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Game Changer

TAIYE WILLIAMS

Repositioning LUBCON for Regional Dominance

West Africa's Lubricants Market Presents Opportunities for Innovation

M. A. Khattab,
Managing Director,
Linus Projects (India)

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LUBRICATING AFRICA

Lubricating Africa!

dec22

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WORDS ON MARBLE

"The West Africa market presents opportunities for innovation and specialized solutions to meet specific regional needs. While facing distinct challenges, such as infrastructure constraints, the West African lubricants industry showcases potential for expansion and development."

– M. A. Khattab, Managing Director, Linus Projects (India)

"Nigeria is the second largest consumer of lubricant in Africa after Egypt. The AfCFTA provides the blueprint to boost intra-African trade, promote economic integration and foster sustainable development in Africa."

– Mr. Taiye Williams, Managing Director, LUBCON International

"The chemicals industry in the EU is going to embrace new production approaches, including fermentation, mechanical recycling, and chemical recycling like depolymerization, as well as the development and export of technologies to other regions."

– Anthony Schiavo is Senior Director and Principal Analyst at Lux Research.

EDITOR'S NOTE

Local Brands as Regional Champions

The new year is coming with lots of opportunities and great potential in the energy sector across the African continent, which is rich in oil and gas reserves. Local brands, which have established themselves at home, are now tapping into the immense opportunities across Africa to consolidate their positions not only as big-time players but as regional champions as well.

Our Cover story for January tells it all as Lubcon, which has fully established itself as a Nigerian lubricants giant, is repositioning to not only consolidate its position as a regional champion but also dominate the market .

Other independent brands are also breaking new grounds and sealing new deals to widen their scope of influence in the highly lucrative energy business.

LUBES West Africa, in line with our tradition of celebrating excellence in the African lube and energy market, therefore brings you another interesting edition this January as our curtain-raiser on what to expect in the new year.

Enjoy this package as we look forward to your comments, reviews and suggestions to enable us serve you better.

Wishing you a Happy New Year!

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WEST AFRICA

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11 Plc Explores CNG Market With New Plants in Lagos, Ibadan

11 Plc, Nigeria's biggest lubricants company, is launching into the Compressed Natural Gas (CNG) market with the construction of new CNG plants in Lagos and Ibadan.

Chief Executive Officer, 11 Plc, Adetunji Oyebanji, who disclosed this in an interview with the News Agency of Nigeria (NAN) in Lagos, said that the construction of the two new facilities was part of the company's efforts to boost the adoption of CNG as an alternative energy source in the country.

Maintaining that Liquefied Petroleum Gas (LPG) has a great role to play in the growth and development of the global economy, including Nigeria, Oyebanji said his company, as a model, had invested massively in installations of LPG in 40 retail outlets across Nigeria.

"In terms of investment, we have done a lot as far as LPG installations are concerned.

"In several stations now, we are moving too close to 40 stations nationwide in our LPG installations, and we will continue to do this because we believe that LPG is the way forward.

"We have also invested in a new gas station at the toll gate, ibadan, the Oyo State capital and the station is now operational.

"With its massive investments in LPG storage and distribution infrastructure , 11 Plc. Gas is well-positioned to maintain a dominant presence in the country's LPG industry for a long time," Oyebanji said.

He disclosed that 11 Plc had expanded its filling plants across the country and had already expanded storage capacity to 8,000 metric tonnes.

"We continue to see improvement and all the investment that has been made in the last few years has been to upgrade the company and bring out more value.

"We are one of the six major petroleum products marketers in the country. Currently, we have over 250 retail outlets located in all 36 states of Nigeria.

"We are also respected in the industry for our high ethical standards and adherence to safety, health and environmental standards while playing a leading role in the promotion and sharing of best practices in the downstream sector of Nigeria's oil and gas industry," he said.

With its fuel facility and an ultra-modern 300,000 barrels per annum lube plant in Lagos, 11 Plc is undoubtedly one of the most sophisticated lube companies in Africa.

Oyebanji

European Chemicals Industry at a Crossroads!

BY ANTHONY SCHIAVO

The past few years have been tough for the European chemicals industry, to say the least. What two decades ago was the most productive and technologically advanced chemicals complex in the world has been steadily losing ground to more competitive U.S. production and the growing demand juggernaut that is China.

The events of the last few years have had major chemicals companies, most noticeably BASF, downsizing their commitment to the region and seeking to move production elsewhere. Those that have stayed have faced significant headwinds: INEOS was recently forced to suspend its major "Project One" ethane cracker after it ran afoul of nitrogen pollution regulations.

I've been thinking a lot about this issue in preparation for my talk at the Lux Forum Amsterdam, "Beyond Decarbonization: Rethinking Sustainable Innovation Strategies for Europe." I want to examine the structural factors that are holding back the European chemicals industry and make the case that, despite the grim headlines, chemicals firms in the EU are probably due for a rebound rather than a long slide into the dustbin.

What are the structural factors that have held back the EU chemicals industry? There are three that I think have been most important — and particularly painful — in the last few years:

- **Energy and feedstocks:** The biggest structural factor is the EU's disadvantage in fossil fuel feedstocks. This is not news to anyone, but in the last decade or so, the shale revolution in the U.S. has made very cheap natural gas feedstocks available to chemicals companies there, making U.S. chemicals production extremely competitive, on par with the oil-rich Middle East. The EU has responded to this by attempting to get oil and natural gas from its nearest neighbor: Russia. The Nord Stream pipeline was a co-investment by BASF — until it was destroyed following Russia's invasion of Ukraine. The energy crisis of last year was really the perfect culmination of a decade of disadvantaged feedstocks, which has made it extremely difficult to justify any further investment in the region by many chemicals companies.
- **Investment and underinvestment:** The biggest economic story in the past year has been the U.S.' recommitment to industrial policy, with the government spending hundreds of billions of dollars to invest in areas like hydrogen, decarbonization, and the energy transition. Incentives have drawn investment from around

the globe to the U.S., especially for advanced technologies like carbon capture and hydrogen electrolysis. The response it has generated in the EU has been heavier on complaints about how industrial policy is not playing by free market rules than it has on putting similar fiscal muscle behind the European transitions. This comes on top of a decades-long austerity trend in the EU, where the continent that was a leader in solar development, and deployment fell behind for lack of investment, even during a time of low interest rates.

- **Demand:** Much of what I said about energy and feedstock disadvantage applies to China as well. Despite that, China has risen to prominence as a chemicals production hub, while the EU has lagged. What explains this difference? Of course, it's that China's economy has experienced meteoric growth over the past four decades, while the EU's economic growth has been tepid. Slow growth has made it tough to justify continued investment in the EU, contributing to the further stagnation of its chemicals sector. Plus, the demand from China is heavily tilted toward basic chemicals and polymers to support its construction sector (for example), which further exacerbates the EU's fundamental feedstock weakness.

So why am I optimistic? It's not that these factors are going to change but rather that they're going to matter less in the future. The chemicals industry in the EU is going to embrace new production approaches, including fermentation, mechanical recycling, and chemical recycling like depolymerization, as well as the development and export of technologies to other regions. There are a few things that will help:

First, the EU is going to learn from the lessons of the U.S. The EU chemicals and energy industries are very involved in the energy transition in the U.S., with many EU companies like Air Liquide and Evonik playing major roles in U.S. hydrogen hubs, and they will bring lessons from those projects back to the EU. I also think European governments will lean into more aggressive direct funding of technology scale-up, spurred on by their global counterparts.

