

# GERAB

## BULLETIN

### Weekly News



#### COMMODITY UPDATES

- As the war in Ukraine and pandemic disruptions continue to wreak havoc on supply chains, stagflation- marked by low growth and high inflation will stick around “for at least the next 12 months. Oil rose on Friday, supported by supply tightness and new sanctions on Iran, but prices were on track for a weekly decline amid interest rate hikes from major central banks that fueled worries about a sharp economic slowdown. Brent crude was up \$1.13, to \$120.94 a barrel and U.S. West Texas Intermediate (WTI) crude had gained \$1.03, to \$118.62.  
Source-CNBC.com, reuters.com
- Natural gas prices saw a sharp reduction over the weekend and was down by 22% WTD and nickel prices also declined by 13% WTD. Steel HRC (FOB China) prices are down by 19% than a year ago prices and Steel HRC (N. America) prices are down by 28% than a year ago prices.

COMMODITY	UOM	Latest Price	WTD %	MTD %	3MTD %	6MTD %	YTD %
Chromium	USD/MT	11,046.12	-0.97	-0.03	-2.93	2.95	23.70
Coal	USD/MT	442.29	-4.96	2.91	16.77	143.83	226.02
Cobalt	USD/MT	82,683.02	-5.78	-4.70	0.02	15.17	87.37
Copper	USD/MT	9,508.80	-4.82	1.60	-6.91	-0.19	-0.73
Crude Oil	USD/BBL	119.45	-0.19	7.13	8.12	62.18	64.87
Crude Oil Brent	USD/BBL	120.09	-0.84	6.77	6.60	59.96	63.47
Crude Oil WTI	USD/BBL	118.82	-4.01	7.49	9.71	65.50	66.32
Iron Ore	USD/MT	142.36	-2.73	5.87	-5.66	28.34	-32.54
Molybdenum	USD/MT	38,455.20	-1.66	-7.78	-9.05	-6.17	2.03
Natural Gas	USD/MCF	8.95	-22.12	4.47	74.37	123.63	162.96
Nickel	USD/MT	27,613.80	-13.22	-1.02	-25.64	39.04	53.45
Steel HRC (FOB China)	USD/MT	740.08	-1.08	-2.12	-14.11	-3.46	-18.92
Steel HRC (N. America)	USD/MT	1,314.22	-4.59	-12.90	4.21	-26.68	-28.34
Steel Rebar	USD/MT	754.28	0.30	-5.97	-12.45	-2.80	-9.88
Steel Scrap	USD/MT	418.15	-12.12	-12.06	-35.11	-7.89	-17.39

Source: Investing.com / Trading Economics / London Metal Exchange / MarketIndex.com.au / OilPrice.com

#### CRUDE OIL STOCK

Region	Unit	Latest Count	WTD %	MTD %	3MTD %	6MTD %	YTD %
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US Stocks of Crude Oil & Petroleum Products	Thousand Barrels	16,82,179.00	-0.16	0.05	-1.45	-5.94	-11.50
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Source: US Energy Information Authority

CURRENCY EXCHANGE RATE									
Code	Description	Country	Units	Latest Exchange Rates	WTD%	MTD%	3MTD%	6MTD%	YTD%
EURUSD	1 EUR to USD	Euro Area	USD	1.0445	-1.65	0.06	-5.20	-7.83	-12.90
USDCNY	1 USD to CNY	China	CNY	6.7015	0.00	1.43	-5.31	-5.03	-4.08

Source- Trading Economics

Source- Trading Economics / Wall Street Journal / CNBC

STOCK PRICES							
Name	Latest Value	Units	WTD%	MTD%	3MTD%	6MTD%	YTD%
ArcelorMittal SA	27.67	USD	-7.18	-2.50	-13.64	-14.07	-8.35
Glencore PLC	492.60	GBP	-7.61	3.27	4.11	34.11	55.37
NYSE American Steel Index	1,623.49	Index	-6.77	-2.75	-10.90	3.64	-8.07
Rio Tinto PLC	5,635.00	GBP	-4.49	5.54	4.01	15.40	-6.40
Tenaris SA	28.99	USD	-9.97	-10.16	9.19	42.04	26.26
Tubacex SA	2.44	EUR	-3.17	6.55	41.86	54.82	43.53

## INTERNATIONAL RIG COUNTS

ACTIVE RIG COUNTS BY REGION						
Region	Latest Count	WTD %	MTD %	3MTD %	6MTD %	YTD %
United Arab Emirates	41.00	*	20.59	-2.38	7.89	-6.82
GCC	202.00	*	8.02	6.88	12.85	8.60
Middle East	303.00	*	5.57	7.45	12.64	16.54
Africa	81.00	*	8.00	0.00	14.08	50.00
Asia-Pacific	175.00	*	-2.23	-2.78	-0.57	10.76
Europe	69.00	*	-26.60	-34.29	-29.59	-17.86
Latin America	159.00	*	4.61	1.27	14.39	28.23
North America	794.00	0.00	-1.73	-3.99	11.83	62.37
Total	1,581.00	*	-0.88	-3.13	8.07	35.24

