Arabia Monitor
Economic Research & Strategy

Rosy recoveries, practical politics

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- **Saudi Arabia and the UAE are registering some of the highest levels of non-oil private sector economic activity in a decade. Coupled with current oil prices, this bodes well for growth in H2 2021.**
- **Syria is back on the scene. Bashar al-Assad is keen to normalise ties with regional players through the pursuit of economic diplomacy.**
- **A familiar face in Abdulhamid al-Dbeibah has joined the list of controversial candidates vying for Libya's presidency; unofficial polls tip him to win.**
- **Overwhelmed by vehement discontent, Sudan's military has backtracked on its coup. PM Abdalla Hamdok has been restored, and the transition to civilian rule should forge ahead.**

Saudi Arabia: Diversification gaining traction

The future looks positive for Saudi Arabia's business environment. Of particular note is the rosy outlook for non-oil growth amid the kingdom's recovery from the COVID-19-related downturn and resultant plunge in oil prices.

- Quarterly data recently released by the government suggests that the kingdom's economy has grown at its fastest rate since 2012.
  - In Q3 2021, real GDP expanded by 6.8% YoY and 5.8% QoQ.
    - Strong growth numbers stem from the highest oil prices in seven years and represent a 60% YoY increase.
    - The rise in global demand for crude oil has compounded the gradual tapering of OPEC+ cuts, enabling the kingdom's Q3 oil GDP to grow by 9% YoY and 12.9% QoQ.
  - Looking forward, we see no indication of significant cooling given the current global energy crunch.
- However, in what could be a signal of Saudi Arabia's shifting economic diversity, current growth figures have been catalysed by the non-oil economy.
  - Last quarter, non-oil GDP expanded by 6.2% YoY and 1.6% QoQ.
    - This suggests that the kingdom has experienced a 14-month run of non-oil private sector growth.
    - We are therefore witnessing the kingdom's fastest non-oil sector growth since the end of 2017.
  - Although it is still too early to tell, we believe the kingdom is slowly moving away from a paradigm wherein high oil prices bring about relaxed fiscal
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  - consolidation measures and growth is driven by increased government expenditure.

Table 1: MENA Dashboard[1]

MENA Oil Exporters	Real GDP Growth (%)		Fiscal Balance (% of GDP)	
	2020	2021	2020	2021
Algeria	-4.9	3.4	-11.7	-13.4
Bahrain	-5.1	2.4	-17.9	-8.0
Iran	3.4	2.5	-5.7	-6.5
Iraq	-15.7	3.6	-12.8	-1.5
KSA	-4.1	2.8	-11.13	-3.1
Kuwait	-8.9	0.9	-8.3	-1.5
Libya	-59.7	123.2	-54.5	6.8
Oman	-2.8	2.5	-18.7	-2.6
Qatar	-3.6	1.9	1.3	2.8
UAE	-6.1	2.2	-5.6	-0.5
Yemen	-8.5	-2.0	-5.2	-5.2
Average	-10.5	12.0	-13.7	-3.0
Average Ex-Yemen	-10.8	14.5	-14.5	-2.8

MENA Oil Importers	Real GDP Growth (%)		Fiscal Balance (% of GDP)	
	2020	2021	2020	2021
Djibouti	1.0	5.0	-1.3	-1.7
Egypt	3.6	3.3	-7.0	-7.4
Jordan	-1.6	2.0	-8.9	-7.7
Lebanon	-25.0	...	-4.1	...
Mauritania	-1.8	2.7	2.3	-0.7
Morocco	-6.3	5.7	-7.6	-6.5
Palestine	-11.5	4.4	-10.7	-10.5
Somalia	-0.7	1.6	0.5	-1.7
Sudan	-3.6	0.9	-5.9	-2.9
Syria	...	...	...	...
Tunisia	-8.6	3.0	-9.8	-8.3
Average Ex-Syria & Lebanon	-3.3	3.2	-5.4	-5.3

    - Corporate activity is now contributing more to the kingdom's economic growth.
    - This could be a sign that Saudi Arabia is becoming more resilient, as it seeks to de-anchor itself from volatile crude oil prices. This is one of the main objectives of Saudi Vision 2030.
- In our previous MENA Monthly, we noted that Saudi Arabia's Purchasing Managers' Index (PMI) hit a seven-year high of 58.6 in September 2021. While it dipped slightly to 57.7 in the latest October reading, economic activity in the private sector remains robust.
  - This slight drop in PMI is unsurprising, as figures were already peaking in the 50+ growth territory, a clear sign that the non-oil sector is recovering at a rapid pace.
  - In broad economic terms, any significant rise in business output and growth tends to lead to price increases.
    - Last month's output price component of Saudi Arabia's PMI rose to its highest level since August 2020.

