

## AFRICA ENERGY UPDATE



### 1. MTN Nigeria supports 2,050 retailers with solar powered kiosks

- MTN Nigeria, one of the nation's telecom services provider, is supporting over 2,000 retailers across the country with the "Kiosk as a Service" scheme.
- "Kiosk as a Service" is a scheme that will empower the retailers with an omnibus stall that will enable each retailer to provide MTN's bouquet of products and services more efficiently.
- Customers will be able to access services like SIM registration, (mobile money) MoMo, 4G migrations, buy airtime and much more.
- Starting with the South-West region of the country with over 180 already installed in Lagos State, the kiosks come pre-fitted with solar panels that will power the kiosk, enable users to charge phones and generally support the ease of doing business.

<https://www.dailytrust.com.ng/>

### 2. Section of gas pipeline from Israel to Egypt sabotaged

- The Al Jazeera news channel announced that a sabotage operation on the Israeli-Egyptian gas pipeline was carried out on Sunday evening in the Sinai region and led to the explosion of a large part of the line. No additional information on the reason and the identity of the attackers was given.
- Authorities in both countries have announced that an investigation has been opened and that the pipeline remains operational. This implies that the delivery of natural gas will not be suspended. The attack comes two weeks after Israel began exporting natural gas from the Leviathan field to Egyptian terminals as regional tensions escalate.

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### 3. Nigerian gas reserves on the rise, development growing – DPR

- Nigeria's Natural Gas reserves has been on the incline from 2013 and is projected to continue to grow at a conservative rate of about 1.0%, the country's Department of Petroleum Resources (DPR) has reported.
- In 2018, gas development picked up to six (6) Non-Associated Gas (NAG) development plans from two (2) NAG development plans in 2017, the agency states in the most current annual report of the industry, released January 2020.
- The growth, it argues, is attributable to growing commitments to gas projects.
- The Domestic Supply Obligation (DSO) performance was about 48.0%. The national gas capacity performance for 2018 was about 80.0% with an average 1.3Billion standard cubic feet of gas per day (Bscf/d) gas delivery to the domestic market.
- Overall, gas utilization in the country for 2018 shows the export market accounting for 41%, field/plant use accounts for 32%, domestic market

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is about 13.6% and flared gas is 11%.

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#### **4. Coronavirus impact may drive oil to \$47 as OPEC+ mulls 0.5mbpd cuts**

- With the impact of the coronavirus taking a toll on oil demand—and the economy in general, Citigroup has slashed its oil price forecasts for three of the quarters this year and doesn't rule out Brent Crude sliding to as low as \$47 a barrel.
- Brent oil price yesterday, rose to \$55.07 at about 12pm GMT, while Nigeria's Bonny Light stood at \$55.35.
- Oil prices are trading below the Federal Government's benchmark for the 2020 budget, thus posing a threat to the 2020 budget, which was signed by the President Muhammadu Buhari in December, on the assumption of oil production of 2.18 million barrels per day with an oil price benchmark of \$57 per barrel.
- Citi slashed its forecasts for commodity prices across the board, with crude oil getting the steepest downgrade, the investment bank said in a note, as carried by Bloomberg.
- Besides, the OPEC+ group of producers are said to be considering deepening the cuts by another 500,000 bpd, due to depressed oil demand amid the virus outbreak, OPEC and industry sources told Reuters on Monday.

<https://guardian.ng/>

#### **5. Africa Oil receives first dividend from recently acquired Nigerian assets**

- Africa Oil has received its first dividend from its recently acquired Nigerian assets and has directed the cash to pay down a loan.
- The company said it had received a dividend from Prime Oil and Gas BV (POGBV), which was previously known as Petrobras Oil and Gas BV. POGBV paid out \$125 million, of which \$62.5mn was net to Africa Oil, in line with its 50% stake.
- Africa Oil took out a \$250mn loan to complete its acquisition of the stake and has said it will prioritise paying this down through this dividend and future distributions from POGBV. The loan was provided by BTG Pactual, which holds the other 50% stake in POGBV.
- The company's CEO Keith Hill said the first dividend came "less than a month after closing the acquisition of a 50% shareholding in POGBV". Full-year results, and guidance, will be provided on February 28.
- Africa Oil is the largest shareholder in Eco Atlantic Oil and Gas, with an 18.39% stake, allowing it to claim an interest in the Guyana exploration play. Eco issued a new reserve report on February 3, covering its Orinduik exploration licence.

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#### **6. Angola gives nod to nine proposals for Soyo refinery**

- Based on the international public tender, launched on October 24, 31 companies expressed interest in participating in the tender, but only 15 submitted proposals for the construction of the refinery that will have a

capacity to process 100,000 barrels of oil / day.

- Proposals from SDRC, JIANGSU SINOCEM CONSTRUCTION, CO, QUANTEN CONSORTIUM, CME, AIDA AND VSF, TOBAKA, INVESTMENT GROUP, ATIS NEBEST-ANGOLA, SATAREM, GEMCORP CAPITAL and CPP are being evaluated.
- The 5th and 6th of March are reserved for analysis of the proposals, while the announcement of the winner is scheduled for the 31st of the same month, according to the Miremt's chronogram of actions.
- The public tender, authorized by Presidential Decree 150/19 of 16 August, aims to meet the domestic needs in the production of oil products in the country.

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#### **7. NDPHC Partners Lagos State to Improve Power Supply**

- The Niger Delta Power Holding Company (NDPHC) Limited is currently collaborating with the Lagos State government to improve power supply in the state.
- Specifically, the NDPHC is working towards ensuring that about 300 megawatts of stranded power is evacuated through a new transmission lines to serve Lagos as well as Ogun State electricity consumers better.
- This, according to the Managing Director of NDPHC, Mr. Chiedu Ugbo, would be achieved with the construction of 132KV Multi-circuit Transmission Lines, which had been delayed by Way Leave constraint.

<https://www.thisdaylive.com/>

#### **8. ADM Energy signs MoU with Trafigura to develop and finance energy projects in Africa**

- AIM-listed ADM Energy has entered into a non-binding memorandum of understanding ('MOU') with Trafigura, a market leader in the global commodities industry whose core business is the physical trading of oil and petroleum products and metals and minerals, to develop investment opportunities in the African energy sector.
- Under the terms of the MOU, it is the intention of ADM and Trafigura (together, the "Parties") to create a strategic alliance where ADM will act as the sponsor for investment opportunities in the African energy sector ("Projects") which will be presented to Trafigura for consideration as a trading counterparty, or financing provider.

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