

NEW RELEASE

The report titled: NATURAL GAS IN SOUTHERN AFRICA, March 2017 has been released on the intranet.

ABSTRACT

In the space of less than a decade the status of Southern Africa in the world gas industry has moved from that of marginal producers to potentially significant ones. This report examines the routes to monetising natural gas in Angola, Mozambique and Tanzania focusing on gas production and trade, LNG pipelines, gas to power markets and other industrial markets in turn.

The discovery of major gas reserves in the offshore Rovuma Basin in 2009 has led to the recalibration of Mozambique as a major natural gas resources country, that is ranked first in Southern Africa.

Main findings:

- Angola's efforts to develop its natural gas industry are overshadowed by its dominant oil industry. It has struggled to reach full utilization from its ALNG plant.
- Mozambique is progressing to monetize its newly confirmed gas resources through gas to power and LNG exports. Offshore gas production will reach project closure first.
- Tanzania is focusing its natural gas resources to feed the domestic power market.
- Natural gas development in Southern Africa has created infrastructure demands in midstream and downstream sectors that fit into the investment mandate of DBSA.