[1] Arabia Monitor; IMF.

- In tandem with global trends amid the post-pandemic recovery, inflation may accelerate slightly throughout 2022.

➢ Ultimately, Saudi Arabia is ending the year strongly in both the public and private spheres. We see no sign of this progress abating in H1 2022.

UAE: Business is booming

Expo 2020 Dubai has rejuvenated business activity in the UAE's non-oil private sector economy, bolstering the country's high oil prices and increased production levels. The IMF has forecast 3.2% growth in non-oil real GDP this year, up from the 6.2% contraction in 2020.

➢ Private sector activity in the UAE is on the rise. Last month, the second-largest Arab economy experienced its fastest expansion in private sector activity since June 2019, according to PMI polls.
  - After being in (50+) growth territory for 11 consecutive months, the UAE's PMI hit 55.7 in October 2021, up from September's 53.3.
  - This increase was driven by strong numbers in the output and new-orders sub-indices.
    - o The output sub-index rose sharply from 57.1 in September 2021 to 61.1 in October 2021, the highest figure since July 2019.

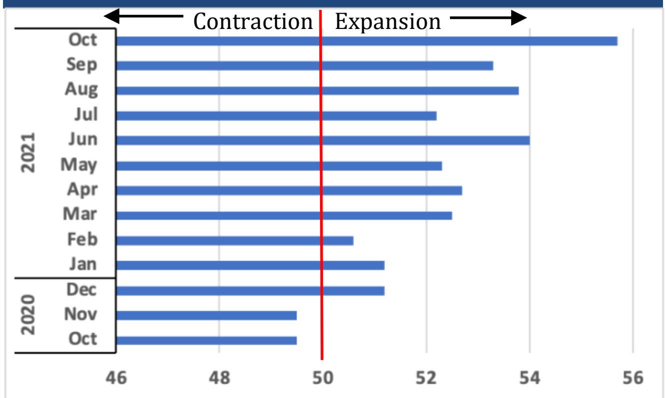
➢ this buoyant performance comes on the back of higher consumption spending and tourism.
  - The UAE's considerable increase in demand momentum is partly underscored by the influx of tourists visiting Expo 2020.
    - o The event is expected to draw more than 20M visitors during a six-month period.
  - Although early statistics suggest that initial visitor numbers are lower than expected, we anticipate these figures to rise in the coming months amid the gradual return to normalcy in international travel.
    - o We therefore believe that the private sector will remain steadfast, even if we do not witness a further uptick in momentum.

➢ Looking ahead, it is likely that the recent boost in sales has given top executives an optimistic outlook for 2022.
  - The 'future output' sub-index posted the highest figure since the onset of the COVID-19 pandemic in early 2020. This means business owners are optimistic about increasing production in the coming months.

➢ Nevertheless, a more active private sector will almost certainly put strain on business capacity.
  - As a result of rising new-orders, business executives report that there is mounting pressure to match increased domestic demand.
    - o October's PMI survey conveyed the fourth consecutive month of growing work backlogs reported by company managers.
    - o However, this increase was softer than the rise witnessed in September's edition of the survey.

➢ Nevertheless, subdued employment rates in the UAE do not match this increased domestic demand.

Figure 1 - UAE Purchasing Managers Index[2]



  - Increased demand in October led to only a marginal increase in hiring by private sector companies. Furthermore, this growth represents a tepid rise from September's rates.
    - o It is common for employment rates to rise sluggishly following increased private sector activity.
    - o We expect to see a steady, albeit slow, rise in employment in the coming quarters.

➢ Elsewhere in the private sector, Dubai has experienced a robust recovery in its real estate market.
  - The first eight months of 2021 witnessed the overall number of property transactions increase by 23% compared to the whole of 2020.
  - Furthermore, residential property prices increased by 4.4% during the same period.
    - o This statistic represents the highest annual growth since February 2015, as we await signs of a trend.

