itself. Call it fate? No, Abu Dhabi is the only economy in the United Arab Emirates that has petroleum possessions in its womb. This womb is precious for the development of, not only the emirate but also the country, in all. Abu Dhabi has maintained its position in the list of *Organization of Petroleum Exporting Countries (the OPEC)*, to be the fourth-ranked when it comes to the production of crude oil. Abu Dhabi reserves a whopping 95% of UAE's proven petroleum reserves.

It was only in 1939 that the UAE signed its first oil concession agreement, which covered the whole of Abu Dhabi, including both onshore and offshore. Subsequently, multiple contracts were entered by other Emirates in the UAE.

1. Legal Framework:

The Constitution of the UAE makes explicit provisions that the natural wealth and resources belong to the public and that they are the public property whose 'community' has the full right to harness it in the best interest of the economy. In consonance of the UAE Constitution, the Abu Dhabi laws have also applied similar primary regulations for its oil and gas industry.

1.1 Abu Dhabi's Supreme Petroleum Council (the SPC):

The SPC is the supreme and the sole governing body, which is conferred with the responsibility of the oil and gas industry in the Emirate of Abu Dhabi. Since its establishment, SPC has taken over the varied duties for the board of directors (the BOD) of *Abu Dhabi National Oil Company (the ADNOC)*. It has moreover, assumed the functions of the new department for petroleum in the Abu Dhabi government. SPC runs with the below purposes:

- i.* Formulation and overseeing of the implements of the emirate's petroleum policy;
- ii.* Following up with the said implementations across various regions of the industry;

- iii.* Ensuring that the goals and aims are established and accomplished;

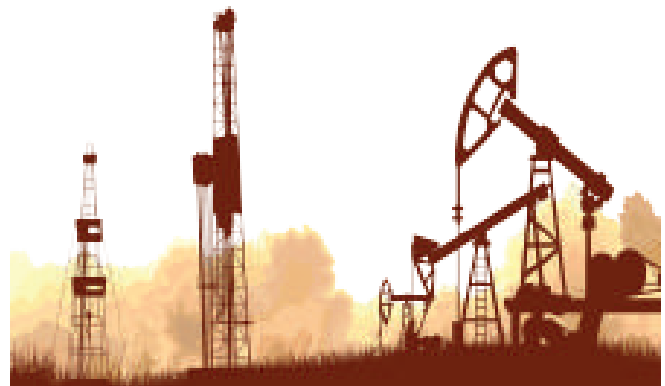
- iv.* Promulgation of the regulations in the field of petroleum in the emirate;

- v.* Ensuring its implementation and enforcement

- vi.* Responsibility of fixing the fiscal framework via its secretariat;

- vii.* Overseeing the tax and royalty collection and assessment;

- viii.* Issuance of decisions apparent for the management of ADNOC, and other petroleum companies as well.



The ruling body of the emirate is the chairperson of SPC and is conclusive of other nine (9) members which comprise of the prominent members of the ruling family, etc.

1.2 The Abu Dhabi Law Number 9 of 1978:

The primary piece of legislation overseeing the petroleum operations in the Emirate is **Abu Dhabi Law Number 8 of 1978 (the Oil and Gas Law)** concerning the Conservation of Petroleum Resources. Even though this law is drafted when all is said in done terms, it forces exclusive expectations on the business, specifically requiring the utilisation of 'the most proficient and scientific strategies' and the utilisation of materials and types of machinery that fit in with global benchmarks.

The Oil and Gas Law covers all phases of upstream oil and gas operations. The development requires earlier



consent and permission, including the accommodation of nitty-gritty examinations, and specialized and monetary assessments and evaluations. All exploration activities require pre-established approvals, and any information acquired must be submitted to the SPC, together with interpretations of the data.

The law additionally contains special arrangements and provisions controlling the upstream, downstream and midstream operations, completing, revising and relinquishment of wells, including the procedure for acquiring consent, least models to be met and revealing commitments.