Third, growth for the overall chemicals industry is likely to shift more toward consumer chemicals and specialty chemicals as pressure on plastics grows and China's growth engine slows — these products are really well aligned with the EU's existing strengths and new technologies.

The EU will never match Houston or the Middle East as a pure petrochemical hub. There's simply not enough density of energy resources or biomass in the EU to match that of these regions. There will be companies that can succeed at defending the traditional refinery in the EU, but there can only be a few winners; there will be far more losers. EU chemicals players need to get on board with these new production approaches or get ready for an extremely rough ride.

• Anthony Schiavo is Senior Director and Principal Analyst at Lux Research.

CREDIT: Lux Research

Global Partners Helping Egypt Bring Oil and Gas to the World

BY NJ AYUK

Between 2015 and 2021, Egypt signed just shy of 100 deals with international oil companies (IOCs) — worth USD17 billion — and offered signing bonuses for the drilling of 319 wells.

With its key oil fields maturing, domestic gas consumption on the rise, and Europe on the hunt for African energy to replace Russian supplies, Egypt is counting on foreign investors to help it meet both current and emerging demand — no surprise, given that the Egyptian petroleum industry has depended on private-public partnerships with global organisations for decades.

A full 100 percent of the country's petroleum production involves foreign investors, including some of the best-known companies in the industry, such as Shell, BP, Eni, and APA Corporation (formerly Apache). According to the International Trade Association, between 2015 and 2021, Egypt signed just shy of 100 deals with international oil companies (IOCs) — worth USD17 billion — and offered signing bonuses for the drilling of 319 wells. In 2022 alone, there were 53 new oil and gas discoveries in Egypt, according to the Ministry of Petroleum and Mineral Resources' 2022 Achievements Report.

But this isn't a case of Egypt auctioning off potentially prolific blocks (as of January 2021 proved reserves stood at 3.6 billion barrels of oil and 75.5 trillion cubic feet of natural gas) then sitting back and merely collecting royalties.

The only way IOCs and independents can become involved in Egypt's upstream sector is through a joint venture company with a state-owned entity such as Egyptian General Petroleum Corporation (EGPC). While the contractual agreements take different forms — production sharing being the most common — the approach enables Cairo to keep close tabs on its resources (and ensure appropriate extraction) while granting its partners

Ayuk

access to opportunity accompanied by reduced risk. Today, no fewer than 50 IOCs and independents are joint venture participants, and they're having a huge impact on the country's economic well-being. According to the International Trade Association, hydrocarbon production is "by far the largest single industrial activity in the country." In fiscal year 2019-2020, with oil output fairly stable, it represented approximately 24 percent of total GDP.

COMMITTED TO PARTNERSHIP

As if Egypt's vast resources weren't enough to interest global energy companies, the government's favourable policies reinforce their commitment to creating attractive investments.

For example, although EGPC doesn't establish a joint venture until the foreign company has completed exploration wells (and therefore has a chance to determine whether the prospect is viable), it often helps offset the sunk costs — possibly millions of dollars — by giving a larger share of the production to its partner. It also doesn't hurt that Egypt's production costs are among the world's lowest, meaning it takes less time for companies to recoup their capital expenditures. And, of course, having a government entity as partner provides access to midstream and downstream facilities at lower cost.

According to "The State of African Energy Q1 2023 Outlook Report," those factors are paying off for companies like America's APA Corporation, which partners with EGPC in Khalda Petroleum Company, Egypt's largest oil producer.

Despite their long-term, highly successful relationship with APA, Egypt isn't ready to rest on its contractual laurels. In 2021, the country modernized and consolidated its production sharing agreement with APA and APA's Chinese partner in Egypt, Sinopec. Aimed at boosting rig count and production, the 20-year agreement, valued at USD3.5 billion, had an almost immediate effect: soon after, APA and Sinopec announced plans to double the average drilling rig count compared to 2021, to increase well completions by 3x, and to increase upstream output by 12 percent to 15 percent. APA held 5.3 million gross acres in Egypt at year-end 2022, most of it — about 68 percent by company estimates — undeveloped. The company says Egypt provides "considerable exploration and development opportunities for the future."

At the same time, EGPC's other joint ventures — Belayim Petroleum Company (PETROBEL) (with Italy's Eni); Gulf of Suez Petroleum Company, or GUPCO (with Britain's BP); and AGIBA Petroleum Company (Eni and Russia's Luckoil) — are also working to further solidify Egypt's standing as a regional energy hub.

But this isn't just an oil story — after all, Egypt is Africa's third-largest natural gas producer — nor is it limited to marquee names in energy.

German independent Wintershall Dea, for instance, may be less well-known than the IOCs but has been working in Egypt as long or even longer. The company began producing oil in the Gulf of Suez 50 years ago but has since pivoted to natural gas. Among other partnerships, it has joined with EGAS, Egypt's state-owned gas company, in a 50-50 joint venture called DISOUCO.

NEW PLAYERS IN THE MIX

Recent contractual activity suggests that the joint venture model will undergird Egypt's oil and gas industry for years to come.

For instance, early last year, Egypt signed new agreements with Canadian independent Transglobe Energy Corp. and London-based Pharos Energy to explore, develop, and produce petroleum in the Eastern and Western deserts. The deal includes approximately USD506 million in new investments. Capricorn Energy, headquartered in Edinburgh, Scotland, which in 2021 acquired Shell's onshore assets in the Western Desert, is another new name to watch. The company has already announced production is exceeding expectations and plans to increase capital spending as a result. As for the IOCs, Shell, Eni, BP, and BP are all preparing new drilling programs. Chevron has said that going forward its global focus will be on Egypt and Suriname.

What this also suggests is that the world needs more energy, not less, and that efforts to discourage investment in African energy in the name of global decarbonization haven't been anywhere as successful as Western climate activists would have liked.

• NJ Ayuk is the Executive Chairman, African Energy Chamber

Game Changer

TAIYE WILLIAMS

Repositioning LUBCON For Regional Dominance

BY OLAOLU OLUSINA

It's a brand new year and a new "Sheriff" is at the helm of affairs at Lubcon International. His name, Taiye Williams, surely rings a bell in the lubricants industry not only in Nigeria but across Africa and even beyond.

A thorough-bred lube industry professional and a marketer par excellence , he is coming on board at Lubcon International after almost three decades of dedicated service to the Lubcon Group in various capacities, a journey he described as "exciting but challenging ."

Though the task before Mr. Taiye Williams, Managing Director, Lubcon International, is big, he sees it as not much different from what he has been doing as he is without doubt on a very familiar terrain.

Williams

Nonetheless, the game is really going to change for the better at Lubcon International with Williams in the saddle, especially now that the dynamics of the African regional trade are changing.

" My new assignment as Managing Director, Lubcon International, will not be any different; except that with my wealth of experience acquired over these 27 years in the industry, it will not be as daunting as it was when I became the Managing Director of Lubcon Nigeria some 13 years ago," he told LUBES West Africa in an exclusive interview.

According to Williams, "Africa is changing. More opportunities for intra-African businesses are opening up. There can be no better time than now to focus on Africa as a whole."

However, focussing on Africa, and doing it well, requires the wealth of experience Williams is bringing to his new assignment. For well-over a decade, he was the Managing Director of Lubcon Nigeria, a country which accounts for about 507 million litres of lubricants, mostly automotive lubes, consumed in 2022 , out of the about 637 million litres for the entire West African sub-region.

Though he believes that Nigeria is still the market, he says "That said, it will not be wise to ignore other markets."