Source- Baker Hughes

(\*) No weekly data available for those particular regions

## NEWS OF THE WEEK

### GULF COOPERATION COUNCIL ( GCC)

UAE	<ul style="list-style-type: none"> <li> <b>Mitsui to Participate in Abu Dhabi's Low-carbon Ammonia Production Project</b>  Mitsui &amp; Co.Ltd. announced in a statement that it has agreed a project framework agreement with Abu Dhabi National Oil Company (ADNOC) to partner with TA'ZIZ, Fertiglobe, and GS Energy to participate in a low-carbon ammonia production project at the TA'ZIZ Industrial Chemicals Zone in Abu Dhabi, UAE. TA'ZIZ is a joint venture between ADNOC and ADQ, an Abu Dhabi-based investment and holding company. This proposed project aims to produce low-carbon ammonia from low-carbon </li> </ul>
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hydrogen with the carbon dioxide to be captured and stored. The production site is located in the Ruwais Industrial Complex in Abu Dhabi. ADNOC started the feasibility study for this project in 2021, and the facility is expected to commence production in 2025, with a production capacity of approximately 1 million tons per annum. The project is subject to relevant regulatory approvals. **11<sup>th</sup> June 2022**

- **Contract Signed for Ammonia Production Facility Project in Kizad Industrial Area, Abu Dhabi**

The contract for the implementation of the Ammonia production facility project in the Kizad industrial area that is located near the capital of Abu Dhabi has been signed. The contract was signed between three South Korean firms i.e Samsung C&T, an electric utility, Korea Electric Power (KEPCO), and Power supply and trading firm, Korea Western Power, and UAE-based firm, Petrolyn Chemie which is a joint venture between Chemie Tech and Petrolyn. This comes following the signing of a land lease agreement for the scheme and the completion of the technical study undertaken by ThyssenKrupp AG, a German Multinational conglomerate with a focus on industrial engineering and steel production. The Ammonia production facility project in the Kizad industrial area will be constructed in two phases – the first of which entails a 300MW solar PV plant and an estimated 35,000 tonnes-a-year ammonia production capacity. While the final specifications and capacity for phase one are still under discussion, the overall project will include an 800MW solar photovoltaic (PV) plant to power hydrogen-to-ammonia production. While just last month, The Abu Dhabi National Oil Company (ADNOC), the British petroleum and Masdar signed a partnership to study clean hydrogen projects in the country, further proving their commitment to achieving Net-Zero emissions by 2050. **9<sup>th</sup> June 2022**

- **Norwell Engineering secures seven figure UAE contract to deliver first integrated decommissioning project**

Global well engineering and project management firm, Aberdeen-headquartered Norwell Engineering, has secured a multi-million dollar contract to deliver an integrated offshore decommissioning project in the United Arab Emirates on behalf of Chinese operator Sinochem Corporation (Sinochem), it was announced today, 8 June 2022. The agreement to develop the abandonment strategy for Sinochem's UAQ Gas Field as well as detailed well and facilities decommissioning planning, tendering and procurement services, logistics, marine support and operational execution, represents a widening focus for Aberdeen-headquartered Norwell. The consultancy has delivered more than 500 wells globally since launching in 1989. Its expansion into decommissioning reflects what it perceives as a gap in the market to provide full field integrated decommissioning support for technically complex projects. Mike Adams, General Manager of Norwell Engineering says the company partners with client decommissioning teams to address technical, safety, environmental and legislative considerations. **8<sup>th</sup> June 2022**

- **Adnoc Makes New Onshore Oil Discoveries**

Abu Dhabi National Oil Company (Adnoc) has made three oil discoveries that are expected to add over 650 million barrels of oil to the UAE's hydrocarbon reserves. The firm said it has identified 500 million barrels of oil at Bu Hasa, which is said to be Abu Dhabi's biggest onshore field with a production capacity of 650,000 barrels per day (bpd) of crude oil. Adnoc said in a statement: The 500 million barrels of oil discovered from an exploration well in the Bu Hasa field has unlocked a new formation within the field, offering substantial additional premium-grade Murban oil resources."Bu Hasa forms part of the Adnoc Onshore Concession, which is operated by Adnoc Onshore. The second oil discovery, which is estimated to hold approximately 100 million barrels of oil in place, was made in the Occidental-operated onshore block. **13<sup>th</sup> June 2022**

- **EWEC - Al Mirfa Second IWP**

Emirates Water and Electricity Company (EWEC) through its subsidiary Emirates Water & Electricity Company (EWEC) is planning to build an independent water project in Al Mirfa, Abu Dhabi, the UAE. The proposed seawater reverse osmosis desalination plant is expected to cater to the farms in