On production, an administrator must submit month to month production reports for each production, including daily rates, proportions, wellhead weight, dregs and water content, and the API gravity of oil created. Examinations must be led to reservoir behaviour. Administrators should likewise direct oil-recuperation tasks, including gas, water or steam infusion assuming actually and monetarily legitimised to keep up a generation with the approvals of the SPC and to record month to month reports in regard of those exercises.

1.3 Truces (Treaties)

The UAE consented to the **New York Arbitration Convention on the Recognition and Enforcement of Foreign Arbitral Awards on 21 August 2006**. Abu Dhabi government-owned organisations frequently necessitate that agreements to which they are a party, especially if the spot of execution is inside the Emirate, are represented by Abu Dhabi Law with debates being liable to the assertion in Abu Dhabi.

The UAE has marked reciprocal arrangements with more than 50 nations, including China, France, Germany, Italy, South Korea and the United Kingdom, most of the whose international oil organizations (IOCs) or national oil organizations (NOCs) have put resources into the emirate's oil division.

2. Licensing for Oil

Unrefined petroleum concessions in Abu Dhabi are allowed by the SPC, for the benefit of the Emirate. Even

“ADNOC strives to be the energy that powers the nation and drives the engines of prosperity by unlocking the full potential of our natural and human resources.”

– **Dr. Sultan Ahmed Al Jaber**

though there is no endorsed structure or model suite of oil concession agreements in Abu Dhabi, the latest concessions have embraced the accompanying structure:

- i.* an interest for the concession being referred to is conceded by the SPC looking for the benefit of the emirate to IOCs or NOCs with the same being so allowed to such organizations not surpassing 40 per cent in the total, with the parity being held by ADNOC;
- ii.* the concession agreement gives that partaking companies are qualified for lifting their participating interest portion of crude petroleum created from the concession during its term and to trade that raw petroleum from the emirate;
- iii.* ADNOC and different holders of concessionary rights consent to a joint venture arrangement, in which they consent to harness the concession together and set out concurred administration structures;
- iv.* ADNOC and different holders of concession rights designate an operating organization to work the concession for their benefit on a non-benefit making premise. The operating organization is ordinarily an organization incorporated for this reason by the leader of Abu Dhabi;
- v.* IOCs consent to boost innovation move to ADNOC and the working organization according to ace innovation understandings and to offer help to them as per labour supply agreements; and
- vi.* IOCs consent to help different Abu Dhabi establishments, for example, the Petroleum Institute and the Masdar Institute, and to aid the preparation of UAE nationals.

The SPC expects that the entity that is involved with the concession agreement is the parent organization of the gathering or that the parent organization ensures the accountability of the commitments of the significant element.

3. Licensing in Gas:

The Abu Dhabi Oil and Gas law vests in the Emirate, the ownership of the resources found or to be found and

“Fossil fuels will remain the dominant source of energy powering the world economy. The demand for oil will continue to grow over the next 20 years, largely stemming from the strong growth in developing economies.”

– Spencer Dale

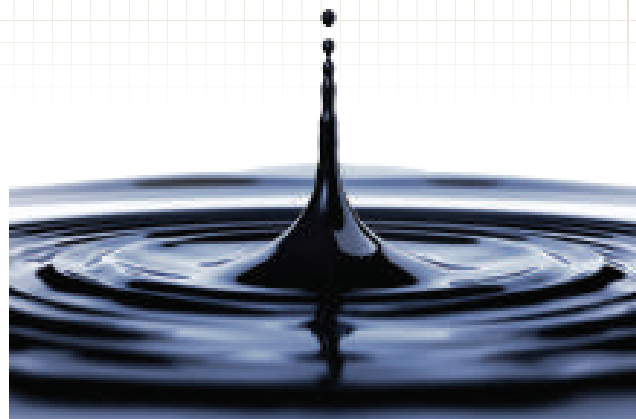
awards to ADNOC the privilege to adventure and use all such gas either alone or in association with others, insofar as ADNOC's responsibility for a task is at any rate 51 per cent. Global investments in creating gas assets, along these lines, happens as per field section concurrences with ADNOC with the joint venture being paid an expense by ADNOC for gas delivered.