➢ The government has made commendable efforts to stimulate its property market by easing up on regulation.
  - Despite these efforts, we doubt that the property market will return to the same boisterous levels seen during the early years of the last decade. Since 2014, Dubai's house prices have slumped; the COVID-19 pandemic only made matters worse.
    - o The essence of the weak Dubai real estate market remains a structural supply-demand mismatch; massive housing development projects which began in 2014 flooded the market with oversupply.

Syria: Fait accompli

After more than a decade of conflict, there is little doubt that Bashar al Assad has emerged from the Syrian Civil War as the undisputed victor. With the potential for increased business activity, neighbouring governments are now gradually re-establishing diplomatic ties with Assad and his war-ravaged state. The GCC see wisdom in having a seat at the table, as part of a more proactive regional stance.

➢ Jordan and the UAE are starting to engage diplomatically with Syria, suggesting that trade levels are likely to increase.
  - The UAE's foreign minister, Sheikh Abdallah bin Zayed, visited Syria's capital Damascus to meet with

[2] Arabia Monitor; IHS Markit.

Assad earlier this month. Zayed is the most senior Emirati official to have visited Syria since the beginning of the conflict.
  - The two men agreed to bolster trade ties, while Zayed also promised that the UAE will help Assad to overcome Syria's war-related challenges.
  - An agreement was also signed between Syria's Ministry of Electricity and a consortium of Emirati companies to establish a photovoltaic power plant near Damascus with a 300 MW capacity.
  - This deal is the first of its kind for Syria in over a decade.
- Last month, Assad and Jordan's King Abdullah II spoke on the phone after a key border crossing between the two countries was opened in September.
  - This was the first phone call between the two leaders in over a decade and represents a significant diplomatic development.
  - Given the resultant logistical and road transport opportunities, the reopening of an important border crossing will improve trade, especially for Jordan.

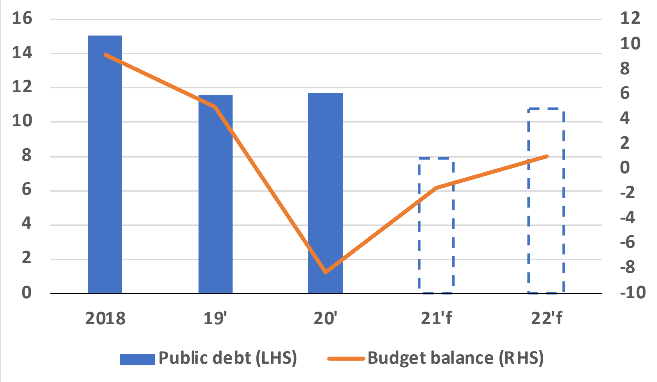
➢ Despite these developments, other countries are still refraining from engaging diplomatically with Syria.
- Qatar's foreign minister, Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani, said that his country has no plans to normalise bilateral relations with Syria.
- Ever since the civil war began in 2011, Qatar and Saudi Arabia have both backed rebels fighting against Assad's government.
- Nevertheless, while Syria's return to the Arab League could take a while longer, the country will be increasingly integrated within regional diplomatic circles.

Kuwait: Turning page on paralysed parliament

Kuwait's political deadlock has strained its state coffers and increased macroeconomic vulnerabilities. However, novel efforts to resolve the impasse could pave the way for much-awaited economic reforms. The IMF forecast 0.9% and 4.3% real GDP growth this year and in 2022, respectively.

➢ In our previous quarterly outlooks, we covered the inability of Kuwait's paralysed parliament to pass motions that would put a stop to the exhaustion of the General Reserve Fund (GRF), due to deep-rooted political differences.
- The government wants to enact a debt law through parliament which would allow bonds to be issued in order to boost state finances and tackle perennial budget deficits.
  - In the pandemic-ridden FY20/21, Kuwait posted a deficit of USD 35.5B (15.4% of GDP), the highest in its history.
  - The FY21/22 report released in June by the Kuwaiti Ministry of Finance forecast a smaller deficit of around USD 12B. Looking ahead, we expect a lower figure in the revised June 2022 budget due to upbeat oil prices.

