

## AFRICA ENERGY UPDATES



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### 1. REA Signs Pacts For N1.9b Grants For Mini-Grid, Solar Projects

- The Nigerian agency saddled with the responsibility of electrifying rural areas, Rural Electrification Agency (REA) through the Rural Electrification Fund (REF), on Thursday the 24<sup>th</sup> January, 2019 signed agreements for disbursement of N1.9billion grant for the execution of mini-grid and solar home system. The level of grant which is 25% to 75% of the total project will be dependent on the proposed project.
- The grant is proposed to have an impact on the solar home system, create over 400 jobs, empower over 43,000 household and businesses and also expected to reduce carbon emissions
- The project is to be implemented by 14 indigenous suppliers and 12 indigenous mini-grid developers within a timeframe of a year.

SOURCE :rea.gov.ng

### 2. FG Seeks Power Sector Exit From Dependence On Foreign Exchange Market

- The Nigeria Federal Government through its Minister on Thursday, 24<sup>th</sup> January, 2019 sought the exit of the power sector from its dependence on Foreign Exchange Market in other to develop the Nigerian capacity and content.
- It was stated that the President pursuant to his statutory power has directed that all relevant authorities to give preference to Indigenous companies in line with the Public Procurement Act 2007 and if need be to only foreign companies with a concrete plan for indigenous development
  - The Ministry of Interior also is not to issue Visas to foreign workers whose skills are steadily available in Nigeria.

SOURCE: THE NATION

### 3. AFC Invests €174 Million In 44-Mw Singrobo-Ahouaty Hydroelectric Power And Transmission Project In Côte D'ivoire

- The Africa Finance Corporation announced the financial close of a bridge loan facility contracted by Ivoire Hydro Energy ("IHE") for the construction of the 44-MW Singrobo-Ahouaty hydroelectric power project ("SAHP") on Thursday, 24<sup>th</sup> of January, 2018 with the AFC's commitment towards IHE amounting to a total of €174 million
- SAHP's financing structure is for a short duration as it is presumed that this approach will accelerate the process of developing projects in Africa and enable more power projects to come on stream.
- Côte d'Ivoire which currently generates 2,200 MW of electricity which is one of the highest in West Africa, the introduction of SAHP will increase the country's overall power capacity thereby making it realise

its goal of becoming a forerunner in the field of renewable energy.

SOURCE: [www.africafc.org](http://www.africafc.org)

#### **4. Total To Proceed With Ikike Project Offshore Nigeria**

- French oil major Total is set to approve plans for proceeding with Ikike project in the OML 99 licence offshore Nigeria as the company has earmarked the 60,000bpd Ikike project for a final investment decision (FID) on whether to start production.
- The development comes after Total and its partners started production from the Egina oilfield located offshore Nigeria, earlier this month.
- Total is also developing the first oilfield in Uganda with China National Offshore Oil Corporation (CNOOC).

SOURCE: [www.offshore-technology.com](http://www.offshore-technology.com)

#### **5. Samsung Invests Over \$400 Million In Nigeria's Oil, Gas Sector -**

- Samsung Heavy Industries (SHI) says it has invested over 400 million dollars in the Nigerian oil and gas industry since it was awarded the contract to build the Floating Production Storage Offloading (FPSO) vessel for the 200,000 barrels of crude oil per day Egina deepwater field.
- The contract for the construction of the FPSO was awarded to Samsung Heavy Industries by French multinational oil firm, Total at the cost of about 3.3 billion dollars.

SOURCE: [www.today.ng](http://www.today.ng)

#### **6. Nigeria-Morocco Pipeline To Face Considerable Challenges**

- Analysts at Fitch Solutions Macro Research has stated the planned Nigeria-to-Morocco natural gas pipeline (NMGP) will face a myriad of challenges and is unlikely to materialize in the short or medium-term.
- Also that the NMGP would boost Nigeria's gas export potential to European markets and help the country to reduce flaring, as well as allow the acceleration of electrification projects (gas-to-power) across West Africa. But they warned that the estimated project is bound to face "considerable commercial, technical, legal and financial challenges."

SOURCE: <http://energynews-ng.com>

#### **7. Willing-Buyer, Willing-Seller Arrangement Will Solve Nigeria's Power Challenges**

- The Nigerian Federal Government has declared the willing-buyer-willing-seller policy as one of the surest steps to addressing Nigeria's power challenges.
- Vice President of Nigeria, Prof. Yemi Osinbajo, noted that power remains very critical to national development, he also said if the generation companies do not have the resources to produce electricity; other companies can take up the responsibility to make

power available to the citizenry.

SOURCE: guardian.ng

## **8. NNPC, Sahara Group's JV boost LPG supply**

- The Joint Venture (JV) between the Nigerian National Petroleum Corporation (NNPC) and Sahara Group has delivered 437,170 metric tons of liquefied petroleum gas (LPG) to consumers in two years.
- The firms, in 2017, in Ulsan, South Korea, unveiled two new LPG vessels with a combined capacity of 38,000 cubic meters (cbm). The vessels - MT Africa Gas and MT Sahara Gas, have since delivered 437,170 metric tons of LPG, making households, communities and nations cleaner and safer, boosting economic growth and development across markets.

SOURCE :<http://thenationonlineng.net>

## **9. Global FPSO Market Forecast To Hit US\$66bn By 2026**

- Floating production storage and offloading (FPSO)market is expected to expand at a rapid pace during the forecast period due to rise in investment in offshore oil and gas exploration, especially in deep-water (500 to 1,499 meters) and ultra-deepwater (1,500 meters and above) areas
- With more offshore oil and gas projects projected for the continent and more international oil companies being driven to deep and ultra-deep water fields, FPSO manufacturers and suppliers eyeing the continent have reason to remain optimistic in the long term.

SOURCE:[marineandpetroleum.com](http://marineandpetroleum.com)

## **10. Lekoil Gets New Judge, Hearing Date For Nigerian Offshore License**

- Lekoil has been given a new hearing date of its matter before the Nigerian Federal High Court in order to increase its stake in license OPL 310 off Nigeria.
- Lekoil holds an unconditional 17.14 percent interest and an additional 22.86 percent interest, subject to Ministerial consent, in the OPL 310 located in shallow water offshore Lagos.

SOURCE: [marineandpetroleum.com](http://marineandpetroleum.com)

## **11. Before Start Of New Oil Pact, OPEC Made Progress Averting Glut**

- The Organization of the Petroleum Exporting Countries said in a monthly report that its oil output fell by 751,000 barrels per day (bpd) in December to 31.58 million bpd, the biggest month-on-month drop in almost two years.
- Worried by a drop in oil prices and rising supplies, OPEC and allies including Russia agreed in December to return to production cuts in 2019. They pledged to lower output by 1.2

million bpd, of which OPEC's share is 800,000 bpd.

- OPEC Secretary General Mohammad Barkindo told Reuters that producers were seeking to avoid a further fallout in oil prices below the average price.

SOURCE:www.reuters.com

## **12 Oil CEOs at Davos See Market Rebalancing**

- The oil market is gradually returning to balance as OPEC reins in output.
- "The supply and demand looks balanced for 2019," BP Plc Chief Executive Officer Bob Dudley said in an interview in the Swiss resort. "OPEC has started to cut production in the first quarter, but they cannot balance overnight."

SOURCE:www.rigzone.com

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