Likewise, international investments in handling and moving the oil and gas concessions happen according to joint ventures, with ADNOC keeping up greater part possession and the venture being paid a process and transport charges. As on account of oil concessions, outside accomplices are relied upon to boost innovation move to ADNOC and the working organization according to innovation bolster understandings, to offer help to them as per labour supply agreements and to help different Abu Dhabi establishments.

The harnessing, handling and transportation of the Emirate's gas assets stay subject to the locale of the SPC, and any understandings require the earlier endorsement of the SPC.

The Oil and Gas Law entitles oil organizations working in the emirate to utilize gas delivered by them for their oil operations, including to create control, to lift oil from repositories, to keep up reservoir pressure and as a component of upgraded oil recuperation activities. The Gas Law was altered in 2014 to permit ADNOC to charge oil organizations for the utilization of such gas. Subject to the above-mentioned, the Gas Law requires all oil organizations working in the emirate to convey to ADNOC gas so delivered by them.

By and by, ADNOC coordinates that gas be conveyed to Abu Dhabi Gas Industries Ltd or GASCO, a working organization occupied with the extraction of flammable gas fluids from related and petroleum gas, whose investors are ADNOC (68 percent), Royal Dutch Shell plc (15 percent), Total SA (15 percent) and Partex Gas Corporation (2 percent).



4. Taxation in Abu Dhabi Oil and Gas Regime:

The endless supply of the concessions dictates the monetary system with regards to each oil concession. Subtleties of each such financial system are not freely accessible; however, the methods typically include a blend of royalty/sovereignty and personal expense. The SPC is additionally in charge of managing royalty and tax evaluation and gathering in the emirate.

The UAE, as a signatory to the *Gulf Co-operation Council (GCC)*, applies the Common Customs Law under *GCC Customs Union Agreement 2003*, which accommodates a typical 5 per cent levy on products brought into a Gulf Co-activity Council part state.

In 2018, the value-added tax (VAT) was presented by the UAE. Most expenses acquired in the oil and gas industry are probably going to be liable to VAT at the standard rate of 5 per cent. Moreover, the two fares by and large and the stock of unrefined petroleum and flammable gas are zero appraised, enabling VAT to be recuperated by and large. There is no levy of export duties in UAE.

5. Global Investments:

Aside from nationals and companies within the GCC, people may not complete business exercises or set up workplaces inside the UAE except for:

- i.* By setting up a branch or delegate office that requires the foreign entity to have a UAE national (or an organization entirely claimed by UAE nationals) as its specialist (regularly alluded to as a support) and by enrolling the branch or agent office in the outside organizations register at the Federal Ministry of Economy; or
- ii.* through a UAE-fused backup, 51 percent of whose offers should for the most part be held by at least one UAE nationals.

The SPC and ADNOC likewise require petroleum companies that take an interest in the upstream oil and gas area to set up a reasonably staffed office in the Emirate.



To carry on operations in the country, organizations are likewise required to get a business or exchange permit from the government, and civil experts to do their proposed exercises. Licenses are conceded to organizations consolidated in the UAE, and to outside organizations working in the UAE with nearby support or specialist.

6. Risks associated with Oil and Gas industry together with the risk factor:

6.1 Unpredictable oil and gas prices - 100%

The spike in oil costs are coming about because of supply and stockpile issues and continuous regulatory and administrative fights are the concerns weighing intensely on the minds of petroleum players. These issues have for quite some time been prevalent in the business, yet are tinged with more earnestness as noteworthy assessment and natural guidelines come nearer to realization, and strife in the Middle East keeps on driving up costs.

6.2 Administrative and authoritative changes and expanded expense of compliances - 100%

Referring to the Deepwater Horizon oil slick in the Gulf of Mexico, the moratorium or the ban put on offshore exploration and production in the locale disabled the oil and gas industry. More stringent security and ecological rules are requiring huge venture on the business' part.