Figure 2 - Kuwait fiscal indicators (% of GDP)[3]



- In recent years up to now, budget deficits have been financed by the GRF in order to relieve the unsustainable fiscal strain.
  - By acknowledging the severity of a depleting GRF and pursuing austerity measures, government agencies have so far managed to save 25% of the reduction target for their expenditures (around USD 7.6B) in the FY21/22 budget.

➢ In order to end a months-long standoff that has blocked desperately needed fiscal reforms, two major opposition-backed conditions have been satisfied.
- Firstly, the government resigned earlier this month for the second time in 2021.
- Additionally, Emir Sheikh Nawaf al Ahmad al Jaber al Sabah pardoned and declared amnesty for exiled politicians who stormed the parliament during the 2011 Arab Spring and called for the resignation of the prime minister.
  - This could be a turning point for Kuwait's long-term fiscal health, as opposition demands have now been satisfied.

➢ The decision to pardon political dissidents could not have been easy.
- The exiled (and Islamist-leaning) politicians are perceived as a direct threat to both national stability and the ruling family.

➢ As we believe that the recent pardoning is a considerable compromise, we are optimistic that reforms are on the horizon. Past efforts to break the gridlock were simply not enough.
- It is hard to envision alternative gestures of rapprochement, should this one not lead to a breakthrough in parliament.

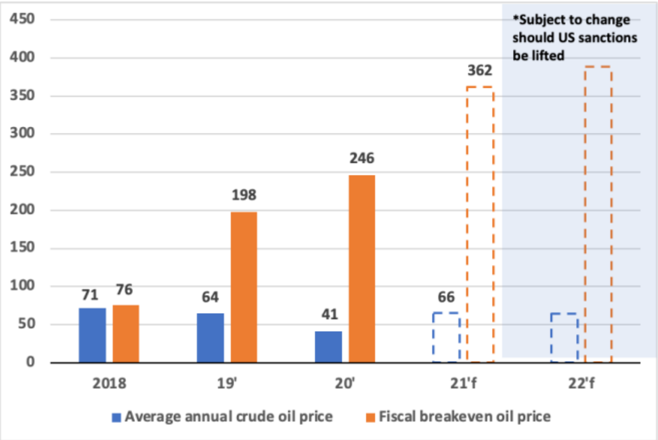
[3] Arabia Monitor; IMF.

Iran: Time to talk

With Joint Comprehensive Plan of Action (JCPOA) negotiations set to begin on 29 November, all eyes are on Vienna as diplomatic teams return to the Austrian capital. Discussions will be neither quick nor easy. We believe that a resolution will be reached no sooner than H2 2022.

- Iran hurriedly agreed for negotiators to return to Vienna ahead of an International Atomic Energy Agency (IAEA) board of governors meeting next week.
  - It is likely that Iran wants to appease IAEA member states China and Russia, both of which have long called for it to return to the negotiating table ahead of the meeting.
    - Iran, Russia and China want to present a unified front ahead of nuclear negotiations. Indeed, Iran's announcement follows a statement issued by China during which it commented on the broad consensus between the three nations.
  - After months of blocking IAEA inspectors from accessing its nuclear sites, as well as engaging in limited dialogue with the agency's Director General Rafael Grossi, Iran is now extending a last-minute olive branch.
    - Grossi visited Iran from 22 to 23 November.
    - Inspectors are once again allowed to access Iran's nuclear facilities. According to the IAEA, Iran's stores of 60% enriched uranium have increased by 77% to 25kg.
    - Although Iran is scrambling to appease the agency, the Islamic Republic may still be subject to censure.
  - Iran may seek a resolution, but there are several sticking points which will make reaching a compromise difficult.
    - Conditions which Iran deems to be non-negotiable include the removal of both Trump- and Obama-era sanctions, as well as a guarantee by the US that any new deal will be irreversible.
- Negotiations are due to take place following a tour of the MENA region by a US delegation, during which Iran has been a focal point of discussions.
  - Robert Malley, the US Special Envoy for Iran, recently visited Bahrain, Saudi Arabia and the UAE with Lloyd Austin, the US Secretary of Defense.
  - Regional players are certainly being taken into consideration this time around; the US continues to meet with Iran's neighbours in order to understand their points of view.
- Iran's new administration has made it a priority for the Islamic Republic to foster warmer relations with its neighbours. This approach contrasts with that of the previous administration under Hassan Rouhani, which focused its attention westwards.

