Middle East

ANALYSIS

Overall findings for the Middle East region in this study include research results from respondents living in Algeria, Qatar, Saudi Arabia, Turkey and the UAE. Of note, Israel is no longer included as a Global @dvisory country and has not been included in the 2019 study.

In an effort to set the operating context for perceptions of the industry reputation, respondents were asked to rate their level of favourability towards seven key sectors: Automotive companies, Banking companies, Oil companies, Mining companies, Electricity utility companies, Natural gas companies, and Water utility companies.

Respondents in the Middle East region continue to have considerably more favourable perceptions towards all of the collective industries tested than the rest of the global respondents. The largest difference in opinion are for oil companies (21 percentage points higher) and mining companies (19 points higher). For natural gas companies, ratings are 15 points higher than the global measure. Within the Middle East region, respondents from Saudi Arabia and Qatar are more favourable towards all industries, while those from UAE, Turkey and Algeria remain higher but closer to the global average. Compared to 2017, impressions have improved of banking companies (4 points higher) and mining companies (7 points) and declined marginally for oil companies (3 points lower).

On the question of trust, respondents were asked to focus on the oil industry and natural gas industry. Respondents in the Middle East region continue to express higher trust ratings compared to the global measures – 15 percentage points higher for oil and 10 percentage points higher for natural gas. Results are consistent with 2017. Within the Middle East region, trust in oil and natural gas companies differs significantly by country. Respondents from Saudi Arabia and Qatar are 15 to 23 points higher than the global average, while impressions in the UAE, Turkey and Algeria remain higher but much closer to the global average.

On the question of industry regulation, most respondents both globally and in the Middle East region feel that there is currently the right amount of regulation governing each industry. However, respondents in the Middle East region are more likely to think there is too much regulation in each industry compared to global measures for all industries including 18 percentage points higher for oil, and 17 percentage points higher for natural gas.

As part of the exploring perceptions about the energy sector globally, respondents were asked to compare each industry across 13 key factors of influence. A key difference between the 2017 and the 2019 studies was that oil and gas were separated and measured individually as "oil" and "natural gas."

Respondents in the Middle East region have considerably more favourable views towards all major industries tested including the oil industry and natural gas industry compared to the global measurements . For the oil industry, the gap between respondents in the Middle East and the global average are widest for the following attributes: is an industry that I trust (29 points higher), is responsive to the needs of customers (26 points higher) and has a strong track record of acting responsibility (26 points higher).

2019 Global Energy Pulse

Ipsos CAPP CANADA'S OIL & NATURAL GAS PRODUCERS

1. Industry Reputation and Regulation

FAVOURABILITY BY INDUSTRY

INDUSTRY	FAVOURABLE				NEUTRAL				UNFAVOURABLE			
	MIDDLE EAST		GLOBAL		MIDDLE EAST		GLOBAL		MIDDLE EAST		GLOBAL	
	2017	2019	2017	2019	2017	2019	2017	2019	2017	2019	2017	2019
BANKING COMPANIES	63%	67%	48%	50%	26%	22%	32%	32%	11%	11%	20%	18%
AUTOMOTIVE COMPANIES	69%	68%	52%	52%	26%	22%	39%	38%	5%	10%	9%	10%
OIL COMPANIES	62%	59%	40%	38%	34%	29%	40%	38%	8%	12%	21%	24%
WATER UTILITY COMPANIES	65%	63%	50%	52%	26%	25%	37%	35%	9%	12%	13%	12%
NATURAL GAS COMPANIES	64%	62%	45%	47%	31%	29%	42%	40%	6%	10%	13%	14%
ELECTRICITY UTILITY COMPANIES	64%	64%	47%	49%	27%	23%	34%	32%	9%	13%	19%	18%
MINING COMPANIES	43%	50%	28%	31%	46%	37%	52%	47%	11%	13%	20%	21%