6.3 Powerlessness to grow reserves or discover substitution holds - 98%

As the entire industry realizes that the business is entering a stage where reserves are more challenging to detect, they are more profound and further offshore, so this shocks no one.

6.4 Operational dangers including blowouts, spills and individual damage - 97%

Once more, the Deepwater Horizon episode was a distinct advantage for the business in general. Eleven men lost their lives in the blast that prompted the spill,

"Oil creates the illusion of a completely changed life, life without work, life for free.

Oil is a resource that anaesthetises thought, blurs vision, corrupts."

- Ryszard Kapuściński

and the industry is dedicating slowly in wellbeing and safety measures to ensure that history does not repeat itself.

6.5 Catastrophic events and extraordinary climate conditions - 96%

When more and more deep-water excavations take place, the worry of the effect of sea tempests, and typhoons become a significant concern.

6.6 Erroneous reservoir gauges - 96%

The petroleum companies bear the duty of building up these reserve gauges, however, numerous mid-show-case exploration and production petroleum organizations subcontract this task out to autonomous engineers. There can be astonishing enroute as one moves from investigation to the creation and becomes familiar with the stores.

6.7 Deficient liquidity or access to capital, obligation - 95%

While many oil and gas organizations have seen their financials improve, the budgetary dependability of accomplices, clients, sellers and providers stay top hazard factors.

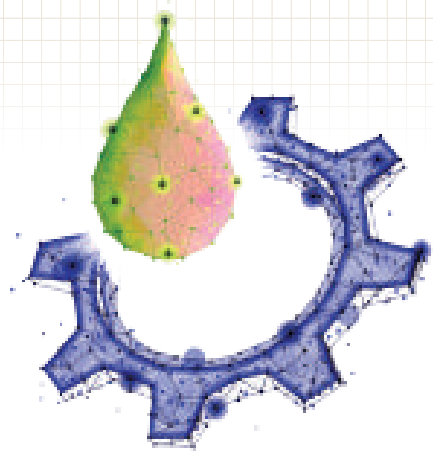
7. Complacency in the Oil and Gas industry:

Consistently, armies of people report to work at oil and gas installations around the world, guaranteeing that worldwide vitality markets get an enduring stock of hydrocarbons and refined items. Even though these people routinely work in unsafe conditions, for example, offshore drilling rigs and petroleum processing plants, they reliably show their capacity to manage the dangers innate in their occupations.

Given the broad expertise and experience that these labourers show, having world-class know-how and wellbeing approaches and systems set up can unexpectedly bring an absolute risk with the general mish-mash. At the point when an individual, workforce or office proprietor turns out to be too sure of their capacity to securely work a perplexing oil and gas office, a mentality called complacency can set in.

"A century ago, petroleum - what we call oil - was just an obscure commodity; today it is almost as vital to human existence as water."

– James Buchan



At the point when labourers become complacent and smug, they become grimly vain that they are at the highest point, where they have a specific conviction that they are the best or adequate in their field of work. They are so persuaded of this that they become unconscious of critical risks that emerge from their absence of mindfulness or cognizance of their circumstance, or their assurance that they have their circumstance under control. They are persuaded of their infallibility.

8. Risks in the Political aspects of the Oil and Gas Industry

The preliminary route in which the political affairs of the economy can affect the industry is in a regulatory sense; however, it doesn't need to be the sole way. To speak, the oil and gas industry is encapsulated with an array of regulations that crossover the existing protocols. These rules, limit when, where and how the process of extracting the petroleum is taken place. The construal of the guidelines notably may differ from economy to economy, and hence, the risk keeps on fluctuating and affecting the overall scenario of the modus operandi of the companies.

These companies usually favour stable economies with a long history of enforcing and granting long-term petroleum leases. But it is pertinent to note that some of these companies primarily approach the economies where the presence of petroleum is witnessed. However, such companies still make a move towards these economies, even if the preferences are not matched. There are plenty of circumstances where there was nationalization or a shift of political scenario that suddenly hovers over the regulatory environment.