Figure 3 - Iran fiscal break-even oil price vs spot price (USD pb)[4]



Bahrain: Commendable commitment

The IMF forecasts an 8% budget deficit for Bahrain both this year and in 2022. The kingdom must therefore work hard to fix its public finances. Although fresh plans to address budget issues seem a little ambitious, they are certainly necessary.

- In our last MENA Monthly, we touched on Bahrain's decision to push back its Fiscal Balance Program (FBP) target year from 2022 to 2024, by which point it hopes to have balanced its budget.
  - For years Bahrain's budget has been under pressure; the last surplus was in 2008.
    - Unsurprisingly, this was the peak year for oil prices, as it came just before the global financial crisis.
- In a show of commitment, Bahrain recently launched a new 'multi-year economic reform programme' which seeks to bolster economic growth and fix the country's fiscal structure by the 2024 deadline.
  - The plan seeks to bring in annual FDI of around USD 2.5B by 2023, which should help boost job creation.
    - As part of this plan, the kingdom will launch and promote an online portal showcasing investment opportunities. It will also initiate a new residency permit programme to attract talent and investors.
  - On the fiscal policy front, Bahrain will implement various spending reductions while increasing revenues through bigger contributions from government-run entities and services.
- While the new economic plan demonstrates commendable commitment, it also highlights the urgency with which the kingdom needs to pursue a sustainable fiscal policy.
- A tourism sub-strategy is one of the plan's key drivers; it aims to attract around 14M visitors annually by 2026, thereby increasing tourism's contribution to GDP to 11% (up from 7% in 2019).
  - Bahrain has allocated around USD 10B to the strategy.
    - To facilitate the plan, the authorities want to enact deregulatory changes such as

[4] Arabia Monitor; IMF.

easing entry restrictions and developing tourist attractions, among others.

- Despite seeming ambitious, we believe Bahrain may yet achieve its tourism goals.
  - Indeed, the 2016 tourism strategy secured most of its targets; it increased tourism's GDP contribution from 4% in 2015 to 7% in 2019.

Sudan: Stumble on the bumpy road to democracy

There has been widespread condemnation following General Abdel Fattah al-Burhan's coup last month, both locally and internationally. But after the attempted derailment of Sudan's transition to civilian rule, the political scene is starting to stabilise.

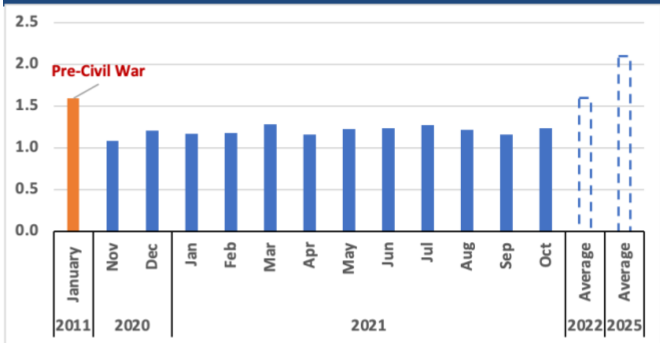
- After three weeks of behind-the-scenes negotiations following the military coup on the 25th of October, Prime Minister Abdalla Hamdok has been released from house arrest and reinstated to his post.
  - The development comes after the military and prominent political parties reached a political agreement. The deal includes swathes of revisions to be implemented in the lead-up to elections in July 2023.
    - The PM is required to bring in a new cabinet composed of apolitical technocrats.
  - The Transitional Constitutional Charter, which was signed in July 2019, remains the basic legislative platform for the transitional period.
- In the aftermath of the recent agreement, the Forces of Freedom and Change (FCC) have splintered into three groups.
  - The FCC is a wide coalition of political parties who are leading the transition.
  - Despite nominating Hamdok as PM, some factions now accuse him of treason and they do not recognise the new Army-Hamdok partnership.
- Similarly, the people on the street are also divided.
  - Many people feel betrayed by Hamdok because he has agreed to work with the military; thus, they view his move as indirect recognition of al-Burhan's coup.
  - On the other hand, some believe he took this course of action to stop the bloodshed.
- Looking ahead, the remaining period of the transition should bring stability. Negative feelings toward the PM have, and should continue to taper off.
- The political agreement was officially welcomed by various players such as the US, Egypt, and the UAE.
  - The international community wants stability in Sudan, but specifically with PM Hamdok spearheading the executive agenda.

