



Powerful Potential: Growth Opportunities in the North and West African Gas Sectors

The regions of North and West Africa offer two contrasting stories with regard to energy access and natural resources. The vast majority of North African nations benefit from strong energy infrastructures, with virtually 100% of populations having reliable access to electricity. Meanwhile, West Africa presents a different picture: many nations—including Nigeria, Liberia, Guinea, Burkina Faso, and Sierra Leone—are able to provide reliable electricity to only 50% or less of their population.

This contrast exists in spite of the tremendous natural resources of the West African region. Nigeria sits atop one of the largest reserves of natural gas and oil in the world, while countries like Senegal and Mauritania are currently working to extract gas reserves in their bordering territorial waters.

But while the stories and contexts of North and West Africa may differ, they both offer tremendous opportunities in developing gas-to-power projects. By leveraging the regions' natural resources, experienced engineers can deliver marked improvements to the quality of life of African citizens. And for shrewd investors, these projects present a tremendous opportunity to maximise the returns from one of the world's few remaining untapped reserves.

Works in Progress: Morocco and Greater Tortue

Two ongoing projects in North and West Africa demonstrate the region's potential, as ambitious government leadership combined with corporate expertise have led to tremendous progress in natural gas development. In Morocco, the government recently announced a \$4.6 billion tender to construct a natural gas processing plant. This expansive project is part of an overall government effort to increase the share of liquefied natural gas in the country's energy portfolio from 16% in 2014 to 25% in 2025. With 1.44 billion cubic metres of proved reserves, Morocco could soon become a net exporter of natural gas after constructing the necessary infrastructure.

In West Africa, two neighboring nations are working together to access more than 400 billion cubic metres of recoverable gas. The Greater Tortue project aims to deploy a floating LNG

(FLNG) production vessel in the combined territorial waters of Mauritania and Senegal, processing gas from four separate wells in the FLNG vessel. With work currently in process by Golar LNG and multiple engineering firms, the project could be exporting gas by 2021. The Greater Tortue project demonstrates the benefit of moving quickly: investors and engineers who jumped on the opportunity will see substantial returns within just five years of the initial discovery.

Immediate Opportunities

Interested investors in African gas-to-power projects must focus their attention on governments which have demonstrated a willingness to move quickly and accommodate the efforts of qualified engineers. Prominent cases like the Moroccan LNG National Development should be seen as a green light for engineering firms and investors, while other major projects in Nigeria and Ghana demonstrate the feasibility of making progress in these resource-rich nations.

As projects like Greater Tortue offer a possible roadmap for success, clever investors should stay alert for similar opportunities with floating LNG production and other offshore developments. With the right combination of natural resources, government support, technical knowhow and investment, new reserves can be extracted and monetised on previously unthinkable timelines.

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