The Managing Director, Lubcon International, no doubt, knows the African lube market so well to be

able to identify great potential outside the Nigerian local market.

"Next in population is Ethiopia. Despite its peculiar problems, it is a huge market that cannot be ignored. We have a 30 million litres per annum plant there. We have a 25 million per annum capacity plant in Ghana.

"The Ghanaian market is very small. Our experience has been that most of the countries do not have blending plants and they rely on importation. That creates a good opportunity to fill the vacuum," Williams said with a note of confidence.

With a full grasp and general knowledge of the lube market in West Africa as well as the prospects and challenges, especially the window of opportunities provided by ECOWAS and the African Free Continental Trade Zone Agreement (AfCTA), Williams is surely set to reposition Lubcon for regional dominance.

"The West African lubricant market as the rest of the African market comprises two distinct segments: one characterized by aging vehicles that utilise conventional base oils. The second is represented by a younger fleet requiring higher- performing lubricants, mainly synthetic lubes.

"Also Nigeria is the second largest consumer of lubricant in Africa after Egypt. The AfCFTA provides the blueprint to boost intra-African trade, promote economic integration and foster sustainable development in Africa.

"With a full grasp and general knowledge of the lube market in West Africa as well as the prospects and challenges, especially the window of opportunities provided by ECOWAS and the African Free Continental Trade Zone Agreement (AfCTA), Williams is surely set to reposition Lubcon for regional dominance."

"It provides expanded market access to 1. 4 billion people with a combined GDP of over $3 trillion. AfCFTA is expected to reduce trade barriers, making it easier for producers to trade within the continent," he said.

His new mission therefore seems to have been clearly spelt out already with these realities and background information and he appears good to go and launch out on this new "repositioning offensive" bringing along with him all the experience he has garnered over the years.

"My assignment is to tap into these huge opportunities not just to provide quality lubes but all the range of products and services available from the Lubcon Group," Williams said.

Lubcon, an ISO certified Oil and Gas company

> **"Lubcon has a vision of making an impact in the energy ecosystem focused on quality and reliability just as its mission is to be a world-class energy company exceeding the changing needs of customers, using cutting-edge technology and highly trained and motivated talented personnel, whilst ensuring optimum returns to its shareholders."**

with headquarters in Ilorin, Kwara State, Nigeria, is the only indigenous lube company in the country with branches across Africa.

Lubcon has a vision of making an impact in the energy ecosystem focused on quality and reliability just as its mission is to be a world-class energy company exceeding the changing needs of customers, using cutting-edge technology and highly trained and motivated talented personnel, whilst ensuring optimum returns to its shareholders.

Lubcon's corporate core values as encapsulated in the acronym, PIPET, include:

- Passion for the Customer
- Strong customer orientation stamps its business decisions.
- Innovation and Creativity
- Seek better and more creative solutions to challenges
- Pursuit of Excellence
- Pushing the barriers of performance.
- Transparency
- Accountability and transparency are the hallmarks of its business model.

Fitting into the customer's needs in various ways, the Lubcon Group offers products and services in the following sectors :

- Aviation
- Distribution
- Environment
- Manufacturing
- Finance
- Petroleum
- Pharmaceuticals
- Plastics/ Packaging
- Real Estate/Hospitality
- Shipping/Logistics

MANY FIRSTS

The many firsts scored by Lubcon over the years include:

- Produced the first lubricant, Performa, that won the Nigerian Industrial Standards Award in 2000
- The first Nigerian Oil & Gas Company to earn ISO certification in 2002
- Introduced the first indigenous fully synthetic engine oil, Rugged Elite.
- The first Nigerian Blender to own lubricant blending plants in Ghana and Ethiopia
- The first company in the Nigerian Oil & Gas Industry to win the National Productivity Order of Merit Award in 2015
- The only Nigerian Company with Eneos certification in Lubricants Manufacturing
- The only Nigerian Company blending for CFAO Yamaha, NNPC Retail, Sahara Energy, NATA, and Nigeria Union of Road Transport Workers (NURTW), amongst others.

MILESTONES

Lubcon has also achieved so many milestones. The notable ones include:

2008 Upgraded to ISO 9001:2008 International Quality Certification

2011 Received NIS (Nigerian Industrial Standards) Product Quality Awards as follows:
• Gold Award for Lubcon Performa XV50
• Silver Award for Lubcon Adrenalin 20w50
• Silver Award for Lubcon Motorlube HD50

2011 Received the ECOWAS (Economic Community of West African States Business Award – ECOWAS Super Brand

2013. Received the ECOWAS Distinguished Business Award. Introduced the first indigenous fully Synthetic lubricant (Rugged Elite) into the Nigerian Market

2014 Elected into the corporate membership of the British Safety Council
Elected a Member of the Institute of Occupational Health & Safety.

2015 Appointed by JXTG Nippon of Japan to blend lubricants in Nigeria for CFAO Yamaha
• Won the National Productivity Order of Merit Award in the Oil & Gas Industry
• Won the Ghana Oil & Gas Awards

2017 Lubcon Lubricants Blending Plant in Ethiopia commenced operations
• Appointed the official blender by Nigerian

"My assignment is to tap into these huge opportunities not just to provide quality lubes but all the range of products and services available from the Lubcon Group."

National Petroleum Corporation (NNPC) - Nigeria's National Oil Company.
• Won the Manufacturing Excellence Awards of the Guardian Newspapers in the Oil & Gas Sector.

CUSTOMERS' PORTFOLIO

Lubcon's customers' portfolio ranges from cement plants, service providers to telecommunication operators, manufacturing firms, such as John Holt Nigeria, Siemens, Dangote, Nigeria Navy etc. In addition, Lubcon is a major supplier of transformer, turbine, and hydraulic oils to the Nigeria power sector (PHCN). Customers have the opportunity to choose from Lubcon's over 300 range of products.

CONGLOMERATE WITH SUBSIDIARIES

LUBCON 3P

Lubcon 3P specialises in Toll-blending (Contract manufacturing/blending; Private label manufacturing and packaging of lubricants). Lubcon 3P provides a complete solution, sourcing all raw materials, blending, packaging and shipping according to client's specifications.

LUBCON AERO

Lubcon Aero currently operates facilities in Ilorin, Minna, Abuja and Lagos International Airports, for the supply of aviation fuel, and is planning additional facilities in Kano and Maiduguri.

LUBCON PETROLEUM

Lubcon Petroleum, a subsidiary of Lubcon, operates two fuel storage facilities located at Calabar and Lokoja.

INFRASTRUCTURE SUPPORT

Lubcon Group has been providing support for the Nigerian Navy and Nigerian Air Force.

NIGERIAN NAVY

These include:

- Supply of fuels to Strategic locations/Platforms
- Supply Marine lubricants, greases and fuels to military ships at off-shore and coastal locations
- Supply of Spares and Equipment
- Supply of food and living necessities

MILITARY LOGISTICS SUPPORT

These include:

- Supply of Jet-A1 fuels to military aircraft at several airports/bases
- Supply aviation lubricants, greases and specialties

LUBBOX

- Lubbox is into engineering fabrication and construction. Lubbox is responsible for the steel fabrication works of the Group. It has also handled a number of major third party projects in Nigeria for clients such as the Central Bank of Nigeria. Lubbox undertook the construction of Lubcon Plantsnin Ghana and Ethiopia.

LUBCON ENERGY

- Lubcon Energy is the driving force behind Lubcon's investments in alternative and sustainable energy projects.

