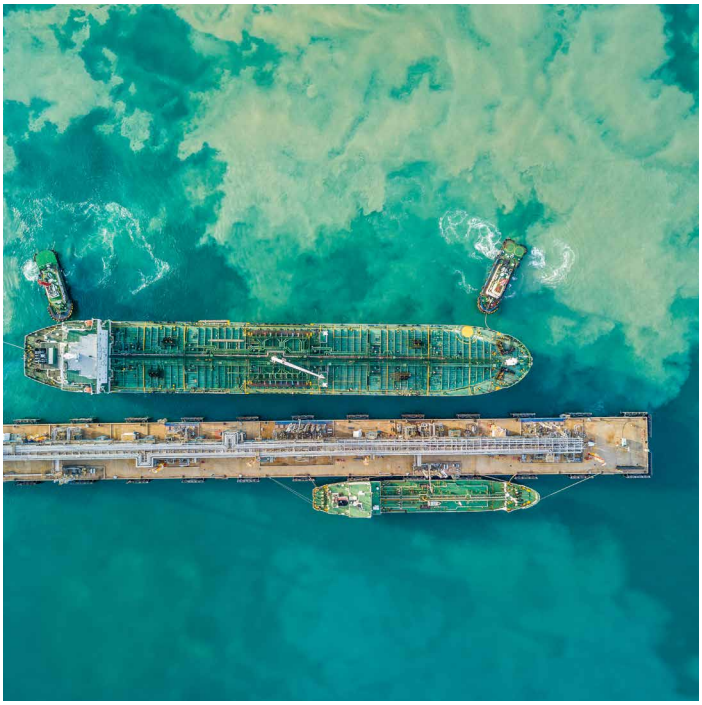
FUELTRAX®

Thought Leadership

Sustainability and success in Saudi Arabia's maritime service industry.

by Ryan Nulsen, Director, Client Engagement, Fueltrax



Following my attendance at the Saudi Arabia Petroleum Congress in Dharan earlier this year and with Dubai hosting COP28 in a few weeks, it's the perfect opportunity to take a look at the impact of sustainability on the marine service business in Saudi Arabia and the wider Arabian peninsula.

Assuming that none of us want to live in the dark, we all recognize that the world's short to medium-term demands for affordable energy cannot be met by renewables alone.

This means oil and gas still have a significant role to play over the next 20 years or so as we transition towards a cleaner, low-carbon world.

With this in mind, the future of both the Saudi Arabian oilfield and the maritime service markets that serve it look set to achieve impressive growth. With a combined market value of $12.08 billion in 2023, recent forecasts indicate that this will soar to a remarkable $19.68 billion by 2030.[1]

As someone whose job involves regular contact with clients, business people, and politicians associated with the marine industry in Saudi I know that managing this huge growth is generating many challenges in the MENA region, particularly in regard to sustainability.

Or to put it more prosaically, how do we keep the lights on and make the best use of our resources without further compromising the planet?

Aramco, the world's largest oil company, is in a challenging position. They have set themselves admirably high standards and targets for sustainable operations to meet the Kingdom's ambition for Vision 2030 and Net-Zero 2060.

However, to ensure they can produce enough oil and gas to meet the world's immediate energy demands, their oil fields are currently running at a very high level.

[1] https://www.fortunebusinessinsights.com/saudi-arabia-oilfield-service-market-107743

One impact of this is that Aramco currently complements its own fleet of 400 or so service vessels by chartering additional vessels to meet demand. Which makes enforcement of fuel monitoring standards more difficult.

As Aramco wants to be a better steward of the fuel it supplies to its charterers, how can it influence fuel and emission standards within its supply chain?

The answer lies in digitization.

However, this can't just be software for software's sake. Software is one part of it certainly, but the data that informs the software must be absolutely accurate and incorruptible.

Otherwise, every recommendation the software makes and every operational decision that is made based on those recommendations will be skewed by bad data.