8.1 Risk related to geology

Majority of the petroleum that can be easily explored has been taken hands-on by the industry players. The process of exploring the oil and gas has shifted to the arena of drilling while in the comparatively less available hubs. There lies an immense variety of oil and gas,

which is undulating. The array of unconventional petro-resources and the extraction methods have abetted to extract oil and gas where otherwise it would not have been possible.

The risk of geology pertains to both the negative possibility of extracting and accessing the reserves. The expert geologists work towards minimising the risk attained to the geology by frequent tests.

8.2 Cost risk

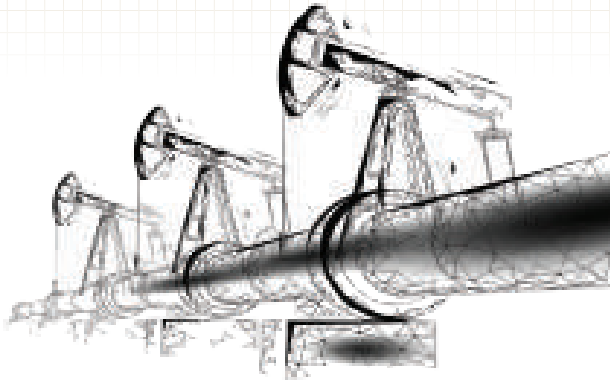
Far away from the geological hazards, the risks associated with that of the price is even more stringent and important when it comes to the reserve being economically achievable and feasible. Fundamentally, be that more geological barriers or easy extraction, the project may face more price risk. Cost towards extraction of unconventional petroleum resources is more than that of the vertical drilling to the reserve. It does not mean that the companies shall cease operations, since there is a drop in the process, or it has become unprofitable. The project works hand in hand with the risk of process volatility.

8.3 Risks towards supply and demand

Shocks pertaining to supply and demand are of hands-on nature that runs with the exploration and production of petroleum.

9. Deepwater Horizon Spill

The Deepwater Horizon Rig which was owned and operated by Transocean as well as was under the lease of British Petroleum. This rig was situated in Macondo oil prospect in the Gulf of Mexico. On the fateful night of 20 April 2010, the platform suffered an explosion which caused the surge of natural gas to blast through the concrete, and hot oil spilled all over the ocean surface. This spill extended to over an immeasurable surface area. The oil spill affected primarily the environment near the explosion area, together with the loss of eleven people who were working on the platform.



*“Nobody gets beyond a petroleum economy.
Not while there's petroleum there.”*

- Dan Simmons

A formal civil and criminal action was brought against the companies involved in the accident, and the same was initiated by the United States Department of Justice (the DOJ). Subsequently, the Louisiana District Court Judge was appointed to overlook the proceedings which regards to the spill, pursuant to which plenty lawsuits were filed.

The DOJ sued British Petroleum, Transocean, Anadarko and several others who were involved in the accident. It was only in April 2012 that the first criminal charge was filed against the former senior drilling engineer of British Petroleum.

In New Orleans, the civil trial against British Petroleum, Halliburton and Transocean were initiated. It was intended for the determination of the liability under various environmental regulations.

The civil trial took place in three phases as under: -

- i.* Assessment of the degrees towards the culpable liability of the three companies
- ii.* Establishing the volume of petroleum released due to the spill and whether the efforts for preparedness and damage-control of the involved parties were sufficient
- iii.* Determination of damages

10. Exxon Valdez Oil Spill

The volume of petroleum that was discharged during the Exxon Valdez Oil Spill is considered to be the second largest.

11. The primary rules and regulations that govern the petroleum industry in the UAE

The UAE Constitution, under its Article 23, overviews the natural resources and the laws pertaining to the same. The industry is subjected to the following legislations: -

- i.* Federal Law Number (14) of 2017 on Trading in Petroleum Products
- ii.* Federal Decree Law Number (8) of 2017 on Value Added Tax

iii. Abu Dhabi Tax Decree, 1965

iv. Abu Dhabi Law Number (7) of 1971 to establish the ADNOC

v. Abu Dhabi Law Number (2) of 1997 for regulating petroleum ports

vi. Abu Dhabi Law Number (4) of 1976 regarding gas ownership

12. Recent trends and developments in the industry

The UAE consumes natural gas more often that it produces and imports. It is pertinent to note that UAE is diversifying the energy supply in lines with its nuclear programme and additionally its world-class renewable energy projects.