In collaboration with BYD of China, it is seeking to bring alternative energy solutions to Nigeria and other African countries.

- Lubcon Energy is also promoting the sale of composite LPG cylinders that incorporate the latest consumer safety.

REPLASTICO

• Replastico was incorporated in 2002 to meet the plastic packaging needs of Lubcon. It is now a leading producer of quality containers of various sizes and shapes for several customers.

CORRUPAC

• Corrupac with its plant in Ilorin, has served and continues to meet the quality requirements for paper based packaging materials by Lubcon and other customers.

Already known across the West African sub-region for quality products and innovative services, Lubcon with Williams as Managing Director for all its international branches, is now poised to pursue an aggressive growth plan.

Incorporated as a limited liability company to carry out the business of manufacturing, lifting, distribution and sales of petroleum and allied products in 1991, Lubcon in 1995 became the official lubricant blender for NATA (Nigeria Automobile Technicians Association).

The company distributes its wide range of products in Nigeria through a network of active retail outlets in more than 63 locations across the country. In a joint partnership with NATA, Lubcon has established over 50 sales outlets in most mechanic villages across Nigeria.

With full branches in Ghana, Liberia, Ethiopia, Niger Republic and South Sudan, Lubcon also has distributorship arrangements in Benin Republic and Burkina-Faso.

In Ghana, Lubcon is the only independent lubricant blending and grease making plants in the country. The facility has an installed annual capacity of 20,000 metric tonnes of lubricants and 2,000 metric tonnes of grease per annum.

The plant, situated in Tema, Ghana, is strategically placed to serve the West African markets and parts of Central Africa. Lubcon Ghana is also licensed to carry out bunkering services in the West African Coast.

Lubcon also has a presence in Ethiopia to serve the East and the Central African market as Lubcon Ethiopia is the first lubricant company to be licensed in the country.

Located at Debre Zeit, Bishoftu, Lubcon Ethiopia produces lubricants and allied products to serve the East and Central African markets . The facility has an installed capacity of 30,000 metric tonnes of lubricants per annum.

Lubcon commenced operations in Niger Republic in 2004. It is currently marketing fuels and lubricants to the government of Niger and residents of the country .

In Liberia, Lubcon Liberia was incorporated in 2007 to market fuels, lubricants and other petroleum products.

Lubcon South Sudan was incorporated in 2012 to key into the emerging business in the Republic of South Sudan.

Now poised to implement its growth plans to further consolidate its leadership and dominate the regional market, Lubcon has listed the following as immediate goals to be achieved :

- Retail outlets expansion in Nigeria & West Africa – ECOS Plan (Each Country, One Station)
- Stock exchange listing, via IPO
- Base oil trading
- Gulf of Guinea upstream projects
- Petroleum Logistics Facility at Banda, Kogi State, Nigeria.

Its medium and short term goals also include:

- Commodity exports and trading
- New and renewable energy projects
- Industrial City Project
- Banda fertilizer and petrochemical project
- Guinea Conakry and Tanzania projects Gas – (LPG, CNG and LNG)
- Engage internationally accomplished and very experienced professionals that will help support the Group's funding programmes
- Build each of its subsidiaries and international associates into industry leaders in their respective sectors within the next fifteen years.

These and some others in the pipeline are the tasks before Williams as the Managing Director International for Lubcon. Though the tasks ahead appear big, there is no doubt that Williams, being a game changer, with a track record of excellence in previous assignments, is really up to the task of achieving desired results, and within the stipulated timelines, too.

Oranto Petroleum Gets Two-year Exploration License Extension in Uganda

Oranto Petroleum, a Nigerian independent energy company, has been granted a two-year exploration license extension to its Ngassa Deep and Ngassa Shallow exploration contract areas in Uganda. This extension allows Oranto to drill an exploration well and an appraisal well, depending on the success of the exploration well.

LUBES West Africa recalls that in 2017, Oranto was granted two petroleum exploration licenses for the Ngassa Deep and Ngassa Shallow contract areas by the Ministry of Energy and Mineral Development in Uganda.

Oranto signed this current extension with a restatement of its commitment to maximise the additional time granted and ensure a successful outcome.

Oranto's chairman, Prince Arthur Eze, is quite excited at the extension.

ORANTO PETROLEUM

"We thank the Ugandan government under the leadership of President Yoweri Museveni, the Ministry and the people of Uganda. This extension is very important, as it will contribute towards increasing Uganda's oil volumes. We appreciate the extension, and want to assure the Ministry that we will fulfil the work program as planned within the designated period," he said.

The Ngassa Block is located in the Hoima District and spans the Albertine Graben.

Oranto and its sister company, Atlas Petroleum, are Africa's largest privately-held exploration and production group by acreage.

Riverside LNG Plans Nigeria - South Africa Gas Deal

Nigeria-based energy company, Riverside LNG, has hinted of a plan to kick-start the supply of Nigerian gas to South Africa from the first quarter of 2024. This is indeed a milestone for the Nigeria - South Africa trade relations being the first agreement of its kind between the two countries thus demonstrating potential collaboration in the energy sector.

LUBES West Africa recalls that earlier last year, Riverside LNG sealed a gas export partnership agreement with a German company, Johannes Schuetze Energy Import AG.

Disclosing the new development, CEO, Riverside LNG, David Ige, who spoke in Abuja, also confirmed that the company was in search of new agreements across Africa, saying it is actively studying potential opportunities in Liberia and Cameroon, more so, as Nigeria has the largest gas reserves in the continent.

"We would probably close very early in the year another segment of the market, a buying market for South Africa,

"There is an evolving gas market in the region, which extends to around 5000 Km offshore Nigeria. So, that covers Southern Africa, West Africa, all the way to northwest Europe, as well as the Caribbean and South America in general," Ige said .

He however refrained from giving detailed information of the South African deal, citing citing confidentiality clauses.

With South Africa currently having it rough and tough with persistent power shortages as Eskom Holdings SOC Ltd., the country's power utility company, continues to fail to deliver in the face of rising demand, even as sourcing additional power from private suppliers are encountering delays because of grid constraints and legal disputes.

However, South Africa has no facilities in place to receive LNG at the moment and, as such, deliveries from the project won't commence until 2027 to enable the needed infrastructure to be put in place

So there's "plenty of time for the import terminal infrastructure", Ige said.

Though South Africa relies on coal for 80 percent of its electricity production, given the likely paucity of investment in this sector, there is a move towards renewable sources with the aim of achieving 60 gigawatts of electricity from renewable energies by 2030.

Challenges of Building Capacity for Africa's Renewables Sector

BY NJ AYUK

One of those hurdles will be preparing domestic workforces for employment and leadership in the growing renewable energy sector

Consider this paradox: Nigeria has achieved the largest economy in Sub-Saharan Africa, but 45 percent, or about 85 million, of its residents still live without electricity. Across Sub-Saharan Africa, that figure looms to 600 million.

I believe renewable energy is part of the solution to this dilemma — both in Nigeria and throughout the sub-continent. But there are several hurdles to be cleared before wind, solar, hydrogen, and other clean energy sources can provide the same economic benefits that natural gas — the other part of the solution — already offers. One of those hurdles will be preparing domestic workforces for employment and leadership in the growing renewable energy sector.

We are seeing movement in that direction. In Nigeria, for example, global renewables-promoting nonprofit, RMI, is providing technical training in partnership with four Nigerian energy distribution companies, two developers, and vocational training schools such as RMI's Energy Transition Academy and the Lagos Energy Academy. Aimed at producing leaders and energy entrepreneurs, the Nigerian Cohort of RMI's Global Fellowship Program, started in 2022, uses online learning and in-person experiences to develop leaders who know how to produce and employ solar PV, battery storage, and microgrid technologies.