REGULATION BY INDUSTRY

INDUSTRY	TOO MUCH				ABOUT RIGHT				TOO LITTLE			
	MIDDLE EAST		GLOBAL		MIDDLE EAST		GLOBAL		MIDDLE EAST		GLOBAL	
	2017	2019	2017	2019	2017	2019	2017	2019	2017	2019	2017	2019
BANKING COMPANIES	39%	36%	21%	19%	48%	47%	47%	49%	14%	17%	32%	32%
AUTOMOTIVE COMPANIES	31%	32%	17%	18%	54%	48%	60%	57%	15%	20%	23%	25%
OIL COMPANIES	35%	35%	17%	17%	50%	46%	49%	44%	15%	19%	33%	39%
WATER UTILITY COMPANIES	25%	31%	14%	15%	56%	50%	59%	58%	19%	19%	27%	28%
NATURAL GAS COMPANIES	31%	32%	16%	16%	55%	48%	57%	54%	14%	20%	27%	30%
ELECTRICITY UTILITY COMPANIES	29%	36%	17%	18%	54%	45%	53%	50%	17%	19%	31%	32%
MINING COMPANIES	21%	29%	13%	14%	52%	44%	51%	46%	27%	27%	36%	39%

For the natural gas industry, the largest gaps compared to global measures are for: is an industry that I trust (25 points higher), has a strong track record of acting responsibility (24 points higher), and contributes to the socioeconomic development in communities where they operate (24 points higher). Compared to 2017, ratings for oil companies are marginally lower for having a positive economic impact (4 points lower) while results are consistent for natural gas companies.

Within the Middle East region, favourability towards oil and gas is much higher in Saudi Arabia and Qatar across all measures and is lower in Turkey and Alegria but remains higher than the global average.

It is important for industry to understand how much credibility and trust citizens have in the various voices regularly discussing issues related to the oil and gas sector.

The top-rated sources among respondents in the Middle East region are the same as those who are valued globally- a university professor who is an expert in oil or natural gas issues and a scientist or engineer who is an expert on oil or natural gas issues. Notably, credibility is higher in the Middle East for an oil gas company executive (10 points higher than the global average), a natural gas company executive (9 points higher) and an industry association which represents oil companies (9 points higher) or natural gas companies (4 points higher). Celebrities are also seen to be more credible than the global measure (9 points higher). Compared to 2017, credibility has improved for celebrities (6 points higher) and journalists (4 points higher) and has declined for religious leaders (9 points lower).

Globally and in the Middle East region, nearly one half or more respondents continue to have favourable views towards all prominent energy sources tested. Renewables (solar and wind) and hydroelectric continue to be viewed most positively with more than ninety percent favourability both globally and in the Middle East region. In the Middle East region, nearly nine in ten (88%) have a favourable view about natural gas (6 percentage points higher than globally), and nearly eight in ten (79%) view the oil in a positive light (22 percentage points higher than globally). Compared to 2017, impressions have worsened for burning wood (9 points lower).

Consistent with the global average, nearly half (47%) in the Middle East region agree that their lives are better today because of what oil and gas have made possible (2 percentage points higher than the global measure). On the topic of environmental impacts, nearly half (48%) agree that it is possible for oil and gas development to balance economic benefits and environmental impacts (8 percentage points higher than the global measure). Agreement on both measures has declined marginally since 2017 (4 points lower respectively).

As with the global perspective, a minority in the Middle East region agree (34%) that it is feasible and practical that in ten years they will use almost no oil and natural gas in their day to day lives.