	<p>Liwa. The project includes 1. Construction of 80 million imperial gallons a day (MIGD) water desalination plant.2. Construction of storage tanks.3. Construction of seawater intake system.4. Installation of pumping stations.5. Installation of metering stations.6. Laying of pipelines. Award Date August 2022. <b>14<sup>th</sup> June 2022</b></p>
<p>KUWAIT</p>	<ul style="list-style-type: none"> <li> <p><b><u>KOC expected to awards flowline EPC contract in Q3</u></b>  15 companies have been prequalified for the project. Kuwait Oil Company (KOC) is expected to award the engineering, procurement and construction (EPC) contract for its West Kuwait Area Flowline &amp; Associated works in the third quarter. “The tender for the main construction contract was issued on 24 March 2022. The main contract is expected to be awarded in early August 2022,” a source aware of the project details told Zawya Projects. The prequalified bidders are Combined Group Contracting Company, Mechanical Engineering &amp; Contracting Co, Almeer Technical Services Co, Consolidated Contractors Company (Kuwait), Hot Engineering &amp; Construction Co, China Petroleum Engineering and Construction Corporation, Saipem, L&amp;T Hydrocarbon Engineering, Al Ghanim International General Trading &amp; Contracting Company, Naser M Al Baddah &amp; Partner General Trading &amp; Contracting Company, Heavy Engineering Industries &amp; Shipbuilding Co, Gulf Spic General Trading &amp; Contracting Company, Galfar Al Misnad Engineering and Contracting, PT Citra Panji Manunggal and Sicim, officials from seven companies confirmed. The scope includes installation, repair, replacement and modification of flowline and associated works for injection, brackish water and source wells and pipeline network. The project is slated for completion by the first quarter of 2024, the source said, adding that his estimate of the project cost is \$50 million. <b>14<sup>th</sup> June 2022</b></p> </li> </ul>
<p>QATAR</p>	<ul style="list-style-type: none"> <li> <p><b><u>FEED Contract Awarded for Ruya Development Project in Qatar</u></b>  The Front-End Engineering Design (FEED) contract for the Ruya development project has been awarded to McDermott International, a global provider of engineering and construction solutions to the energy industry, by North Oil Company (NOC), a joint venture between Qatar Petroleum and Total. The contract comprises the development of FEED studies and deliverables suitable for an engineering, procurement, construction, installation, and commissioning (EPCIC) project as well as the creation of technical output data (FEED data). McDermott will also provide an EPCIC schedule alongside cost estimates part of the contract. The project is associated with three expansion projects which are Al-Shaheen Field Gallaf Project (Batch 1), Al-Shaheen Field Gallaf Project (Batch 2) as well as Al-Shaheen Field Gallaf Project (Batch 3). These three expansion projects are currently in their commissioning and construction phases. <b>8<sup>th</sup> June 2022</b></p> </li> </ul>
<p>SAUDI ARABIA</p>	<ul style="list-style-type: none"> <li> <p><b><u>Alkhorayef Water wins \$493mln contracts in Saudi Arabia</u></b>  Alkhorayef Water will handle the engineering, procurement, and construction of transmission lines, distribution networks, pumping stations, and reservoirs in the Eastern Region. Alkhorayef Water and Power Technologies Company has been awarded four contracts worth SAR 1.85 billion to enhance water services in Saudi Arabia. Alkhorayef Water will handle the engineering, procurement, and construction of transmission lines, distribution networks, pumping stations, and reservoirs in the Eastern Region, according to a bourse filing on Thursday. Two of the projects will be carried out in Dammam at a value of SAR 504.85 million and SAR 592.25 million with a duration period of 24 and 30 months, respectively. Meanwhile, the two other developments will be implemented in Khobar and Qatif over 30 months at a cost of SAR 499.36 million and SAR 258.75 million, respectively. <b>10<sup>th</sup> June 2022</b></p> </li> <li> <p><b><u>HEISCO Kuwait secured \$60m Subcontract of Jurassic Production Facilities 4 &amp; 5</u></b>  Heavy Engineering Industries and Shipbuilding Company (HEISCO), Kuwait announced in a statement that it has secured Subcontract of Jurassic Production Facilities (JPF) 4 &amp; 5. The value of</p> </li> </ul>