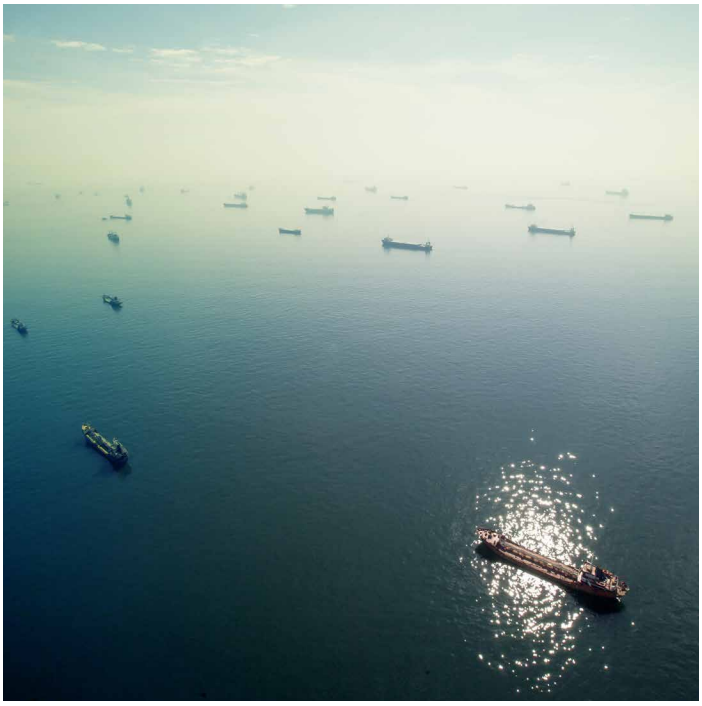
Getting data you can rely on means installing the right hardware and sensors on each vessel to accurately measure fuel consumption and then having the means to relay this data securely in real-time to the captain, the crew, the C-suite, and any other stakeholders. Because when everybody involved in operating the fleet can access the same performance data at the same time, the doors open to a whole range of opportunities for efficiency gains in fleet operation.

Ahmed AlQadeeb, managing director of Rawabi Energy, a provider of marine offshore services in Saudi Arabia that supplies charter vessels to Aramco had this to say about the environmental and performance benefits gained by using Fueltrax products.

"We have applied a fuel management solution through our partnership with the US company Fueltrax. This allows us to monitor the fuel consumption in our vessels and optimize throttle performance, which has resulted in a 7.8% reduction in fuel consumption without disrupting operations.

As of October 2022, we had 23 vessels equipped with the Fueltrax system. This reduction in fuel use means we reduce our fleet's CO2 emissions by 4 million kg a year. These emissions are equivalent to the amount of CO2 that 984 vehicles emit per year, or what a 737 aircraft emits in 50,000 hours of flying."[2]

[2] https://theenergyyear.com/articles/the-modernisation-of-marine-offshore-services-in-saudi-arabia/



Rawabi Energy is currently installing the Fueltrax solution across its fleet of 160 vessels, a fleet that is growing all the time to help Aramco deliver the energy the world requires in a more sustainable and efficient way.

Of course, sustainability isn't just about reducing emissions to meet greenhouse gas targets. It also means helping the local communities in which you operate become more self-sufficient, by giving them the skills they need to compete and adapt to the changes being brought about by the energy transition.

This is why we are proud to partner with the Saudi National Maritime Academy to jointly investigate offshore vessel optimization and sustainability technology training for the upcoming generation of professional mariners.

By equipping deck and engineering officer cadets with the right knowledge and skills to implement sustainable practices at sea successfully, we're not only helping make Saudi greener we're helping the Kingdom achieve the Saudization element of its Vision 2030 goal; upskilling the local workforce to ensure they can secure jobs in the new and emerging economies.

With regulatory changes regarding carbon intensity soon to arrive plus government-launched GHG reduction initiatives on the horizon, it's clear that the Kingdom means business when it comes to sustainability.

With so many major oil and gas companies in the MENA region, it's only a matter of time before others follow Aramco's lead in investing in proper fuel management within its fleet and the supply chain. And when they do, everyone at Fueltrax will be there to help them achieve their goals.

As Faisal Alzahrani, managing director of Integrated Marine Solutions (IMS), a one-stop shop providing marine services for maritime industrial operations in the Saudi offshore market says,

"I can confidently say Fueltrax is a very important and crucial stepping stone towards more efficient energy consumption in the kingdom. It aligns perfectly with Saudi Arabia's ambitious pledge to cut carbon emissions to net-zero by 2060."[3]

[3] https://theenergyyear.com/articles/the-digitalisation-of-saudi-arabias-offshore-vessel-management/

Ryan Nulsen | November 2023