It is generally required that the UAE Companies Law, which governs the majority of the UAE owned oil and gas entities have certain exceptions that are pertinent to note. The Commercial Companies Law has seen many positive amendments to date.

The UAE has also ratified to the New York Convention and the ICSID Convention, which pertains to the enforcement and recognition of the foreign arbitral awards.

13. The Abu Dhabi Energy Sector:

The United Arab Emirates intends to aim towards the achievement of an infrastructure that is sustainable in order to generate power via the mode of renewable energy. The demand rate for water and electricity has boomed and continues to increase at a pace faster than ever. The primary reason behind this is the increase in populations and expansion of the economy along with climatic considerations. The Business Monitor International pointed out a sharp and steady increase in the yearly demand, and it was expected to grow even than what was anticipated.

The UAE State of Energy Report 2015 also mentioned that the energy industry in the economy had played a significant role in transforming the domestic as

“Petroleum is a more likely cause of international conflict than wheat.”

- Simone Weil

well as international policies as far as the regulations for the discovery of petroleum is concerned. UAE has become a central player in the international hydro-carbon energy market.

It is important to note that the UAE is the fifth largest producer of petroleum in OPEC, where it outputs approximately 2.79 million barrels of petroleum per day. In 2013, it was in the same year, that the production of natural gas estimated to almost 54.60 billion cubic metres.

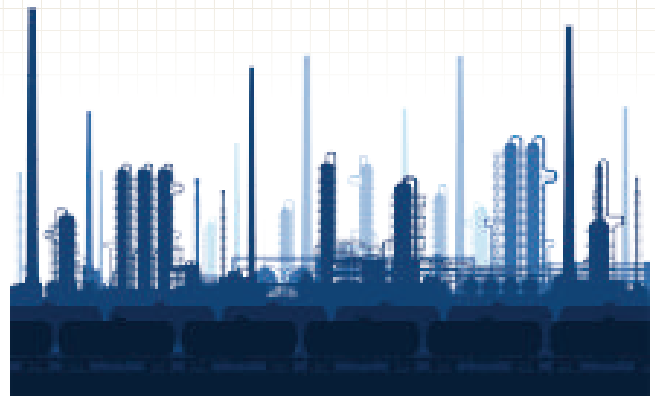
The wise leadership in the UAE has proclaimed the significant chunk of the energy estate where the energy mix has substantially diversified so as to sustain and manage the progress, and simultaneously minimise the impact that the environment may have since the burning of fuel. Consequently, a decision was made that the conventional sources of energy should not be the primary drivers for the progress of the economy.

Additionally, the UAE is improving its domestic expertise in the important technological innovations together with fostering resource conservation and international cooperation. Via this diversification of the long-term strategy, the UAE is edifying human capital and knowledge for solutions that are sustainable for the energy resources.

While oil and gas have generally been the dominant powers fuelling the UAE's economy, the UAE's energy sector is experiencing a change focusing on the enhancement of the energy mix.

The UAE produces a large portion of its power (110 billion kilowatt-hours in 2013) utilizing natural gas-fired generation. It wants to coordinate the natural gas conveyance systems of the emirates; this should help lighten a portion of the pinnacle demand setbacks experienced previously.

In 2012, the complete installed capacity of power age was 27.2 gigawatts (GW). To fulfill the rising need in a practical way, the UAE is concentrating on thinking of a decent energy mix.



The UAE endeavours in the field of energy intended to guarantee access to moderate, dependable and present-day energy services, incrementing generously the portion of sustainable power source in the worldwide energy mix and double the worldwide pace of progress in energy productivity.