Libya: Divisive figures confirm candidacy

Electoral confidence is waning ahead of Libya's upcoming presidential election. With no clear victor in sight, the country's political transition looks set for a bumpy ride.

- The candidacy of Field Marshal Khalifa Haftar is also causing controversy. Haftar enjoys strong support in

Figure 4 - Libya crude oil production (M bpd)[5]



eastern areas, where he recently led a de facto rival government.
  - However, Libya's High National Election Commission has not yet decided whether a candidate may hold dual citizenship. Haftar may yet be barred from running; he is a citizen of both Libya and the US.
  - Ultimately, Haftar is unlikely to secure enough votes to win the election.
- The sitting prime minister, Abdul Hamid Dbeibeh, is the latest candidate to register for the presidency.
  - Unofficial polling puts him as the favourite to secure the leadership.
  - Dbeibeh would be the ideal choice for a transition, as the turnover would be less dramatic. However, it would be by no means seamless.
- The lesser-known Fathi Bashaga, Libya's former interior minister, is arguably the most serious contender.
  - Like Dbeibeh, Bashaga appears to be favoured by the international community. Additionally, he is gaining traction with pro-Gaddafi tribes.
- In addition to improving the country's security situation and ensuring a democratic transition, the new president will have to prioritise the economy and Libya's infrastructure.
  - Following a pipeline leak earlier this month, crude oil output reduced significantly.
  - The incident resulted in a production drop of around 200K bpd for ten days. Although the issue has since been resolved, Libya's stability cannot afford to suffer any kind of economic setback, regardless of how temporary it may be.

Sino-MENA: UAE in a tug of war

The fast-growing collaboration between China and the UAE is being tested by US pressure, especially in the military sphere. Although its military presence is being dialled down in parts of the MENA region, the US will continue to take careful note of China's deepening involvement therein.

- President Joe Biden's administration reportedly believes China is building secret military facilities inside a container terminal at Abu Dhabi's Khalifa Port.
  - The issue prompted two direct conversations this summer between Biden and Mohammed bin Zayed al Nahyan, Abu Dhabi's crown prince.
  - The Emirati embassy in the US denied any knowledge of such facilities. All construction work was ostensibly halted after the US intervened.

[5] Arabia Monitor; OPEC, Libya NOC.

- China's first overseas military base was built four years ago in Djibouti, an Arab League member. From a previous assessment, we stated that the UAE could be a location of interest for future Chinese expansion, given its strategic location, as well as its energy and trade ties.
- However, with the UAE treading carefully to balance its ties with both China and the US, we believe that a Chinese military base in the UAE is out of the question, at least in the short term.

➢ The US is also pressing the UAE to remove Huawei from its telecommunications network in the next four years. The Biden administration is utilising a USD 23B armaments deal involving F-35 fighter jets and drones as leverage. This delivery is scheduled to arrive in the UAE by 2027.
  - Given Huawei's ubiquitous technological presence throughout the emirates, it is unclear what course of action the UAE will take. While the gulf state could seek alternative technology suppliers, it may also ask the US for a longer deadline by which to remove Huawei, in the hope that Sino-US relations improve in the interim.

➢ This balancing act is reflected by recent partnerships and contracts involving the UAE-based EDGE Group, a defence technology company.
  - EDGE announced the opening of its first regional distribution hub for aircraft logistics in Abu Dhabi with the China National Aero-Technology Import & Export Corporation.
  - The deal was signed two years ago. The 1.4 sq km facility near Abu Dhabi International Airport (AUH) is expected to shorten the lead time for the delivery of spare parts from several weeks to under 48 hours.
  - EDGE also announced new agreements with two major US firms, Lockheed Martin and Raytheon, which offer repair and sustainment services, as well as hardware and technology development.
    - Although the US arms industry continues to lead the global market, China is catching up. Gulf countries like the UAE are subsequently enjoying an increasingly competitive landscape.