We will need many, many more efforts like this for Africans to fully reap the economic benefits of our energy transition. For that to happen, more investment capital must be attracted for curriculum development, to support training efforts, and to help fledgling renewable businesses find their footing.

This is a critical topic, one that deserved attention at the 2023 United Nations Climate Change Conference (COP28) that was hosted by the United Arab Emirates in Dubai in December and beyond.

AFRICA MUST BE PROACTIVE IN BUILDING CAPACITY

The International Energy Agency (IEA) has predicted that 4 million new renewable energy jobs will be needed in sub-Saharan Africa by 2030 to meet 2050 net-zero goals. But it is not a given that those positions will be filled by Africans, especially if we rush forward with our transition from fossil fuels to renewables, as many wealthy nations and environmental groups are demanding.

Currently, there is a significant shortage of qualified human resources — people educated and prepared to take advantage of the opportunities for employment and entrepreneurship that renewables offer.

What's more, only 76,000 renewable energy jobs have been created in Africa, less than 1% of 10.3 million globally. That means the vast majority of Africans have absolutely no experience, or hands-on opportunities to develop skills, in green energy.

EDUCATION IS KEY

Turning this situation around begins with investing in and emphasizing the importance of science, technology, engineering, and math (STEM) education at all levels in Africa.

African governments will need to do their part by driving improvements in all-around education in science and technology and green energy vocational programs.

Government policies should also provide advantages to attract private-sector visionaries and incentivize public-private collaborations that foster the education and training of Africans for career-level, leadership positions in the renewables sectors.

Africa's renewable energy sector is growing. That reality is a mixed blessing because of the shortage of homegrown, trained professionals able to create, construct, and run renewable projects. We do, however, have an advantage — our large, youthful demographic.

Many of our young people need jobs, and many more soon will. If we can put together partnerships among governments, learning facilities, and private industry, we can train our youth for careers in renewable technologies that offer them brighter futures.

We should be building on the examples of the promising educational opportunities that are available for African students who want to build a career in renewable energy. Here is a sampling:

A German-African partnership, the Atlas of Green Hydrogen Generation Potentials in Africa, states, "Green hydrogen offers a real chance to launch a development in Africa which is driven by African countries themselves." As part of the effort, a master's degree program in green hydrogen technologies was begun in 2021. Students from all 15 countries of the Economic Community of West African States (ECOWAS) may apply. Universities in Cote d'Ivoire, Niger, Senegal, and Togo host the program.

Another German government initiative, Green People's Energy for Africa, "supports vocation training institutes and technical universities to offer new and improved practical training modules for professionals" as well as other methods for skills development in renewable energy technology.

An EU-US cooperative agreement supports sub-Saharan Africa's just transition to green energy. Working at the regional and national levels, efforts include empowerment of women in the sector, knowledge sharing to provide technical assistance, and the leveraging of investments by the private sector.

ANOTHER OPPORTUNITY: GREEN HYDROGEN

Surveying the renewables horizon, there is general agreement that decarbonizing all the world's economic sectors won't be possible without the use of green hydrogen — for feedstock, fuel cell technology, and electric vehicles.

The demand for this clean and adaptable fuel, produced with renewable energy sources, compounds the need for a trained renewable energy workforce.

Green hydrogen presents both a large opportunity and a large challenge for African nations. With its massive area and plentiful solar and wind resources, Africa could potentially be producing about 10%

"More African countries should be taking measures to ensure their people and businesses capitalize on green energy opportunities. And these must not stop with education and skills training; we also need local content measures to help ensure our residents benefit from renewable power projects and facilities operations."

of the world's green hydrogen by 2030. But there is an "if" attached to that projection.

If African states strategize and invest now to develop a green hydrogen workforce, they can be ready for the coming wave of green hydrogen development and utilization. Hydrogen learning opportunities should be made available from the high school level upward as part of comprehensive skills plans for developing a prepared workforce.

With forethought and smart implementation, young Africans can be readied to lead the way in bringing the benefits of green hydrogen to their communities. In the process, job shortages can be mitigated as these young employees put their skills to work in the production, storage, and transportation of green hydrogen.

More African countries should be taking measures to ensure their people and businesses capitalize on green energy opportunities. And these must not stop with education and skills training; we also need local content measures to help ensure our residents benefit from renewable power projects and facilities operations.

ENSURING STRONG LOCAL CONTENT POLICIES

Just as local content rules continue to function as vital safeguards in African oil and gas operations, they will be tremendously important in the renewables sector, both for individuals and for businesses. As I've stated in the past, every nation needs to create a framework that empowers indigenous companies to fully capitalize on renewable energy opportunities.

There are times when power needs may justify temporary modifications to these policies. As an example, South Africa's National Energy Crisis Committee (NECOM), early this year, relaxed its local content rules for the construction of solar modules. Easing local employment requirements from 100% to 30% for local component production is meant to facilitate quicker deployment of solar projects, and hopefully, help alleviate the country's crippling power outages.

Power supply levels and other factors show the need to perform a balancing act when writing local content rules. Those other factors include the supply of current local skilled workers and infrastructure. We don't want to discourage developers, so we need appropriate, tailored local content regulations.

One reasonable approach is the one taken by Kenya, where guidelines requiring contractors to formulate a local content plan have been drafted. These plans must include training, succession, jobs, technology transfer, R&D, legal, financial, and insurance issues. This approach places the "ball" in the "court" of each project's contractor, allowing for their input in local content formulation.

A similar policy has been enacted in Nigeria. The local content policy is part of the government's Electricity Act 2023. It requires the Nigerian Electricity Regulatory Commission (NERC) to provide for local content participation involving employment, production, and assembly of components for solar PV, deep cycle batteries, and the electro-mechanical parts of SHP technology, wind boilers, and some turbines.

The act goes further, requiring contractors, sub-contractors, and licensees involved in renewable energy to include local content in all their related activities.

If widely enacted across the continent, similar local content rules can work hand-in-hand with training efforts to ensure Africans benefit from renewable energy development — through employment and the growth of their economies.

We are seeing promising movement in the effort to address Africa's skills gap, but we need many more programs, and we need them now. African countries and energy industry stakeholders should be doing everything possible to support these efforts, so Africans don't miss out on renewable energy industry opportunities.

• NJ Ayuk is the Executive Chairman, African Energy Chamber

Total Energies President, Patrick Pouyanne, presenyts a book to President Bola Tinubu while the Hon. Minister of State for Petroleum, Sen. Heineken Lokpobiri, watches with interest

TotalEnergies to Boost Nigerian Oil and Gas Assets With $6bn Investment

TotalEnergies has unveiled its plan to splash a whopping $6 billion on new investment on its oil and gas operations in Nigeria over the coming years as the company unfolds plans to make investments in offshore oil projects and gas production assets across all terrain.

TotalEnergies described the plan as a further demonstration of its commitment to, and long-term partnership with, Nigeria.

Chairman and CEO, TotalEnergies, Patrick Pouyanné, made the disclosure during his visit to Nigeria's President, Bola Tinubu, Monday, 18 December 2023, in Abuja to reaffirm the long-term partnership between TotalEnergies and Nigeria.

During the visit, Pouyanné discussed with Tinubu on ways to improve the investment climate and security of operations, TotalEnergies' future investment programme in the country, and the company's efforts to support Nigeria's plan to reduce carbon emissions.