14. Clean energy-mix

The UAE Energy Strategy 2050 focuses on an energy mix that joins sustainable, atomic and clean resources to meet the UAE's monetary necessities and ecological objectives as pursues:

- i.* 44 per cent clean energy
- ii.* 38 per cent gas
- iii.* 12 per cent clean coal
- iv.* 6 per cent atomic.

The UAE government expects to contribute AED 600 billion by 2050 to fulfill the developing energy need and guarantee an economic development for the economy.

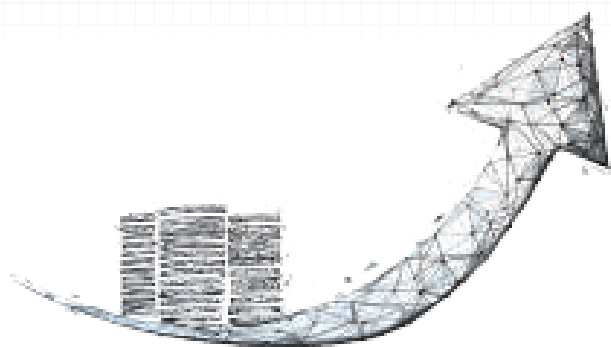
15. Vat rates for Oil

The tax rate for crude oil and natural gas currently stands at 0%, but as far as the other petroleum products are concerned, it shall be at 5%

16. Opportunities

The *International Trade Administration's (ITA)* 2016 Report positioned the UAE first among 74 markets dependent on fare potential for USA oil and gas equipment in 2019. The UAE's highest imports of oil and gas equipment are drilling and sinking apparatus, line pipe for oil and gas, sub-ocean line pipe and packaging and tubing for drilling. The UAE's oil and gas segment is perceived as a generally safe, high-re-merit speculation goal.

ADNOC's extension of oil and gas production, both onshore and offshore, give opportunities over a wide scope of advances and administrations. As costs of field harnessing rise, innovations that improve yield



field harnessing rise, innovations that improve yield and drive expenses down will be especially alluring. A few noteworthy contracts have been let in the previous times, yet there are still open doors for financial specialists and temporary workers.

17. Leading Sub-Sectors

Although the worldwide average for oil recuperation remains at around 35 per cent, ADNOC is hoping to expand recuperation rates to 70 per cent at its fields. Given this, there are incredible prospects for U.S. firms that offer:

- i.* New *Enhanced Oil Recovery (EOR)* advancements that will help lower operational use and broaden the life expectancy of delivering fields
- ii.* Advanced innovations that give options in contrast to utilizing gas to keep up oil well weight
- iii.* Technologies for the increasingly affordable improvement of sharp gas fields
- iv.* Drilling gear and synthetic compounds
- v.* Natural gas handling offices expected to fulfill developing residential power need

U.S. firms are profoundly respected for their anomalous amounts of research and innovation advancement. As a rule, organizations are encouraged to build up nearness in Abu Dhabi.

18. A Critical Partner in Regional Security

- i.* Maintaining harmony and dependability in the Arabian Gulf is basic to worldwide energy supplies and markets. The UAE and the US are joined in security, and the UAE is the chief alliance accomplice in the battle against ISIS. The UAE likewise participates intimately with the United Nations, the European Union and the North Atlantic Treaty Organization (NATO) powers.
- ii.* The UAE is committed to forcefully testing extremism in partnerships with the US and other alliance nations both on and off the combat zone. In the crusade against ISIS and other vicious fanatics, our aviation

"The use of refined petroleum as fuel, which began in the 1850s, freed hundreds of millions of people from the toil of centuries, gave hundreds of millions more a life of ease and plenty, and, by allowing great cities to feed themselves from every corner of the world, multiplied the population of the earth fivefold."

- James Buchan

based armed forces are working as a solitary power. There are 3,000 American military staff in the UAE, and more US naval force boats visit the port of Jebel Ali in Dubai than some other remote port. The UAE and US pilots fly joint missions against a typical risk. We have numerous other joint activities that incorporate slicing off subsidising to ISIS, insight sharing and counter-fanaticism projects to assault the underlying foundations of radicalization.