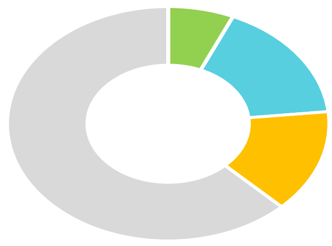
Energy Outlook: GCC countries take the pledge

The Paris Agreement's goal of limiting global warming to 1.5°C by the end of the century means that global net greenhouse gas emissions will have to reach zero by 2050. Yet, even at this current pace of progress, the world is on track for an average temperature increase of 2.7°C according to Climate Action Tracker.

➢ Net-zero carbon aspirations have become increasingly common for countries and corporations, with about 70% of the global economy covered by firm or indicative targets.

➢ Reaching net-zero requires a radical transformation of the entire economy across all sectors.
  - These include energy production and use, transport, industry, buildings and agriculture. Renewables, nuclear, carbon capture, use and storage (CCUS), hydrogen are important approaches to achieve net-zero in power and heat generation.
  - Industry can be netted through higher electrification, hydrogen, CCUS new processes and materials, material efficiency, and a circular economy.
  - Transport (road, rail, sea, and air) can be coupled with greater efficiency, modal shifts, electric vehicles, biofuels and synthetic fuels, while agriculture can use approaches like soil CO2 sequestration, afforestation, sustainable bioenergy, livestock feed additives, and non-animal meat.
  - Residual emissions will have to be cancelled out by direct air capture (DAC) of carbon dioxide, and by biological sequestration, likely to be required on a very large scale in realistic trajectories.

Figure 5 -Share of net-zero targets in law, policy, and pledges, from 82 countries[6]



➢ The strongest pledges to net-zero have been made by the EU, but other major emitters have less ambitious plans.
  - For example, China's latest five-year plan does not have many details on how its 2060 net-zero goal is to be met, nor does Russia's 2060 commitment. India's 2070 goal is the latest of those announced.
  - The administration of President Biden in the USA has set a net-zero goal for no later than 2050, although a future president might abandon or delay this.
  - Other countries like Japan, South Korea, and some Latin American countries also have weaker adherence.
  - Notable emitters that have made no or very weak commitment to net-zero by around mid-century include large energy producers like Mexico (1.3% of world 2019 CO2 emissions from fossil fuels) and Iran (2%).

➢ But new pledges have come from the likes of the UAE, Saudi Arabia, and India, in the lead-up to the ongoing COP26.
  - Bahrain (2060), Saudi Arabia (2060), the UAE (2050), India (2070), Brazil (2050, up from an earlier 2060), Russia (2060), and Australia (2050), some of the largest emitters in the world, have committed to net-zero goals, although not all have outlined credible plans to reach these goals.
  - Currently 74 parties, representing 82 countries and 73.9% of global GHG emissions have communicated net-zero targets, although only 13, representing 10.2% of global GHG emissions, have embedded these into a legal framework.

[6] Qamar Energy Research; Climate Watch.

- Net-zero approaches are not all equally technically and commercially mature, and have a number of challenges.
  - Some net-zero approaches are technically and commercially mature, or at least well-understood, such as renewables.
  - Others are immature or uncertain, including battery or hydrogen aviation, or non-animal meat.
  - Others are relatively straightforward technologically, but very complicated in social and policy terms, for instance agricultural carbon-neutrality.
- Progress on these approaches needs to be better monitored and reported.
  - Most of the targets are still a long way off. The emissions reduction approaches required in 2030-50 will be more difficult and complicated than those which will be effective during 2021-30.
  - Therefore, it is very important that any entity committed to a 2050 target has strict intermediate goals, and appropriate plans for getting there, along with a more indicative long-term strategy to 2050 or 2060.
- Even partial progress on net-zero goals implies massive changes to the economy.
  - Investments, international trade, infrastructure, and society will all be affected. Most businesses will be substantially affected, but those in fossil fuels, electricity, mining, agriculture, heavy industry, automotive, shipping and aviation face probably the greatest changes.
  - Companies and major emitting or fossil-fuel exporting countries need to be planning, researching and investing already towards a carbon-neutral future.

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