**June 2022** 

## Greetings from Washington,

Egypt is preparing to host COP 27 in November 2022 in Sharm El Sheikh. The country is expected to receive delegations from numerous countries, in addition to representatives from a wide variety of international organizations, corporations, and non-governmental agencies. As part of preparations for the conference, the Egyptian government and several NGOs have spent millions of dollars to help make Sharm El Sheikh a "green city." The following UN Climate Change Conference, COP 28, will be hosted in the UAE in November 2023.

The Middle East and North Africa (MENA) region is among the most vulnerable places in the world to climate change. Climate change has had, and may increasingly have, significant economic and social implications in the region.

In terms of economic cost, the agriculture sector is expected to be the most affected because rising temperatures will put significant pressure on crops and

scarce water resources. Climate-related desertification and increased salinity of water resources are among the challenges faced by numerous countries in the region. The World Bank has estimated that climate-related water scarcity will cost MENA countries between six and fourteen percent of their GDP by 2050. The exacerbated effect of water scarcity will also push food prices up, which poses further economic pressure in MENA countries, since the region is considered to be the most food import-dependent in the world. In terms of social cost, heat, drought, and a decline in precipitation are expected to drive regional and international migrations, which would increase social pressure in

the MENA region and neighboring areas such as Europe. Most MENA countries are already struggling with other socio-economic challenges, including a rapid increase in population (1.6% average annual growth, compared to a global average of 1.1%), structural unemployment, and large fiscal deficits (with the current exception of the oil-based economies). In the oil-based economies, the existing plans for economic diversification (such as Vision 2030 in Saudi Arabia and Vision 2025 in the UAE) are essential to mitigate

the increasing risk of climate change. These plans include renewable energy targets, strategies for decarbonization of upstream and downstream oil and gas

In Saudi Arabia, for example, renewable energy is expected to account for at least 22% of the value of all power projects by 2025, while the country aims to generate 50% of its power capacity based on renewables by 2050. In the UAE, the target is to <u>achieve</u> net-zero emissions by 2050.

operations, and energy efficiency schemes more generally.

Watching the region hosting two sequential COP events is therefore very significant. This hopefully reflects the strong commitment of MENA governments to tackle the challenges posed by climate change as promptly and diligently as possible. To address this, MENA countries need to treat climate change as a complex, multifaceted, and interconnected threat, that will not only affect quality of life in these countries, but also have complex and far-reaching multiplier effects on the economic and social fabric of the region. Sincerely,

Racha Helwa Director, empowerME Rafik Hariri Center for the Middle East **Atlantic Council** 

## empowerME hosts Saudi Arabia Minister of Investment H.E. Khalid Al-Falih



our Atlantic Council headquarters for a private roundtable with distinguished leaders, business executives, and Ministry of Investment officials to discuss the Kingdom's economic growth, diversification efforts, and investment opportunities. **Big Data** 

empowerME Chairman Amjad Ahmad and Director Racha Helwa were honored to host the Kingdom of Saudi Arabia's Minister of Investment H.E. Khalid Al-Falih at

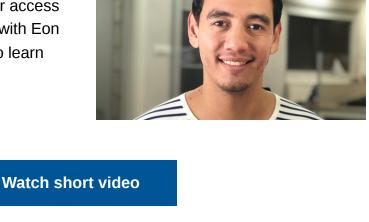
#### Reduction of Emission Needed in Middle East by Sector and Industry (2030) **EMISSIONS GAP BY SECTOR AND** EMISSIONS TARGET AND GAP (MTCO2E) INDUSTRY (MTCO2E) 4000 Emissions Gan --- Current 3000 2000 1000 2020 2022 2024 2026 2028 2030 Energy (520) Industrial (278) EMISSIONS TARGET **EMISSIONS GAP** Residential & Public Use (182) Transportation (152) Services (61) Waste (49) Agriculture (32) Source: Oliver Wyman Climate Action Navigato Source: Oliver Wyman Climate Action Navigator

**Entrepreneur of the Month: Qais Sabri Eon Dental - Jordan** 

# Jordanian entrepreneur Qais Sabri is using technology to offer greater access

Dental! Watch our short video to learn more.