TotalEnergies also signed a cooperation agreement with the Nigerian National Petroleum Company Limited (NNPCL) to undertake methane detection and measurement campaigns through the use of advanced drone-based AUSEA technology at oil and gas facilities in Nigeria.

The agreement follows similar ones signed ahead of the last COP28 held in Dubai with three other National Oil & Gas Companies, Petrobras in Brazil, SOCAR in Azerbaijan and Sonangol in Angola.

Commenting on his meeting with President Tinubu, Pouyanné said, "TotalEnergies is pleased to announce the end of routine flaring in its operations in Nigeria and the sharing of our in-house AUSEA technology with NNPCL, concretely supporting NNPCL to deliver the commitment taken at COP28 by endorsing the Oil & Gas Decarbonization Charter.

"We had a very constructive and pragmatic discussion today with President Tinubu on key actions Nigeria should take to attract increased investment in the country."

Over the past decade, TotalEnergies has been the largest private energy investor in the country, developing major projects such as Egina, Ofon Phase 2, the OML 58 Upgrade, and recently Ikike, which started in 2022.

The long-term commitment of the Company to Nigeria is also demonstrated by the continued exploration, evidenced by the Ntokon discovery in June 2023.

TotalEnergies owns a rich portfolio of projects which might represent more than $6 billion investments (100 percent) in the coming years.

TotalEnergies, as a founding member of the World Bank's Global Gas Flaring Reduction (GGFR) partnership, had earlier endorsed the "Zero Routine Flaring by 2030" initiative. As evidence of this commitment, TotalEnergies, in partnership with NNPCL finalised the OML 100 Flare Out project last December, thus becoming the first major operator in Nigeria to completely eliminate routine flaring from all operated assets.

A panel discussion at the Invest in African Energy Paris Forum held in France in June 2023

East Africa Adopts Diversified Resource Development Strategy

Boasting an abundance of renewable resources, East Africa has garnered substantial attention from major international players within its clean energy market. Robust policies and declining costs of technology in the sector, coupled with regional market and infrastructure reforms, are poised to accelerate the deployment of clean energy projects. Yet the region is also anticipating first oil from the Tilenga project – part of Uganda's Lake Albert Development – along with new liquefied natural gas (LNG) investments in Tanzania. New avenues for multi-pronged resource development strategies will be explored during the 2024 Invest in African Energy (IEA) forum – taking place in Paris next May and uniting industry experts from across Europe and Africa for two days of country spotlights, networking sessions and deal-making opportunities.

SOUTH SUDAN

With a low electrification rate, South Sudan is a prime candidate for accelerated investment in decentralized energy solutions to increase rural energy access and stimulate industrial development. The country features opportunities for regional and international partners to support the development of solar mini-grids, an achievable and scalable energy solution for South Sudan's rapidly growing population, which remains heavily reliant on diesel-powered generators for electricity.

As one of Africa's largest oil producers, the country is also seeking an influx of capital and technology to expand its upstream sector. Last September, South Sudan finalized a three-billion-dollar deal with U.S. oil company, Caltech Investment, to invest in and grow its petroleum industry and associated infrastructure. South Sudan is also looking to forge partnerships in technical training, skill building and knowledge transfer as it aims to develop its local workforce and transform its national oil company, Nilepet, into an integrated energy operator by 2027.

TANZANIA

Having set a goal to increase its share of renewable energy to 50% by 2025, Tanzania has implemented a series of programs to support the development of solar, geothermal and hydropower projects, aiming to add 600 MW of hydropower and 400 MW of geothermal power capacity to the grid by 2025. The Africa Renewable Energy Fund, a private equity fund focused on the development of clean energy projects across sub-Saharan Africa, has invested in multiple renewable projects in the country, including a 10 MW solar plant in Singida. Last April, the Tanzanian Government, African Development Bank and French Development Agency signed finance agreements worth $300 million for the construction of an 87.8 MW hydropower plant in the Kagera region, with the project also receiving a $38.8-million grant from the EU.

Meanwhile, Tanzania is also driving energy development in the form of natural gas. The country holds proven natural gas reserves of 57 trillion cubic feet and is hoping to accelerate exploration, with plans to launch an oil and gas licensing round in 2024. Last May, Equinor, Shell and ExxonMobil finalized discussions with the Tanzanian

Shell to Offload 37.5% Stake in Major German Oil Refinery to UK's Prax

Shell says it will sell its 37.5% stake in the major German oil refinery PCK Schwedt to the British Prax group, stressing that it expects the deal to go through by the end of the first half of 2024.

For decades, the oil for the refinery - which is majority owned by the Russian state oil company Rosneft - was supplied by Russia via the Druzhba pipeline.

However, the German government took control of the refinery in September 2022 amid stiff sanctions on Russian firms following Moscow's invasion of Ukraine in February 2022. The refinery's operations then shifted to primarily refining oil imported from Kazakhstan, brought in through Baltic Sea ports.

Shell had announced its intention to sell its shares years ago, with the Austrian Alcmene group long considered the most likely buyer. However, the takeover of the Shell shares announced in 2021 did not materialize as Rosneft, which owns some 54% of the PCK shares held by two subsidiaries, asserted its right of first refusal.

There are also pre-emption rights in the sale of the Shell shares this time, including for the other minority owner, the Italian energy firm Eni, which owns 8.3% of the refinery. Shell therefore stated that the completion of the deal was subject to the rights of the partners and authorization by the authorities.

The new buyer, Britain's Prax group, is a multinational independent oil refining, trading, storage, distribution and retail conglomerate. According to its own information, it has 1,450 employees at eight locations worldwide. Prax is very small compared to Shell, another British company with more than 90,000 employees worldwide and an annual turnover of $380 billion.

Shell - also known in Germany for the petrol station network of the same name - explained that it is reducing its global refinery portfolio to core locations that are more integrated into Shell's operating activities.

Executive vice president Machteld de Haan described it as another important milestone on the way to a focused refinery portfolio and the development of high-quality, integrated sites such as the Energy & Chemicals Park Rheinland.

According to information obtained by dpa, however, there will be no changes to the supply of crude oil to the PCK refinery via the ports of Rostock in Germany and Gdańsk in Poland or to the distribution of refined products in north-eastern Germany and western Poland.

According to PCK, nine out of 10 cars in Berlin and the surrounding state of Brandenburg run on petrol and diesel from Schwedt.

Besides petrol and diesel, the oil refinery near the Polish border and only some 80 kilometres north-east of Berlin supplies kerosene for BER airport in the German capital.

The plant can process up to 12 million tons of crude oil per year.

...DIVERSIFIED RESOURCE DEVELOPMENT STRATEGY

Continued from page 20

Government on the construction of a large-scale LNG facility with the capacity to supply 10 million metric tons per year, establishing an initial production-sharing agreement and regulatory framework. One month later, China National Offshore Oil Corporation announced its plans to explore for oil and gas in Tanzania's 4/1B and 4/1C offshore blocks, located nearby existing gas discoveries.

UGANDA

Earlier this month, Uganda's Ministry of Energy and Mineral Development released its Energy Transition Plan that focuses on raising energy access rates and requires eight billion in annual clean energy investments by the end of the decade. The country's renewable sector has attracted steady investment to date – during this year's COP28 summit, for example, the Private Infrastructure Development Group committed $19 million towards the construction of a 20 MW solar PV project in northwestern Uganda. Notably, the East African country is spearheading a dual development strategy, awaiting first oil production from the Lake Albert Development set to begin in 2025. As a result, Uganda requires significant foreign investment to build the infrastructure needed to monetize its estimated 6.5 billion barrels of oil reserves.