	<p>the contract is KWD 18.4 million (USD 60 million). The 18 months Project will include the Construction Works of Jurassic Production Facilities (JPF) 4 &amp; 5 located in North Kuwait. The Project was awarded main EPC of JPF. Earlier during 2021, Kuwait Oil Company awards the JPF 4 Project to Spetco International Petroleum Co, Kuwait and JPF 5 Project to Jereh Oil and Gas Engineering Co., Ltd., JPF will be an Onshore Surface Production Facility and shall be implemented on Build-Own-Operate basis by Contractor with an option to buy back by KOC. <b>14<sup>th</sup> June 2022</b></p> <ul style="list-style-type: none"> <li> <p><b><u>SATORP - Amiral Complex</u></b> Saudi Aramco and Total (SATORP) are planning to develop a chemical plant named as Amiral complex in Jubail, Saudi Arabia. The project includes 1. Construction of Ethylene plant.2. Construction of Propylene plant.3. Construction of Acrylonitrile plant with the capacity of 425,000tpa 4. Construction of Linear Alpha Olefin (LAO) plant with the capacity of 400,000tpa.5. Construction of Poly Alpha Olefin (PAO) plant.6. Construction of Logistic Area.7. Construction of Utility Flare and Interconnection.8. Construction of Tank Farm.9. Construction of storage facilities.10. Construction of associated facilities. Award Date January 2023. <b>13<sup>th</sup> June 2022</b></p> </li> <li> <p><b><u>Saudi Aramco - Tail Gas Treatment Desulphurization Project</u></b> Saudi Aramco is planning to develop a downstream tail-gas treatment (TGT) facility in Eastern Province, Saudi Arabia.The facility is being constructed to modify sulphur recovery units (SRUs) at its key gas processing plants in Berri, Haradh, Hawiyah, Khursaniyah, Shedgum, Uthmaniyah and Wasit. The project includes 1. Construction of a downstream tail-gas treatment facility.2. Modification of sulphur recovery units at seven existing gas plants.3. Construction of acid gas removal units.4. Construction of desulphurization units.5. Construction of associated facilities. <b>16<sup>th</sup> June 2022</b></p> </li> </ul>
<b>ASIA EXCLUDING GULF COOPERATION COUNCIL (GCC)</b>	
ISRAEL	<ul style="list-style-type: none"> <li> <p><b><u>Israel sets out plans for fourth bid round &amp; More Trending News Today</u></b> Israel has begun preparations for a fourth offshore bid round (OBR 4), even while still waiting for the closing results of its third round. The new round, the Ministry of Energy said, was intended to explore and develop natural resources. The aim is to “provide low cost, environmentally friendly energy to Israel’s consumers and businesses and to develop markets for Israeli natural gas beyond its borders”. The ministry said it had mapped 25 blocks. It has grouped these into six clusters, covering up to 1,600 square km. OBR 4, like OBR 2, will involve the ministry offering zones to qualified companies. Each zone will cover four blocks. <b>9<sup>th</sup> June 2022</b></p> </li> </ul>
INDIA	<ul style="list-style-type: none"> <li> <p><b><u>Welspun Enterprises Wins Contract for Dharavi WWTF</u></b> A joint venture led by Welspun Enterprises has received letter of acceptance (LoA) from Municipal Corpn. of Greater Mumbai (MCGM) for construction of Dharavi Wastewater Treatment Facility (WWTF). The project comprises construction of Dharavi WWTF of 418 MLD capacity on design, build, operation and maintenance (DBOM) basis including 209 MLD tertiary treatment facility under Mumbai Sewage Disposal Project, Stage II (Priority Works).The value of the contract is Rs 4,636 crore and contract period is 60 (Sixty) months for design and build and further 15 years of operation and maintenance. The Welspun Enterprises-EDAC JV emerged as a lowest bidder in the bidding process conducted for the project. <b>13<sup>th</sup> June 2022</b></p> </li> </ul>
INDONESIA	<ul style="list-style-type: none"> <li> <p><b><u>Texcal going large in Indonesia</u></b> Independent Texcal has received host government approval to drill 12 more oil producing wells on the PB field on the Mahato production sharing contract in Sumatra, Indonesia. A further dozen wells are to be drilled on the producing PB asset under a Field Development Optimisation plan approved by upstream regulator SKK Migas. The total number of approved production wells in the FDO is 20,</p> </li> </ul>

	including three water injection wells. There are currently eight oil production wells and one water injector at the onshore field, noted partner Cue Energy. <b>16<sup>th</sup> June 2022</b>
PHILIPPINES	<ul style="list-style-type: none"> <li>• <b><u>Shell to invest \$66m to build LNG import terminal in the Philippines</u></b> The proposed project will include a 3.8Mtpa FSRU, subsea and onshore gas pipelines, and pigging stations. Shell Energy Philippines is reportedly planning to invest PHP3.5bn (\$66m) to build a liquefied natural gas (LNG) import terminal in Batangas City, the Philippines. The project is planned to be developed within Pilipinas Shell Petroleum's (PSPC) Shell Tabangao import terminal, reported The Philippine Star. The revised project will include a 3.8 million tons per annum (Mtpa) floating storage and regassification unit (FSRU), and the conversion of the existing import facility Jetty 4 from a crude import jetty, to a berthing facility for the FSRU. It will also include a pressure reduction metering station (PRMS), subsea and onshore gas pipelines, pigging stations, and an ignitable vent. Following the finalisation of the detailed design, the firm plans to start pre-construction within the next year, followed by full construction work in the first quarter of 2024. <b>9<sup>th</sup> June 2022</b></li> </ul>
THAILAND	<ul style="list-style-type: none"> <li>• <b><u>PTTEP initiates Thailand's first CCS project</u></b> Arthit will help the push towards net zero greenhouse gas emissions. Thailand's national upstream company PTTEP is gearing up to develop the country's first carbon capture and storage (CCS) project at its producing Arthit offshore gas field, paving the way towards its net zero greenhouse gas emissions target. Launched in 2021, the feasibility study of PTTEP's pioneer CCS project at the Arthit gas field in the Gulf of Thailand has recently concluded, marking the first initiative of its kind in the country. The study covered several aspects including the preliminary assessment of carbon storage capacity of targeted geological storage formations and a related conceptual development plan. Preliminary front-end engineering and design work has commenced, and the Arthit CCS project is expected to commence operations by 2026. Montri revealed that under Thailand's commitment to COP26 to achieve carbon neutrality in 2050 and Net Zero GHG Emissions in 2065, PTTEP is determined to manage greenhouse gas emissions and tackle global warming issues. <b>7<sup>th</sup> June 2022</b></li> </ul>
<b>AFRICA</b>	
ANGOLA	<ul style="list-style-type: none"> <li>• <b><u>TotalEnergies ploughs \$850 million into new Angola project</u></b> Clov Phase 3 will see more subsea wells tied back to eponymous FPSO. TotalEnergies and its partners have taken a final investment decision on an \$850 million project in Angola to further develop the deepwater Clov complex in Block 17. The scheme, said ANPG, the country's upstream regulator, will see further subsea wells tied back to the Clov floating production, storage and offloading vessel which came online in 2014. Clov phase 3 will extend the existing subsea production network in Block 17 and is expected to reach a peak output of about 30,000 barrels per day. <b>10<sup>th</sup> June 2022</b></li> <li>• <b><u>Sonangol - Lobito Refinery</u></b> Sociedade Nacional de Combustiveis de Angola (Sonangol), a company responsible for the management of oil and gas reserves in Angola is planning to construct a refinery on a 3,805ha area with a processing capacity of 200,000 barrels of oil per day at Lobito, Benguela, Angola. The project is also known as Sonaref. Project will create 8000 direct and indirect jobs during construction and 4000 jobs during production. The refinery unit will process crude into the following products: unleaded gasoline, diesel, jet fuel (Jet1), illuminant oil, liquefied petroleum gas (LPG), and limited quantities of sulfur and oil coke. The project will be developed in phases. Each phase will refine 100,000 barrels of oil per day. Sonangol contracted Kellogg Brown &amp; Root (KBR) for Consulting, Engineering, Construction of Sonaref. The scope of the contract also includes designing, coordinating the activities of licensing the units, procurement of required patents, and used technologies. <b>14<sup>th</sup> June 2022</b></li> </ul>