2. Industry Attributes

GLOBAL PERSPECTIVES ON KEY INDUSTRY ATTRIBUTES

INDUSTRY	OIL				MINING				NATURAL GAS			
	MIDDLE EAST		GLOBAL		MIDDLE EAST		GLOBAL		MIDDLE EAST		GLOBAL	
	2017	**2019**	2017	**2019**	2017	**2019**	2017	**2019**	2017	**2019**	2017	**2019**
HAS A STRONG TRACK RECORD OF FINANCIAL PERFORMANCE	60%	**58%**	38%	**40%**	44%	**47%**	26%	**29%**	59%	**56%**	34%	**35%**
HAS A POSITIVE IMPACT ON THE ECONOMY IN...	63%	**59%**	39%	**40%**	46%	**49%**	30%	**32%**	61%	**58%**	39%	**38%**
PROVIDES HIGH QUALITY PRODUCTS OR SERVCES	56%	**56%**	32%	**33%**	40%	**47%**	24%	**27%**	54%	**54%**	34%	**35%**
IS WELL MANAGED	55%	**56%**	31%	**32%**	38%	**47%**	22%	**24%**	55%	**55%**	31%	**33%**
IS INNOVATIVE	52%	**53%**	30%	**31%**	38%	**43%**	21%	**23%**	51%	**50%**	32%	**32%**
CONTRIBUTES TO SOCIOECONOMIC DEVELOPMENT IN COMMUNITIES WHERE IT OPERATES	57%	**58%**	32%	**34%**	43%	**47%**	26%	**28%**	56%	**58%**	32%	**35%**
MAKES SURE HIGH SAFETY STANDARDS ARE MET IN ALL PLACES	55%	**53%**	31%	**31%**	39%	**44%**	23%	**25%**	56%	**56%**	34%	**35%**
IS AN INDUSTRY THAT I TRUST	57%	**58%**	29%	**29%**	40%	**49%**	21%	**24%**	57%	**59%**	32%	**34%**
IS RESPONSIVE TO THE NEEDS OF CUSTOMERS	55%	**55%**	28%	**29%**	39%	**43%**	20%	**22%**	54%	**54%**	30%	**32%**
HAS A STRONG TRACK RECORD OF BEHAVING RESPONSIBLY*	55%	**54%**	27%	**28%**	38%	**43%**	20%	**23%**	52%	**55%**	29%	**31%**
WORKS ETHICALLY WITH POLITICIANS AND GOVERNMENT OFFICIALS	45%	**35%**	21%	**21%**	36%	**28%**	17%	**18%**	50%	**40%**	23%	**23%**
CARES ABOUT THE PLANET AND OUR ENVIRONMENT	44%	**46%**	22%	**22%**	34%	**41%**	18%	**19%**	46%	**49%**	29%	**30%**
CHARGES A FAIR PRICE FOR THEIR PRODUCTS/SERVICES	47%	**47%**	24%	**24%**	37%	**43%**	20%	**22%**	50%	**50%**	27%	**29%**

**statement changed from 'Has a strong track record of corporate social responsibility' in 2017 to 'Has a strong track record of behaving responsibly' in 2019.*

Impressions also remain divided whether the industry is sincerely committed and working hard to reduce the amount of greenhouse gases it produces both globally and in the Middle East. However, respondents from the Middle East region are more likely to agree compared to the global measure (8 percentage points higher).

A key objective of this research initiative was to understand whether there was global interest in Canadian oil and gas, as well as assessing measurements for the industry's messaging about safety and environmental innovation.

Respondents were asked if they would like to see more, less or the same amount of energy from a series of top producing countries (excluding their country of residence).

Opinions remain consistent with 2017. Globally, Canada ranks as the top country for receiving more energy, while it ranks sixth out of eleven countries for natural gas and seventh for oil in the Middle East region. Notably, there continues to be a greater desire in the Middle East for more energy from all countries assessed and particularly from other countries in the region. Compared to 2017, there is greater appetite for more oil and natural gas from most countries except for Saudi Arabia and UAE which have declined considerably for both sources.

While respondents in the Middle East express a preference for energy from countries in the region over Canadian oil and gas, attitudes towards Canada in regards to safety (6 percentage points higher) and environmental record (2 points higher) are on par or stronger than the global average.