INVEST IN AFRICAN ENERGY (IAE) 2024:

Invest in African Energy (IAE) 2024 is an exclusive forum designed to foster collaboration between European investors and African energy markets. Taking place May 14-15, 2024 in Paris, the event offers delegates two days of intensive engagement with industry experts, project developers, investors and policymakers.

CDN Oil Steps up Expansion Drive, Seals Partnership With Noniks Oil and Lubricants

CDN Oil and Lubricants Limited, a fast-growing lubricants and engine oil company in Nigeria, has stepped up its expansion drive to increase its share of the country's lubricants market.

CDN Oil has therefore sealed a partnership deal with Noniks Oil and Lubricants for the sole distribution of CDN products in Abia and Imo States.

The CEO, Noniks Oil and Lubricants, Dr. Nonye Onyewuenyi, is quite excited at the new deal and has expressed enthusiasm about the partnership for the distribution of the quality engine oil products in the SouthEast region of Nigeria.

"I am delighted to have sealed this sole distributorship deal with Nigeria's fast-growing lubricants and engine oil firm, CDN Oil and Lubricants Limited," Dr. Nonye Onyewuenyi was quoted as saying in a statement.

"The company's commitment to quality, excellence, and innovation aligns seamlessly with my vision for delivering top-tier products to consumers in Nigeria and we are confident about the potential of this partnership."

She noted that the faster growth prospects offered by CDN's innovative products and the interest to tap from Nigeria's large market population facilitated the partnership with the engine oil and lubricants company.

"CDN Oil & Lubricants has demonstrated a clear dedication to producing high-quality products that meet international standards. Their focus on innovation and customer satisfaction positions them for faster growth in Nigeria's competitive lubricants market.

CEO, Noniks Oil and Lubricants, Dr. Nonye Onyewuenyi (left), presents the Sole Distributorship Certificate to the Managing Director and Chief Executive Officer, CDN Oil and Lubricants Limited, Dr. Daniel Nwokolo

"The business model deployed by the firm led by Dr. Daniel Nwokolo is one that is effective and guarantees that its quality products are made readily available and accessible to even the most remote communities at an affordable price, in line with the company's vision of becoming the best choice and leading marketer of engine oil and lubricant products in Nigeria," she added.

Dr. Onyewuenyi, who is also a U.S. based pharmaceutical scientist, gave a hint on her motivation to invest in Nigeria.

According to her, "Investing in Nigeria for me is not just a financial decision; it's about bringing my skills, expertise, and resources back to contribute to the advancement of my home country and I am glad about the prospects that this partnership holds."

Managing Director and Chief Executive Officer, CDN Oil and Lubricants Limited, Dr. Daniel Nwokolo, said the partnership will facilitate the company's expansion drive to reach the most remote localities in the country with its unique engine oil solutions.

"With the new deal, we have now expanded into the South East, Nigeria, beginning with Imo and Abia States, and renowned pharmaceutical scientist, Dr. Nonye Onyewuenyi and her team will be the face of that vision to penetrate new markets in that region and ultimately take over Nigeria's engine oil and lubricants market.

"One of our company's comparative advantages is our competitive pricing strategy. Our oil engine products are cheaper than existing brands in the market, making them accessible and affordable to low-income users, including keke drivers, generator users, motorcyclists, and others. We believe that everyone deserves access to reliable and affordable engine solutions, and our products meet the needs of these income users.

"Through this partnership, we aim to increase the availability of our products in Imo and Abia States and environs, providing dependable and cost-effective engine oil and lubricant products to individuals and businesses alike. We are committed to providing the highest quality of service to our customers and ensuring their satisfaction with our products," he said.

Akkrake Petroleum Secures 76% Equity in Block 1 Sèmè Field in Benin

Akkrake Petroleum has signed a production sharing deal to operate and work in Block 1 Seme Field, an oil field offshore in Benin Republic. Akkrake Petroleum is a fully-owned subsidiary of Rex International-Monarch Marine Holding joint venture Porto Novo Resources.

Akkrake Petroleum has now secured a 76 percent working interest in Block 1 Sèmè Field while the Government of Benin holds 15 percent with Octogone Trading holding the remaining 9 percent.

Covering a massive 551 sq km, the offshore Block 1 in Benin is in shallow water depth of 20 to 30 meters and the block includes the Sèmè Field discovered by Union Oil in 1969, first developed by Norwegian oil company Saga Petroleum.

The oil field had produced approximately 22 MMbbl between 1982 and 1998 before production was prematurely halted due to low oil prices of around $14 per barrel in 1998.

With the signing of the new contract, Akkrake Petroleum has now unveiled plans to initially redevelop the Sèmè Field through a production system comprising a jack-up mobile production unit (MOPU) and a floating storage unit (FSO) to restart production.

The company has also disclosed that horizontal wells and modern completion technology for water control will be used to maximise total oil recovery.

Previous drillings in the Sèmè Field between 2014 and 2015 had proven additional deeper hydrocarbon accumulations of oil and gas.

Akkrake Petroleum said further appraisal tests, including the appointment of a qualified person to independently assess the amount of reserves in the field, will now be undertaken in conjunction with the early production drilling.

It added that additional reserves and resources, if any, can be produced through the infrastructure to be installed in one of the reservoirs.

Commenting on the new deal, Executive Chairman, Rex International Holding, Dan Broström, said: “The terms for the Block 1 production sharing contract are favourable for an economically viable development to restart production in the short-term.

Dan Broström, Executive Director and Chairman, Rex Int’l Holding

“We will tap on the geological and geophysical expertise and the deep technical and operational knowhow of our teams in Norway and Oman, and establish a professional team locally, to work towards filing a field development plan in 2024 to restart production.

“We will also evaluate exploration opportunities to unlock unexploited oil and especially gas potential in the field.”

Owned by Porto Novo Resources, Akkrake Petroleum, is a joint venture between Rex International and Monarch Marine Holding, through an agreement signed earlier in December for carrying out the business of owning and operating offshore oil and gas assets in West Africa.

While Rex International owns 70 percent of Porto Novo Resources, Monarch Marine Holding owns the remaining 30 percent.

West Africa's Lubricants Market Presents Opportunities for Innovation, Specialised Solutions to Meet Specific Regional Needs

– M. A. Khattab, Managing Director, Linus Projects (India)

Managing Director, Linus Projects (India), M. A. Khattab, in this exclusive interview with **LUBES WEST AFRICA**, says the lubricants industry in West Africa, relative to other regions where his company operates, exhibits unique dynamics as the market presents opportunities for innovation and specialised solutions to meet specific regional needs. Khattab says despite facing distinct challenges, such as infrastructure constraints, the West African lubricants industry showcases potential for expansion and development. Excerpts.

BY OLAOLU OLUSINA

Please, give us a brief introduction of Linus Projects (India).

LINUS PROJECTS (INDIA) is an ISO9001:2015 certified Multinational organization established in the year 2014 and headquartered in Mumbai, India. LINUS PROJECTS (I) is a turnkey project management company with expertise in supplying machinery for different types of plants such as Lube Oil Blending plants, Grease Manufacturing plants, plastic blow moulding, injection moulding, and so on.

Our team has executed up to 15 to 20 projects and products over the period of time and hence we are experts in our domain and more specifically in the Lubricant and Plastic fields.

