First Pan-Arab Energy Trade Conference
Towards an effective regional cooperation in electricity and gas trade among the Arab countries

THE NILE RITZ-CARLTON • CAIRO
NOVEMBER 6-7, 2019

Conference Agenda
Throughout the last four decades, and with the financial support of the various financial institutions, the Arab countries have worked on developing their electric power grid interconnections. The last decade witnessed systematic efforts to quantify the benefits of energy trade, implement the building blocks for institutionalizing electricity trade, and enable commercial transactions. Planners envisage that in the long term a competitive market operation will evolve, benefiting all participants. This session will discuss the role of regional champions and development institutions in advancing dialogue to realize the Pan-Arab Electricity Market vision, supporting the establishment of governance structures and regional institutions, and providing financing for additional cross-border interconnections.

The Pan-Arab Electricity Market: From Vision to Execution and Results
Ambassador Dr. Kamal Hassan Ali, Assistant Secretary-General, Head of the Economic Sector, League of Arab States

The Role of Arab Development Institutions in Supporting Electricity Trade
Dr. Mohamed Farahat, Arab Fund for Economic and Social Development

The Pan-Arab Regional Energy Trade Platform (PA-RETP) Initiative: Strategic Support and Building Alliances to Facilitate Electricity and Gas Trade
Mr. Erik Fernstrom, Energy Practice Manager, World Bank Group

Panel Discussion
• H. E. Dr. Mohamed Shaker El-Markabi, Chair of Executive Bureau of the Arab Ministerial Council for Electricity, and Minister of Electricity and Renewable Energy, Egypt
• H. E. Eng. Tarek El Molla, Minister of Petroleum and Mineral Resources, Egypt

Openning Session
The Strategic Importance of Regional Energy Trade for the Economies of the Arab Countries
9:00 - 9:50
H. E. Mr. Ahmed Aboul Gheit, Secretary General of the Arab League, League of Arab States
H. E. Mr. Abdlatif Y. Al-Hamad, Director General/Chairman of the Board of Directors, Arab Fund for Economic and Social Development
Ms. Anna Bjerde, Director, Strategy and Operations, World Bank Group
H. E. Dr. Mohamed Shaker El-Markabi, Chair of Executive Bureau of the Arab Ministerial Council for Electricity, and Minister of Electricity and Renewable Energy, Egypt
H. E. Eng. Tarek El Molla, Minister of Petroleum and Mineral Resources, Egypt

Session 1
Advancing Energy Trade in the Pan-Arab Region: Opportunities and Challenges
9:50 - 11:10
This session will discuss strategic approaches to gather stakeholders, deepen understanding of national and regional benefits of cross-border electricity and gas trade, and steps towards an enabling environment to align national priorities and regional goals to best exploit energy resources at the Pan-Arab level. A presentation will be made to highlight the efforts of the Arab countries to reduce their fuel bills. This includes raising the fuel efficiency of the thermal units, increasing the share of renewables, along with increasing energy trade. A World Bank paper will be presented to contribute to discussions on energy security within the region by highlighting the main impediments to and opportunities for the development of the energy trade, specifically electricity and gas, which are relevant to the discussion on regional integration and their convergence with sustainable development. The paper discusses energy sustainability through the trading system and proposes regional trade means for further enhancing peace and the energy security agenda in the region.

Opportunities and Obstacles in Electricity and Gas Trade in the Arab World
H. E. Dr. Fareed Zedan, Former Electricity Regulator, Kingdom of Saudi Arabia

Creating Regional Momentum for Energy Trade
Dr. Paul Noumba Um, Regional Director, Infrastructure, World Bank Group

Panel Discussion
• H. E. Eng. Tarek El Molla, Minister of Petroleum and Mineral Resources, Egypt
• H. E. En. Hala Zawati, Minister of Energy and Mineral Resources, Jordan
• Representative from the Ministry of Energy, Mines and Environment, Morocco

Moderator: Dr. Mohamed El Sobki, Former Electricity Regulator, Egypt

Session 2
The Pan-Arab Electricity Market: Development Institutions’ and Countries’ Perspectives
11:30 - 13:00
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• H. E. Dr. Luay Al-Khatteeb, Minister of Electricity, Iraq

Moderator: Mr. Alberto Pototschnig, Director, ACER (EU)
Global experience is most revealing in the sense that there is no evidence to suggest that any of the existing or developing regional integration schemes got the model right at the initial stage of integration. It is nevertheless clear that learning from other people’s mistakes enables policy makers to avoid wasting time and resources. The more successful schemes are the ones that pursue an adaptive approach and adjust their course when needed, and that remain persistent in dealing with challenges, both foreseen and unforeseen. In this session, officials will share experiences in their respective electricity power pools throughout the stages of setting up and operating their markets, with emphasis on lessons learned (successes and failures), what could have been done better, and the relevance of the experience to the Arab region.

