

"DECARBONIZING THE MIDDLE EAST: CHALLENGES, OPPORTUNITIES, AND A SUSTAINABLE FUTURE"

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As the global community grapples with the pressing need to reduce carbon emissions, the region's developing construction industry finds itself in a unique position, facing both challenges and opportunities. While the region has long been synonymous with oil wealth, it now confronts the stark reality that the global transition to cleaner energy sources threatens the sustainability of its fossil-fuel-dependent economies. With the spectre of climate change looming large, extreme temperatures, water scarcity, and other environmental challenges directly impact the region's stability and prosperity. The Middle East faces an urgent imperative to decarbonize, driven by a convergence of environmental, economic, and geopolitical factors.

STATS

- In 2019, the region accounted for approximately 6.2% of global CO₂ emissions, as reported by the Global Carbon Atlas.
- Electricity and heat production sector continues to be the highest contributor to the regions CO₂ emissions in Middle East at 40% of the breakdown followed by Transport at 22% and Industrial at 19% for the recorded CO₂ emissions of 1,695.7 Mt of CO₂ for the year 2020. (IEA.ORG) <https://www.iea.org/regions/middle-east>
- Global average for CO₂ emissions per capita for year 2020 is at 4.1 tCO₂/capita while the average for Middle East countries is at 6.9 tCO₂/capita. (IEA.ORG) <https://www.iea.org/regions/middle-east>

In the midst of rapid urbanization, flourishing international investment, and the allure of luxury developments, the Middle East's construction sector stands at a pivotal juncture, poised to become a trailblazer in decarbonization. By integrating cutting-edge sustainable technologies and design principles into their projects, construction firms in the region can not only meet the growing demand for opulent and eco-conscious living spaces but also significantly reduce their carbon footprint. With leading market value, the sector has the financial resources to invest in energy-efficient building materials, renewable energy integration, and smart urban planning, making the dream of sustainable, low-carbon cities a tangible reality. By leveraging these opportunities, the Middle East's construction industry can redefine luxury as not just opulence but also environmental responsibility, setting a new global standard for sustainable urban development while reaping economic rewards and safeguarding the planet for future generations.

In comparison to developed countries, where decarbonization efforts have been underway for some time, the Middle East has the opportunity to leapfrog traditional development pathways, learn from achievements and lessons learnt world-wide to strategically pivot towards sustainable future by diversifying its economies, investing in renewable energy and reducing its carbon footprint.

Driving factors for Decarbonization in the region

The Middle East is at a crossroads in the fight against climate change and striking the right balance between its traditional energy sector and a greener, climate-resilient future will determine the Middle East's role in the global fight against climate change and its ability to adapt and thrive in a rapidly evolving world.

Global Market Alignment and Expectations

The international community, including major financial institutions and corporations, is increasingly focused on sustainability and emissions reductions. To attract international investments, governmental tie-ups and to remain competitive in the global market, Middle Eastern countries and industries are expected to match these expectations.

Emerging Demand

With a burgeoning population and rapid urbanization, the Middle East is witnessing a surge in construction projects. The region's construction industry is a substantial contributor to its GDP, with figures ranging from 6% to 20%, depending on the country.

Economic Opportunities

Decarbonization is not just about mitigating climate change; it's also an opportunity for economic diversification. Renewable energy investments, sustainable construction practices, and energy-efficient technologies can stimulate economic growth. For instance, the renewable energy sector in the Middle East is growing at a remarkable pace, with billions of dollars invested in projects.

Taxations and Green policies

There is significant benefit for developers and individuals to invest in developments and projects that align with the countries carbon agenda ahead of the talks of taxations, green investing opportunities and regulatory shift in the region.

Technological Advancements

Innovative solutions are emerging rapidly in renewable energy, energy-efficient construction materials, and carbon capture technologies. The incorporation of Artificial Intelligence (AI) has the potential to revolutionize decarbonization initiatives by harmonizing architectural ambitions and engineering technologies with worldwide sustainability objectives within projects, concurrently stimulating innovation and reinforcing economic resilience in construction sector.

Egis has positioned itself to support Climate Action in the Region

With a resolute aim to reinforce Egis' commitment towards advancing its low-carbon future strategy in the Middle East and South Asia, Egis has appointed an in-house team of experts in Sustainability and Environmental Design, Climate Action Advisory and ESG Consulting. The team will significantly bolster Egis' focus on sustainability and environmental practices including but not limited to resource efficiency, decarbonization, biodiversity conservation and enhancement, climate change resilience and adaptation, green infrastructure, and transition to renewable energy sources,

Egis's partnership with WorldGBC and engagement with the Advancing Net Zero Programme exemplify our strategic commitment to representing the Middle East and South Asia on global discussions platforms dedicated to achieving total sector decarbonization. We acknowledge the distinctive challenges in our region and are well-prepared to address them, drawing from our extensive experience in both regional and international markets, as well as the insights and expertise gathered from our diverse portfolio of services.

About Egis

Egis is an international player active in the consulting, construction engineering and mobility service sectors. We create and operate intelligent infrastructure and buildings capable of responding to the climate emergency and helping to achieve more balanced, sustainable and resilient territorial development. With operations in 120 countries, Egis places the expertise of its 18,000 employees at the disposal of its clients and develops cutting-edge innovation accessible to all projects. Through its wide-ranging fields of activity, Egis is a central player in the collective organisation of society and the living environment of citizens worldwide.

Egis currently operates in 8 countries across the Middle East, completing over 500 projects in 15 countries in the region with 2,500 employees. Egis is a major player in infrastructure engineering, consultancy, project management and operations in the Middle East and has contributed to some of the region's biggest airport, rail, water, urban mobility and urban development schemes. Egis partners with governments, cities, industrial bodies, communities and private businesses to support this dynamic region's accelerated development and growth with an ambition to encourage and practice sustainable development, truly supporting the needs of the communities.