EGYPT	<ul style="list-style-type: none"> <li> <b><u>Government to Construct 14 New Seawater Desalination Plants in Egypt</u></b>            Recently, the Egyptian government stated that it intends to construct 14 new seawater desalination plants in the upcoming period, mainly in coastal and border cities, with the aim of expanding its desalination projects. According to the government, the project will increase the country's total desalination plant capacity to 1.4 million cubic meters per day. This emerges as Ethiopia seeks to implement the dam's reservoir's third filling phase, despite stalled negotiations on the Grand Ethiopian Renaissance Dam (GERD). Madbouly directs officials to expedite plans for the construction of the 14 new seawater desalination plants in Egypt. In a statement released recently, the Egyptian government spokesperson, Nader Saad, said the government had devised a five-fold plan to increase the establishment of seawater desalination facilities from 2020 to 2050. He went on to say that the plan aims to meet the demands of future natural population growth while also ensuring water needs for urban development goals. <b>10<sup>th</sup> June 2022</b> </li> </ul>
LIBYA	<ul style="list-style-type: none"> <li> <b><u>Eni's massive Libyan offshore project set for sanction in 2023 as 'fast-track' approach eyed</u></b>            Italian major's E&amp;P director tells Upstream that 'overall development is 75% defined' Italy's Eni is set to take a final investment decision next year on its mammoth Structures A&amp;E project offshore Libya, after "optimising" its development approach, according to a top company executive. The news comes as Libya aims to complete a review of its fiscal regime by the end of 2022 to attract upstream investors to a country where \$7.5 billion worth of projects are on the move excluding Structures A&amp;E and that aims to provide extra gas to Europe as the continent switches away from Russian supplies. <b>6<sup>th</sup> June 2022</b> </li> </ul>
SUDAN	<ul style="list-style-type: none"> <li> <b><u>SSUWC - Strategic Water Supply and Sanitation Project: Phase 2 in South Sudan</u></b>            South Sudan Urban Water Corporation is coming up Strategic Water Supply and Sanitation Project (SWSSIP) Phase 2 in Juba, South Sudan. The project includes 1. Laying of new HDPE pipework length 105km OD 110, 180, 225, 350, 455 PN 1.2. Erecting 1No. Steel storage tank of 500m3 capacity on 10m tower.3. Supply and installation of 11 No. centrifugal pumps of various sizes.4. Supply and installation of 11 No. centrifugal pumps of various sizes.5. Associated work. Award Date September 2022. <b>10<sup>th</sup> June 2022</b> </li> </ul>
TANZANIA	<ul style="list-style-type: none"> <li> <b><u>Tanzania Government signs natural gas deal with Shell and Equinor</u></b>            Equinor and Shell, together with Ophir Energy, Exxon Mobil, and Pavilion Energy, intend to build the LNG export terminal. The Government of Tanzania has signed a liquefied natural gas (LNG) framework agreement with energy giants Equinor and Shell, Reuters reported. The signing of the deal will expedite the start of the construction of a \$30bn LNG export terminal. The deal is expected to pave the way for a final investment decision on the \$30bn LNG export terminal by 2025, the news agency quoted Tanzania's Energy Minister January Makamba as saying. during the signing ceremony in Dodoma: "We have never reached this stage of natural gas development in the history of our country. The project is planned to be commissioned by 2029 to 2030. Equinor operates Tanzania's Block 2, which is estimated to hold more than 20 trillion cubic feet of gas. Shell operates Block 1 and Block 4 in Tanzania. These blocks have a total of 16 trillion cubic feet of estimated recoverable gas. As per the government's estimates, the country has total recoverable gas reserves of 57.54 trillion cubic feet, according to Reuters. <b>13<sup>th</sup> June 2022.</b> </li> <li> <b><u>Big and strategic': \$30 billion Tanzania LNG targets 2025 project sanction after Shell and Equinor sign key de'al</u></b> </li> </ul>