Panel Discussion
• Dr. Nasser Al-Shahrani, Deputy CEO, GCC Interconnection Authority
• Eng. Stephen Dihwa, Coordination Center Manager, South African Power Pool
• Mr. Alberto Pototschnig, Director, ACER (EU)
• Mr. Ahmed Taba Lehbib, Technical Advisor to President of SEMAF (part of OMVS)
• Mr. Ashley Brown, Executive Director, Harvard Electricity Policy Group, USA

Moderator: Eng. Youssef Al-Janahi, Team Leader, PAEM Study

Pan-Arab Regional Gas Trade: Benefits and Opportunities, Barriers and Approaches
Mr. Alexander Huurdeman, Senior Gas Specialist, World Bank Group

Vision for a Pan-Arab Gas Union, and strategic approaches. Availability of gas for trade, current infrastructure, gas market growth, quick wins, and barriers including: institutional, legal/regulatory, political, pricing and subsidies, security, conflicts, increasing domestic demand, infrastructure deficits and financing.

Regional Gas Hub Development in Egypt
Eng. Osama Mobarez, Under-Secretary Technical Office, Ministry of Petroleum, Egypt

The Government of the Arab Republic of Egypt is establishing Egypt as a regional gas hub in the Eastern Mediterranean, which will contribute to the Energy Vision 2030 for Egypt. Egypt has the potential to become a regional gas hub, based on the strengths of its domestic gas demand and supply and the ability to share its transportation, processing and export infrastructure for supplies from neighboring countries. Egypt enjoys a strategic location with proximity to the major global trade routes. Recent gas discoveries in the Eastern Mediterranean add more significance to Egypt’s geographical location. Egypt has developed strategic options and is implementing its plan for developing a traded gas hub.

Steps towards a Pan-Arab Gas Market
A moderated discussion reflecting different perspectives on next steps to gradually establish a regional gas market and develop an action plan to address the prerequisites for a Pan-Arab gas market vision; i.e. political will to cooperate in Regional Trade Agreements, market-based gas prices across the region, harmonized regulatory environment for trade & supply, and an investment framework for infrastructure. Next steps may involve another event at which roles and actions can be agreed.

Panel Discussion
• Mr. Christopher Sheldon, Extractives Practice Manager, World Bank Group

Moderator: Eng. Amira El-Mazni, Vice President for Regulatory Affairs, EGAS

International Experience in Developing Cross-Border Electricity Markets

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Declaration Announcement


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There is no unique regional power market design, institutions, or processes, and no hard-and-fast rules about issues such as ownership, financing, and pricing that will ensure the success of regional integration efforts. The approach to regional market development must be tailor-made to suit the circumstances. Particularly essential is addressing the need to establish the required regional institutions as well as a common regulatory framework at the regional level. This session will present the role of a robust regulatory framework for dealing with the costs and revenues associated with international trade as well as the incentive structure at the national level necessary for conducting international trade. The role of regional as well as national institutions with a clear mandate to engage and pursue commercial trade will also be discussed.

**SIEPAC Experience**
H. E. Eng. Luis Alfonso Chang, Minister of Energy and Mines, Guatemala

**The Envisaged Institutional and Regulatory Framework of the PAEM**
Dr. Dalal Helmi, Head PAEM Steering Committee

**The US and EU Experience**
Dr. José Ignacio Pérez Arriaga, Visiting Professor, MIT

**Impact of Scaling Up Renewables on Regional Trade**
Dr. Samir AlKotob, Arab Fund for Economic and Social Development
Mr. Bruno Cova, Systems Planning Director, CESI

**Takeaways and Way Forward**
CLOSING SESSION

**Moderator:** Mr. Erik Fernstrom, Energy Practice Manager, World Bank Group

Optimization of generation and transmission investment on a regional, rather than national, basis can offer substantial cost reductions. But these cost reductions often go unrealized when countries follow national priorities, including domestic energy security, economic nationalism, and sovereignty concerns. Recognizing as legitimate and appropriately addressing these and other important national priorities is essential to achieving regional investment optimization and the full benefits of regional integration. This session will discuss the key role of development institutions in establishing the approaches for common practices to plan and finance regional investments, and to benefit from the interplay of public and private financing at the country and regional levels.

**Moderator:** Ms. Fatouma Toure Ibrahima, Manager, Infrastructure Programs and Analytics, World Bank Group