19. Additional Background

- i.* The UAE's demonstrated oil reserves were 97.8 billion barrels starting at 2015. Abu Dhabi holds 92.2 billion barrels, trailed by Dubai with 4 billion barrels, Sharjah with 1.5 billion barrels and Ras al Khaimah with 500 million barrels.
- ii.* Due to a great extent to the huge span that prompts high transportation costs, the United States imports insignificant amounts of oil and gas from the UAE. Instead, the UAE sends out around 62 per cent of its raw petroleum to Japan, making it the UAE's biggest client. Other Asian economies, which profit by the equivalent geographic closeness, expend by far most of the UAE's residual creation. Gas fares are for the most part to Japan, the world's biggest purchaser of melted gas, with the UAE providing very nearly one-eighth of Japan's whole prerequisites.

20. Securing Oil Shipments

The UAE is a mindful accomplice in securing worldwide energy supplies. With an end goal to upgrade supply security, Gulf governments are concentrating on the improvement of oil pipelines that would sidestep the Strait of Hormuz - a strait between the Persian Gulf and the Gulf of Oman. Around two-fifths of the world's traded oil is at present dispatched by tanker through this 34-mile-wide section.

When assembled, the pipelines could move as much as 6.5 million barrels of oil for every day or around 40 per cent of the sum presently dispatched through the Strait.

“Important reserves of natural resources, like petroleum and precious metals, are the bulwarks for laying the foundations for the future.”

- Enrique Pena Nieto

One such pipe, known as the *Abu Dhabi Crude Oil Pipeline (ADCOP)*, joined the Habshan oil field in Abu Dhabi - a major oil and gas field for the Abu Dhabi with the port of Fujairah and started its first shipment in July 2012. The pipeline enables the UAE to siphon around 60 per cent of its unrefined fares to Fujairah Port on the Gulf of Oman, in this manner keeping away from the critical transportation chokepoint at the Strait of Hormuz.

21. Working with Global Partners

The UAE is the different nation in the area that has a flourishing private segment for oil and gas, which incorporates numerous organizations with US. The UAE has a background marked by inviting private-area venture into its upstream oil and gas investigation and generation segment. Abu Dhabi was the central OPEC part not to nationalize the possessions of remote financial specialists during the flood of nationalization that cleared the worldwide oil and gas industry in the mid-1970s, and it keeps on profiting by abnormal amounts of private segment venture.

Today, universal oil organizations from the United States, Japan, France, Britain and different nations keep on holding joined value stakes of somewhere in the range of 10 and 100 per cent in Abu Dhabi's immense oil concessions. Occidental Petroleum of the US and Total of France each have a 24.5 per cent value stake in the Dolphin gas pipeline venture.



22. Conclusion:

Oil division is one of the basic parts contributing to the economy. The expansion in the oil area is bringing a continuous move from exchanging and angling to oil division, making UAE depending vigorously on oil and unrefined petroleum as a primary wellspring of remote trade profit.

The positive yield development of the nation is expanding attributable to the rising hydrocarbon creation and other non-oil segments, particularly exchange, coordinations and administrations inevitably bearing a relative financial development restoration.

It is prescribed to get the open door from joint ventures to build up the sources in Dubai as well as everywhere throughout the UAE. Need to focus on other winning parts, for example, banking, genuine state, telecom and flight to build the GDP and financial advancement.

Oil and energy are a significant area of the world that supports and contributes as the most vital part of the GDP of the nation. The generation of oil prompts the creation of different results, and in this manner the oil delivering and sending out organizations in UAE gains incredible income. Simultaneously, nation acquires the more significant part of its fare income from oil and gas segment. Then again, because of development of other non-oil areas and moderate financial development, the part is presently confronting a few difficulties including the test of expansion and privatization.

“Courage, determination, and hard work are all very nice, but not so nice as an oil well in the back yard.”

- Mason Cooley

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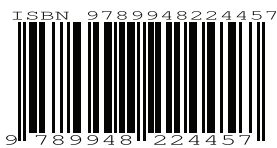
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