Delayed host government agreement in sight for 10 million tpa scheme, with President Samia Hassan expecting a final investment decision in three years' time. A major breakthrough on the long-delayed \$30 billion Tanzania LNG scheme was achieved over the weekend when Shell and Equinor the main project proponents signed a framework deal with the government that brings the finalisation of a vital host government agreement (HGA) one step closer. The project was on the backburner for years when John Magufuli was Tanzania's head of state, but President Samia Hassan has made it a priority for her government, entrusting Energy Minister January Makamba to lead negotiations with Shell and Equinor. **13<sup>th</sup> June 2022**

## AUSTRALIA

AUSTRALIA

- **Plans are in motion to fully develop New Zealand gas field**

Australian oil and gas company Beach Energy is planning for the further development of its Kupe gas field, located offshore New Zealand, which will entail the drilling of up to two development wells. These plans have been greeted by Energy Resources Aotearoa due to its belief that more gas from Kupe would make an important contribution to the country's energy mix. The Kupe field is in the Taranaki Basin, offshore and to the south of Manaia and within New Zealand's Exclusive Economic Zone (EEZ). It is operated by Beach Energy with Genesis Energy and New Zealand Oil & Gas as partners. The Kupe project consists of three production wells as well as the Kupe normally unoccupied wellhead platform (Kupe WHP). Beach Energy is now proposing to drill up to two development wells at the existing Kupe WHP using a jack-up mobile offshore drilling unit (MODU). According to Beach, gas produced from the Kupe field meets 10-15 per cent of New Zealand's annual natural gas demand and 50 per cent of its LPG demand. Project activities are expected to start in late 2022 to early 2023. **10<sup>th</sup> June 2022**

- **JERA, Tokyo Gas, INPEX to join carbon capture project in Australia**

Japan energy majors to pour up to \$748m into plant led by Santos. Japan's three energy companies JERA, Tokyo Gas and Inpex - plan to join what could become the world's largest carbon dioxide capture and storage project in Australia, Nikkei has learned, with their total investment expected to reach as much as 100 billion yen (\$748 million). The companies are turning to the project to bury carbon dioxide emitted during the production of liquefied natural gas, hoping to transport CO2 from Japan by sea for disposal in Australia. Australian oil and gas company Santos is leading the project in the north of the country. JERA is a joint venture between Tokyo Electric Power Co. Holdings and Chubu Electric Power. Three processes are required to bury carbon dioxide emitted by resource development: CO2 capture, transportation and storage. The planned CCS plant in northern Australia could store up to 10 million tons of carbon dioxide a year, aiming for operation around 2025. **9<sup>th</sup> June 2022**

- **World's largest CCS project set for sanction in 2023**

Australia's Santos is progressing ambitious plans for what it is hailing as the world's largest carbon capture and storage (CCS) project a 10 million tonnes per annum development at its soon-to-be depleted Bayu-Undan gas condensate field in the Timor Sea. Front-end engineering and design work on Bayu-Undan CCS started earlier this year. The project envisages utilising existing infrastructure, once production from the field ceases. After production stops, the initial step would be to make the facility safe and clear of hydrocarbons through a "suspension of operations" phase. Once safe, removal of facilities such as the floating storage and offloading vessel and associated in-field infrastructure can occur. "Decommissioning the FSO will create significant opportunities for the local community," Santos chief executive Kevin Gallagher told the Timor-Leste Energy & Mining Summit on Tuesday. Gallagher confirmed the company's Barossa gas project offshore Australia could be the foundation customer for Bayu-Undan CCS, delivering 2.3 million tpa of CO<sub>2</sub>, making Barossa one of the lowest-carbon intensity liquefied natural gas projects in the world. **15<sup>th</sup> June 2022**



