



Total's vice president of solar, Marc de Lataillade, said they will increase their renewable energy portfolio, including solar and biofuels, to 10 per cent from 3 per cent in 15 years. Delores Johnson / The National

# Energy industry in region turning to renewables to offset oil price volatility

LeAnne Graves

Follow @leanne\_graves



January 20, 2016 Updated: January 20, 2016 08:13 PM

## Related



UAE to cut remaining energy subsidies, minister says

Setting green targets is what the UAE needs

UAE eyes new clean energy generation target by 2030

Global oil and gas industry salaries 2016 – interactive

Gulf nations could

Oil is driving the region's renewable energy market as the industry turns to renewables to offset price swings.

The French oil giant Total will increase its renewable energy portfolio, including solar and biofuels, from 3 per cent to 10 per cent in 15 years and is evaluating projects in the region, according to the company's vice president of solar, Marc de Lataillade.

"We are looking at the different tenders going on in the region because they are of interest to all players in the industry," he said.

The company executive added that the solar market was evolving extremely quickly.

"There are a lot of geographies that are opening that were not open yesterday," Mr de Lataillade said.

There are movements toward green energy from more oil and gas companies, according to risk management consultancy, DNV GL of Norway.

create 140,000 jobs a year through solar and renewables, says Irena

Topics: [International Renewable Energy Agency \(IRENA\)](#), [Alternative energy](#), [Gas](#), [Oil](#)

“Kuwait Petroleum Company is effectively doing what Total is by investing in renewables, but from a state perspective,” said Mohammed Atif, area manager of energy for Africa and the Middle East.

While some thought that the sustained drop in oil prices would cut into the renewable energy sector, the opposite has happened – particularly in Saudi Arabia.

“The kingdom continues to push for diversification and the lower oil price is only speeding that up – and that’s the fascinating part,” Mr Atif said.

He added that Saudi Arabia’s original plans were not only hinged on creating a renewable energy sector, but an industrial transformation.

The Saudis are looking to relaunch the country’s industrial transformation “on the back of a renewables boom because they don’t want to be so exposed to oil market volatility,” he said.

As oil prices have fallen to less than US\$30 per barrel from highs over 18 months ago at \$100, GCC governments have also shifted their strategy on subsidies.

“Low oil prices have made governments move to reform energy prices and particularly electricity tariffs,” said Amer Alswaha, senior adviser at the Berlin-based clean tech adviser Apricum.

He added that the increase in electricity tariffs would close the gap between solar and conventional forms of power generation, which also signalled a greener economy.

Abu Dhabi changed its electricity tariffs this month to encourage customers to rationalise energy consumption. In Saudi Arabia, power, water and fuel prices were raised 66 per cent to offset the losses in oil revenue.

As the GCC explores and develops renewables to hit clean energy targets, more jobs will be created.

The Abu Dhabi-based International Renewable Energy Agency ([Irena](#)) released a market analysis yesterday that showed if existing 2030 clean energy targets were met in the GCC, green jobs would dominate the power sector to the tune of 210,000 direct jobs with the majority expected to be solar photovoltaic in the UAE and Saudi Arabia.

“By maintaining their leadership in the energy sector and embracing their region’s abundance of renewable energy resources, GCC countries can ensure their own long-term economic and social prosperity through a clean energy future,” according to Adnan Amin, director general of Irena.

[lgraves@thenational.ae](mailto:lgraves@thenational.ae)

Follow The National’s Business section on [Twitter](#)



[Add your comment](#) | [View all comments](#)

## Related