OIL AND NATURAL GAS

POSITIVE IMPACT ON THE ECONOMY

WELL ABOVE/SLIGHTLY ABOVE AVERAGE

	OIL		NATURAL GAS	
	2017	**2019**	2017	**2019**
TOTAL MIDDLE EAST	63%	59%	61%	58%
SAUDI ARABIA	62%	**70%**	57%	**67%**
TURKEY	42%	**44%**	44%	**41%**
ALGERIA	72%	**50%**	75%	**60%**
QATAR	70%	**73%**	68%	**73%**
UAE	69%	**58%**	61%	**51%**

HAS A STRONG TRACK RECORD OF FINANCIAL PERFORMANCE

WELL ABOVE/SLIGHTLY ABOVE AVERAGE

	OIL		NATURAL GAS	
	2017	**2019**	2017	**2019**
TOTAL MIDDLE EAST	60%	58%	59%	56%
SAUDI ARABIA	59%	**71%**	55%	**66%**
TURKEY	48%	**47%**	46%	**40%**
ALGERIA	67%	**49%**	69%	**48%**
QATAR	64%	**72%**	64%	**72%**
UAE	61%	**52%**	59%	**54%**

PROVIDES A HIGH QUALITY PRODUCT OR SERVICE

WELL ABOVE/SLIGHTLY ABOVE AVERAGE

	OIL		NATURAL GAS	
	2017	**2019**	2017	**2019**
TOTAL MIDDLE EAST	56%	56%	54%	54%
SAUDI ARABIA	56%	**69%**	53%	**65%**
TURKEY	40%	**39%**	42%	**37%**
ALGERIA	58%	**45%**	61%	**51%**
QATAR	64%	**72%**	59%	**68%**
UAE	63%	**56%**	57%	**51%**

3. Trust

TOP 2 BOX
A GOVERNMENT OFFICIAL

	2017	2019
MIDDLE EAST	40%	32%
GLOBAL	28%	28%

TOP 2 BOX
A CELEBRITY (ACTOR, MUSICIAN)

	2017	2019
MIDDLE EAST	28%	34%
GLOBAL	25%	26%

TRUSTED SOURCES OF INFORMATION - BELIEVE MOST/SOME OF WHAT THEY SAY (TOP 2 BOX)

	MIDDLE EAST		GLOBAL	
	2017	2019	2017	2019
A UNIVERSITY PROFESSOR WHO IS AN EXPERT ON OIL / NATURAL GAS ISSUES*	66%	62% / 64%	69%	66% / 67%
A SCIENTIST AND ENGINEER WHO WORKS FOR AN OIL / NATURAL GAS COMPANY*	62%	55% / 57%	59%	56% / 58%
AN ENVIRONMENTAL ACTIVIST	58%	55%	56%	54%
A NEIGHBOR OR FRIEND WHO WORKS IN THE OIL / NATURAL GAS INDUSTRY*	56%	51% / 50%	52%	49% / 50%
AN OIL / NATURAL GAS COMPANY EXECUTIVE*	51%	48% / 47%	39%	38% / 40%
A RESPECTED LOCAL COMMUNITY LEADER	48%	46%	45%	45%
AN INDUSTRY ASSOCIATION THAT REPRESENT OIL / NATURAL GAS COMPANIES*	50%	48% / 45%	40%	39% / 41%
A NATIVE OR ABORIGINAL LEADER	46%	43%	43%	41%
THE LEADER OF YOUR COUNTRY	45%	35%	37%	35%
A JOURNALIST	40%	44%	43%	43%

statements asked separately for oil and natural gas in 2019

PERSPECTIVES ON TRUST IN INDUSTRY

INDUSTRY	TRUST		NEUTRAL		DISTRUST		DON'T KNOW		
	MIDDLE EAST	GLOBAL	MIDDLE EAST	GLOBAL	MIDDLE EAST	GLOBAL	MIDDLE EAST	GLOBAL	
OIL AND GAS	45%	31%	29%	34%	19%	29%	7%	6%	2017
NATURAL GAS	45%	34%	31%	36%	17%	22%	7%	7%	2017
OIL	44%	29%	25%	32%	20%	32%	10%	7%	2019
NATURAL GAS	45%	35%	27%	35%	18%	23%	10%	7%	2019