	<ul style="list-style-type: none"> <li>• <b><u>Saipem-Clough venture secures big contract in Australia</u></b> A joint venture between Saipem and Clough has been awarded a new engineering, procurement and construction contract worth about US\$2.7 billion related to a natural gas-fed urea plant in Western Australia. The Perdaman urea plant to be built on the Burrup Peninsula will have a capacity of 2.14 million tonnes per annum of urea, with gas purchased from Woodside Energy used as the feedstock for the urea. Urea is a form of fertiliser used in the production of food. <b>8<sup>th</sup> June 2022</b></li> </ul>
<b>EUROPE</b>	
FRANCE	<ul style="list-style-type: none"> <li>• <b><u>French companies join forces on offshore green hydrogen</u></b> Green hydrogen technology developer Lhyfe and the offshore engineering and shipbuilding company Chantiers de l'Atlantique have signed a Memorandum of Understanding on the development of offshore hydrogen production platforms. The two companies will collaborate on offshore renewable hydrogen production projects with on-grid or off-grid wind farms and plan to develop green hydrogen production solutions with a minimum capacity of 100 MW. These will be installed on existing fixed structures, or mounted on seabed foundations or floating platforms. Along with offshore development, the French companies also aim to develop a renewable hydrogen fuel chain in port areas. Under the agreement, Chantiers de l'Atlantique is responsible for the design, construction and installation of the platforms, while Lhyfe will be in charge of the design and operation of the renewable hydrogen production facilities. <b>15<sup>th</sup> June 2022</b></li> </ul>
NORWAY	<ul style="list-style-type: none"> <li>• <b><u>Three companies apply for carbon capture permits in Norway's North Sea</u></b> Three companies — TotalEnergies, Wintershall Dea and CapeOmega have applied for permits for carbon storage sites on the Norwegian continental shelf for future carbon capture and storage (CCS) projects since the Ministry of Petroleum &amp; Energy invited bids in April. The ministry said it plans to process the applications and allocate specific areas to approved companies in the second half of 2022. There is considerable industrial interest in projects that include commercial storage of CO<sub>2</sub> on the Norwegian continental shelf. Further allocations of areas will strengthen the development of an important climate measure and contribute to a new, commercial industry on the Norwegian shelf," said Minister of Petroleum &amp; Energy Terje Aasland. CapeOmega claims to be the largest private infrastructure owner on the Norwegian continental shelf. The company aims to support the energy transition through the transport of gases, including on hydrogen and CO<sub>2</sub> projects. TotalEnergies has experience with offshore Norway CO<sub>2</sub> projects, particularly on the Northern Lights project with Equinor and Shell. <b>11<sup>th</sup> June 2022</b></li> </ul>
SLOVAKIA	<ul style="list-style-type: none"> <li>• <b><u>Linde to help Slovnaft in expanding polypropylene capacity in Slovakia</u></b> Linde believes that the revamped plant will be more productive while cutting down on emissions. Slovnaft, a leading integrated central-eastern European oil and gas corporation, has selected Linde Engineering to conduct a complex large-scale revamp of a polypropylene (PP3) plant in Bratislava, Slovakia. The revamp will extend the plant's capacity by 18% to 300,000 tonnes of polypropylene per year, and the storage facility will be expanded from the current 45 to 61 silos," Linde wrote in a statement. The revamped plant has been designed to offer a higher degree of operational flexibility by producing multiple product grades and utilising intermediate storage to ensure just-in-time production, the statement noted. Slovnaft is also a member of the MOL Group, an oil and gas company headquartered in Budapest. According to Gabriel Szabó, executive vice president of downstream at MOL Group, said: "One of the goals of our updated 2030+ strategy is to reduce the production of fossil fuels and strengthen the production of basic plastics. Linde Engineering is our reliable partner. "Less than 20 years ago, the company built the PP3 polypropylene production unit in Slovnaft and now it will renovate and modernise it. <b>9<sup>th</sup> June 2022</b></li> </ul>