to customized orthodontic care with Eon



In Case You Missed It...



brought together business leaders to

discuss strategies for empowering

more women to reach senior management and leadership positions in Saudi Arabia and the wider MENA region. Read key takeaways



cryptocurrency. This was the final

webinar of a joint event series that

shed light on the changing FinTech

landscape in the MENA region.

empower**ME** 

Watch the recording **Big Question** With COP27 coming up in November, are the governments of the region

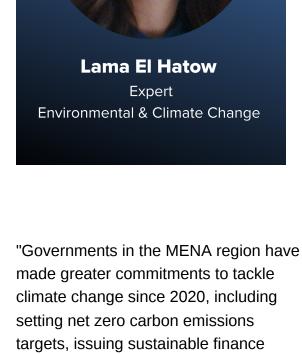
making greater commitments to tackle climate change? "The region is responding positively,

good faith to increase ambition towards

GHG reductions, while the UAE

### taking tangible action to transition towards renewables, including Egypt's Benban Solar Park and the UAE's the

Mohammed bin Rashid Al Maktoum (MBR) Solar Park. Egypt ahead of COP27 has also pledged to be the first country to update its NDC as a sign of



guidelines, and mandating ESG-related

solutions and investments are critical to harness the 'COP effect' in Egypt and the UAE over the next 18 months and beyond. Equally important is reframing

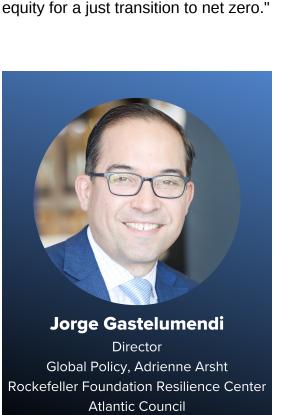
the current climate change dialogue from

the perspective of emerging economies

to ensure energy and development

reporting. International and regional

launched a plan to be the first MENA country to meet net-zero emissions by 2050. Although this is quite promising, much remains to be done by the rest of the region to adhere to the Glasgow Climate Pact to keep the Paris Agreement's 1.5 C° target alive."



Standard Chartered "Climate change is putting pressure on already stressed international food supply chains, while exacerbating domestic production systems due to droughts and extreme heat. It is no coincidence then that Egypt will dedicate the Adaptation and Biodiversity Days at COP27 to focus mainly on agriculture and food security. From climate-smart agriculture practices and digital technology to social protection measures in MENA, countries as diverse as Morocco and Yemen are testing ways to address food security risks posed by climate change. Their successes will

Layla El-Wafi

Senior Legal Counsel

"Having COP27 and COP28 in the Middle East is a huge opportunity. Governments will want to use the global platform to amplify views on the specific challenges for emerging markets and developing countries as well as commodity exporters. At the same time, the clamor for 'announceables' provides a great opportunity to focus minds and generate momentum. I expect to see a raft of commitments and initiatives coming out of the UAE over the next year or so. Whether that momentum will

most likely be showcased in November at Sharm El-Sheikh." **Dominik Treeck** Nonresident Senior Fellow, empowerME, Rafik Hariri Center for the Middle East **Atlantic Council** 

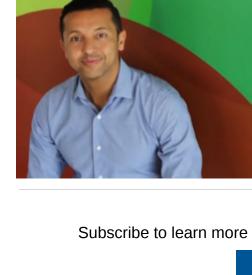
# be maintained beyond the COP28 remains to be seen."

- **Big Reads** • Mortgage boom as Saudis queue up to buy first homes (The Financial Times)
- The UAE's new sheikh may jolt both succession and federation (The **Economist**)

• Electrifying everything does not solve the climate crisis, but it is a great

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• Saudi Arabia steps into the Davos limelight (The Financial Times)



prosperity, and job creation.

start (The Economist)

about the Middle East by focusing on economic prosperity. Watch this video to

learn more about empowerME and its unique chairman, regional venture capital pioneer Amjad Ahmad. **WATCH VIDEO** 

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