TRUST BY COUNTRY (TOP 2 BOX)

OIL COMPANIES — TRUST A GREAT DEAL/TRUST A LITTLE

	2017	2019
SAUDI ARABIA	49%	52%
TURKEY	42%	37%
ALGERIA	49%	36%
QATAR	37%	52%
UAE	46%	44%

NATURAL GAS COMPANIES — TRUST A GREAT DEAL/TRUST A LITTLE

	2017	2019
SAUDI ARABIA	46%	51%
TURKEY	46%	40%
ALGERIA	52%	44%
QATAR	38%	52%
UAE	45%	38%

4. Global Energy Literacy and Perceptions

GLOBAL ENERGY PERSPECTIVES (TOP 3 BOX) EXTREMELY/VERY/SOMEWHAT FAVOURABLE

	MIDDLE EAST		GLOBAL	
	2017	2019	2017	2019
SOLAR	95%	92%	96%	95%
WIND	93%	93%	94%	93%
HYDROELECTRIC (INCLUDING DAMS)	90%	92%	92%	93%
NATURAL GAS	89%	88%	82%	82%
OIL	79%	79%	57%	57%
NUCLEAR	69%	70%	54%	56%
COAL	63%	60%	49%	45%

5. Energy Perspectives

PERSPECTIVES ON TRUST IN INDUSTRY

INDUSTRY	AGREE		NEUTRAL		DISAGREE		DON'T KNOW		
	MIDDLE EAST	GLOBAL	MIDDLE EAST	GLOBAL	MIDDLE EAST	GLOBAL	MIDDLE EAST	GLOBAL	
I AM MORE LIKELY TO SUPPORT MY COUNTRY IMPORTING ENERGY FROM COUNTRIES THAT HAVE A PLAN TO FIGHT CLIMATE CHANGE	48%	43%	25%	27%	19%	20%	8%	10%	2017
IT'S POSSIBLE FOR OIL AND GAS DEVELOPMENT TO BALANCE ECONOMIC BENEFITS AND THE ENVIRONMENTAL IMPACTS IN A WAY THAT PEOPLE LIKE ME CAN AGREE WITH	52%	40%	25%	31%	17%	17%	8%	12%	2017
OUR LIVES ARE BETTER TODAY BECAUSE OF WHAT OIL AND GAS MAKES POSSIBLE	51%	46%	24%	28%	18%	17%	7%	9%	2017
IT'S FEASIBLE AND PRACTICAL THAT IN TEN YEARS I WILL USE ALMOST NO OIL AND NATURAL GAS IN MY DAY-TO-DAY LIFE	32%	34%	26%	29%	35%	27%	7%	11%	2017
THE OIL AND NATURAL GAS INDUSTRY IS SINCERELY COMMITTED AND WORKING HARD TO REDUCE THE AMOUNT OF GREENHOUSE GASES IT PRODUCES	35%	28%	28%	31%	27%	29%	10%	13%	2017
I AM MORE LIKELY TO SUPPORT MY COUNTRY IMPORTING ENERGY FROM COUNTRIES THAT HAVE A PLAN TO FIGHT CLIMATE CHANGE	40%	41%	22%	27%	27%	21%	11%	11%	2019
IT'S POSSIBLE FOR OIL AND GAS DEVELOPMENT TO BALANCE ECONOMIC BENEFITS AND THE ENVIRONMENTAL IMPACTS IN A WAY THAT PEOPLE LIKE ME CAN AGREE WITH	48%	40%	20%	30%	22%	17%	9%	12%	2019
OUR LIVES ARE BETTER TODAY BECAUSE OF WHAT OIL AND GAS MAKES POSSIBLE	47%	45%	22%	29%	22%	17%	9%	10%	2019
IT'S FEASIBLE AND PRACTICAL THAT IN TEN YEARS I WILL USE ALMOST NO OIL AND NATURAL GAS IN MY DAY-TO-DAY LIFE	34%	34%	20%	28%	37%	28%	9%	11%	2019
THE OIL AND NATURAL GAS INDUSTRY IS SINCERELY COMMITTED AND WORKING HARD TO REDUCE THE AMOUNT OF GREENHOUSE GASES IT PRODUCES	37%	29%	23%	30%	29%	28%	12%	13%	2019