UK	<ul style="list-style-type: none"> <li> <b><u>Orcadian pursuing approval of North Sea field development plan</u></b>  Oil and gas development company Orcadian Energy has submitted a draft field development plan for the Pilot oilfield located in the UK North Sea to the North Sea Transition Authority (NSTA). Under the plan, the field will be developed with an FPSO vessel and a pair of wellhead platforms with power provided by a floating wind turbine. It is the largest oilfield in the company’s portfolio. Orcadian has 79MMbbls of 2P reserves in the Pilot oilfield and the field development plan (FDP) builds upon work done in the concept select process which culminated in NSTA sending a “letter of no objection” to the low-emissions concept selected by Orcadian, as announced on 1 December last year. Orcadian’s proposed, low emissions FDP for Pilot is based upon a floating production storage and offloading vessel (FPSO), with thirty-four wells to be drilled by a jack-up rig through a pair of wellhead platforms and provision of power from a floating wind turbine. <b>13<sup>th</sup> June 2022</b> </li> <li> <b><u>Plans Approved for US\$ 25M Plastic to Hydrogen Plant in Scotland, UK’s 2nd of its Kind</u></b>  Plans for a plastic to hydrogen plant in Scotland, an innovative £20 million facility to convert waste plastic into hydrogen and help the United Kingdom achieve net-zero energy have been approved. Peel NRE, a subsidiary of Peel L&amp;P, has been given permission by West Dunbartonshire Council to construct the plant at Rothesay Dock on the north bank of the River Clyde. It is the second planned facility of its kind, with the first set to open this year at Peel NRE’s Protos site in Cheshire near Ellesmere Port. Construction in Scotland is expected to take about 15 months. The 13,500-tonne facility will employ Powerhouse Energy’s cutting-edge technology to produce a local source of sustainable hydrogen from non-recyclable plastics destined for landfill, incineration, or export overseas. Hydrogen produced from the plastic to hydrogen plant in Scotland to be used as a clean fuel. The hydrogen produced from the plastic to hydrogen plant in Scotland will reportedly be used as a clean fuel for HGVs, buses, and cars, and there are plans for a nearby hydrogen refueling station. It comes on the heels of the government doubling its hydrogen production target by 2030 as part of the recently published Energy Security Strategy to produce more clean and affordable energy in the UK as global energy prices continue to rise. <b>10<sup>th</sup> June 2022</b> </li> <li> <b><u>Petrofac bags another five-year deal with UK firm</u></b>  Petrofac has won a five-year integrated services provider deal with Anasuria Operating Company (AOC), a UK-based jointly-controlled company held equally by Ping Petroleum and Hibiscus Petroleum’s Anasuria Hibiscus UK. This contract builds upon the previous relationship between the two companies, spanning years. As that five-year deal covered the North Sea oil fields in the Anasuria cluster, which were acquired by the Malaysian duo from Shell in August 2015, it enabled Petrofac to assume full responsibility on behalf of AOC for the FPSO operations as well as for monitoring and managing the pipelines and wells with the exception of the Cook well. In a statement on Monday, Petrofac revealed that it has been awarded an integrated services provider (ISP) contract by Anasuria Operating Company, which is expected to start this month. <b>14<sup>th</sup> June 2022</b> </li> </ul>
<b>NORTH &amp; SOUTH AMERICA</b>	
BRAZIL	<ul style="list-style-type: none"> <li> <b><u>Saipem to engineer Brazil-bound FPSO</u></b>  Italian contracting giant Saipem has been issued with a limited notice to proceed by floater specialist BW Offshore for early stage engineering services for the floating production, storage and offloading vessel destined for Shell’s Gato do Mato field development offshore Brazil. The LNTP is valued at up to \$50 million, with Saipem’s share worth around \$25 million, the contractor confirmed. “The LNTP is a key step ahead for this initiative and [the] Saipem project team is already fully mobilised,” said Saipem. <b>15<sup>th</sup> June 2022</b> </li> </ul>
CANADA	<ul style="list-style-type: none"> <li> <b><u>Truly exceptional’: Tantalising deepwater mega-prospect in Canada tempts explorers</u></b> </li> </ul>

	<p>Huge Blue Jacket prospect will be offered in this year’s Salar basin bid round offshore Newfoundland where oil companies have already funded a major 3D shoot. A huge exploration prospect that could host at least 2 billion barrels of oil has been identified in a frontier basin offshore Newfoundland &amp; Labrador, Canada that will be opened to industry In a November bid round. Excitement is building in the provincial capital St John’s because major upstream players, after years of counting their pennies, will open their exploration wallets if the prize is big enough and the just-disclosed Blue Jacket structure in the Salar basin certainly offers that potential. <b>10<sup>th</sup> June 2022</b></p> <ul style="list-style-type: none"> <li>• <b><u>BP entering Bay du Nord project in Canada as part of its focus on future offshore growth</u></b> Oil and gas major BP is expanding its footprint offshore Canada by entering the Equinor-operated Bay du Nord project development. BP said on Monday it will increase its acreage position offshore Eastern Canada and sell its 50 per cent non-operated interest in the Sunrise oil sands project in an agreement reached with Calgary-based Cenovus Energy. Total consideration for the transaction includes C\$600 million (about \$466 million) cash, a contingent payment with a maximum aggregate value of C\$600 million expiring after two years, and Cenovus’s 35 per cent position in the undeveloped Bay du Nord project offshore Newfoundland and Labrador. Equinor is now working to achieve the final investment decision for the project. If developed, it would be in operation for 30 years. <b>13<sup>th</sup> June 2022</b></li> </ul>
USA	<ul style="list-style-type: none"> <li>• <b><u>Petroecuador launches auction to ramp up offshore gas output</u></b> EP Petroecuador, through this bidding process, requires selecting a strategic partner to develop Block 6 in the Gulf of Guayaquil. EP Petroecuador, through this bidding process, requires selecting a strategic partner to develop Block 6 in the Gulf of Guayaquil, off western South America. The public company seeks to increase the production of the Amistad Field and maximize the recovery factor of its deposits in this block. Phase 1 of the bidding process starts June 13 with the receipt of letters of interest until June 24 from companies that wish to participate in the process. A data pack containing technical, economic and legal information will be made available to the participants. The production of The Amistad Camp is approximately 24 MMscf/d. <b>6<sup>th</sup> June 2022</b></li> <li>• <b><u>Wood and Worley secure services agreements with US giant</u></b> Global master services agreements have 10-year terms. Engineering heavyweights Wood and Worley have both been awarded global master services agreements with US operator Chevron. The 10-year agreements cover Chevron’s upstream, midstream, and downstream assets including project development for onshore and offshore assets. Worley said it will provide engineering and project-related services including working with Chevron’s digital enablement specialists to optimise ways of working and improve efficiencies. <b>16<sup>th</sup> June 2022</b></li> </ul>

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