MANY COUNTRIES IMPORT OIL, WOULD YOU PREFER TO GET MORE OR LESS ENERGY FROM THIS COUNTRY?

	MIDDLE EAST		GLOBAL	
	2017	2019	2017	2019
KUWAIT	44%	45%	21%	22%
IRAQ	40%	41%	18%	19%
IRAN	33%	37%	16%	17%
RUSSIA	29%	35%	18%	20%
UAE	40%	34%	21%	21%
VENEZUELA	27%	34%	19%	21%

	MIDDLE EAST		GLOBAL	
	2017	2019	2017	2019
CHINA	25%	33%	16%	16%
CANADA	28%	33%	24%	26%
NIGERIA	30%	32%	17%	18%
UNITED STATES	25%	32%	21%	21%
SAUDI ARABIA	46%	30%	22%	21%

GLOBAL ATTITUDES ABOUT CANADIAN OIL AND GAS

INDUSTRY	AGREE		NEUTRAL		DISAGREE		DON'T KNOW		
	MIDDLE EAST	GLOBAL	MIDDLE EAST	GLOBAL	MIDDLE EAST	GLOBAL	MIDDLE EAST	GLOBAL	
GIVEN THE CHOICE, I WOULD CHOOSE CANADIAN OIL AND GAS IMPORTED FROM ANOTHER COUNTRY	30%	31%	34%	35%	20%	15%	16%	19%	2017
CANADA'S OIL AND GAS IS THE SAFEST AND MOST RESPONSIBLY PRODUCED IN THE WORLD	32%	26%	31%	35%	16%	12%	21%	27%	2017
CANADA'S OIL AND GAS IS INVENTING AND USING LEADING EDGE TECHNOLOGIES TO MINIMIZE ENVIRONMENTAL IMPACT	38%	33%	30%	31%	14%	11%	19%	25%	2017
CRITICS VIEWS ABOUT CANADA'S OIL AND NATURAL GAS INDUSTRY TEND TO BE MORE ABOUT POLITICAL CONFRONTATION AND DON'T REALLY REFLECT THE REALITY OF WHAT'S GOING ON	31%	27%	34%	36%	16%	13%	19%	25%	2017
GIVEN THE CHOICE, I WOULD CHOOSE CANADIAN OIL AND GAS IMPORTED FROM ANOTHER COUNTRY	32%	32%	27%	33%	25%	16%	16%	19%	2019
CANADA'S OIL AND GAS IS THE SAFEST AND MOST RESPONSIBLY PRODUCED IN THE WORLD	33%	27%	24%	34%	23%	13%	20%	26%	2019
CANADA'S OIL AND GAS IS INVENTING AND USING LEADING EDGE TECHNOLOGIES TO MINIMIZE ENVIRONMENTAL IMPACT	36%	34%	24%	30%	21%	11%	20%	24%	2019
CRITICS VIEWS ABOUT CANADA'S OIL AND NATURAL GAS INDUSTRY TEND TO BE MORE ABOUT POLITICAL CONFRONTATION AND DON'T REALLY REFLECT THE REALITY OF WHAT'S GOING ON	32%	28%	27%	35%	23%	13%	18%	24%	2019