Our Engineering team gives customer support beyond the limit and beyond the time zone of different countries, irrespective of time zone and irrespective of workload we are always available for our valued client service, and Service is our most priority task.

For how long has Linus Projects been operating in West Africa and in which of the countries are you presently doing business?

Linus Projects has been active in West Africa since 2015, contributing to various projects and initiatives in the region. We are currently engaged in business activities in Nigeria, Kenya, Tanzania, Rwanda, Zambia, and Ethiopia.

Khattab

"In West Africa, there is a growing demand for lubricants, driven by industrialisation and increasing automotive activities. The market presents opportunities for innovation and specialized solutions to meet specific regional needs. While facing distinct challenges, such as infrastructure constraints, the West African lubricants industry showcases potential for expansion and development."

Khattab

How would you describe the lubricants industry in West Africa when compared to other regions where you operate?

The lubricants industry in West Africa, relative to other regions where we operate, exhibits unique dynamics. In West Africa, there is a growing demand for lubricants, driven by industrialisation and increasing automotive activities. The market presents opportunities for innovation and specialized solutions to meet specific regional needs. While facing distinct challenges, such as infrastructure constraints, the West African lubricants industry showcases potential for expansion and development. Comparatively, each region reflects diverse market characteristics, influencing our strategic approaches to cater to varied demands and foster sustainable growth.

From your experience of doing business in West Africa, what would you say are the biggest lubrication challenges facing lube companies?

a. Limited automation
b. Ineffective material handling
c. Compromised lubricant quality due to inadequate equipment standards
d. Corruption within the lubricant industry
e. Lack of professionalism

What has been your cutting edge and competitive advantage in assisting stakeholders and lube sector operators to surmount these challenges?

Our cutting-edge and competitive advantage lies in a combination of innovative technologies, specialised solutions, and a commitment to specialized expertise. We leverage advanced automation and quality control measures to ensure superior lubricant production. Our dedicated team undergoes continuous training to stay ahead of industry trends, providing unmatchable professional skills. Additionally, we focus on building strong relationships with Customers, offering personalized support to address their specific challenges. This holistic approach positions us as a reliable partner, uniquely equipped to assist Customer and operators in the lubricant sector to effectively overcome challenges and thrive in the industry

a. We provide Advance level Automation
b. Proper handling of Material with our advanced Equipment's
c. Enhanced lubricant quality resulting from robust equipment standards and compliance.
d. Integrity and transparency within the lubricant industry.
e. Employing Artificial Intelligence for advanced automation alongside a dedicated focus on cultivating and refining professional skills through comprehensive training

What are your projections for the lube industry in the New Year and what new products and services should we be expecting from Linus Projects.

The lubricant (lube) industry is a sector dedicated to the production, distribution, and application of lubricating substances designed to reduce friction and wear between surfaces in contact. Lubricants play a crucial role in various machinery, engines, and mechanical systems, enhancing efficiency, reducing heat and wear, and extending the lifespan of components. Lubricant market can be projected to experience significant growth from 2024 to 2030. As of 2023, the market is exhibiting steady expansion, and it is poised for further elevation due to the increasing implementation of strategies by key industry players. This upward trend is anticipated to persist over the forecasted period, marking notable advancements in the market landscape.

We will soon unveil new products and services on our website, with a primary focus on integrating advanced automation into the lubricants industry to address current challenges. Given the global emphasis on Artificial Intelligence, our upcoming technology will be centred around AI-based automation. Stay tuned for the reveal!

Are you really looking into the area of technology transfer and skills development for professionals in the industry in countries where you operate?

Certainly, as mentioned in our prior conversation, we are dedicated to emphasizing professional training and skills development within the Lubricant & Grease Manufacturing Industry. This initiative aims to address the current challenges faced by professionals in the industry where we operate. Insufficient knowledge can result in undesirable complications and financial losses. Adequate training is essential to prevent such outcomes.

What would be your advice for the government as well as the stakeholders for the lube industry to grow and develop?

Encouraging the growth and development of the lube industry requires collaboration and strategic measures from both the government and stakeholders.

Below are some points which can help to grow and develop into the Lube Industry:

1. The government can provide a conductive regulatory environment that encourages innovation, investment, and sustainability within the lubricant industry.
2. Encourage stakeholders, including industry players and research institutions, to invest in research and development. This can lead to the creation of advanced lubricants
3. Facilitate international collaboration and partnerships to exchange best practices, technologies, and market insights, contributing to the global competitiveness of the lube industry.
4. Stakeholders should educate consumers about the importance of using high-quality lubricants and the benefits they bring. Informed consumers contribute to the success and sustainability of the industry.
5. Facilitate market access for local lubricant manufacturers, both domestically and internationally. Support initiatives that enhance competitiveness in the global market.

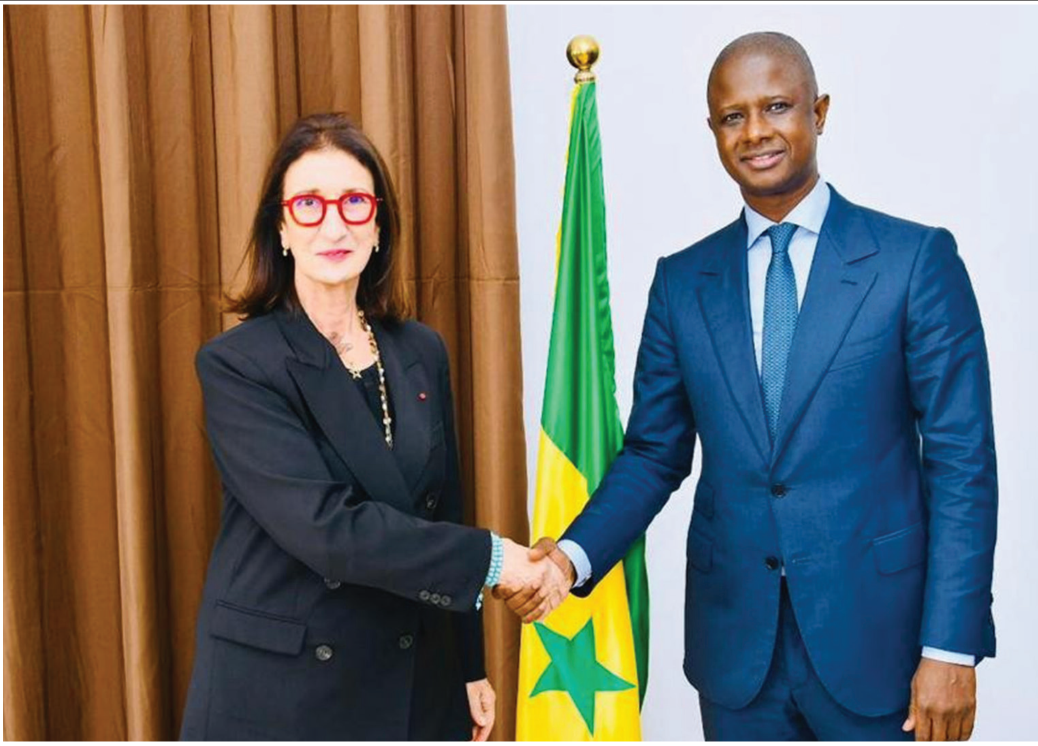
Khattab

"Lubricant market can be projected to experience significant growth from 2024 to 2030. As of 2023, the market is exhibiting steady expansion, and it is poised for further elevation due to the increasing implementation of strategies by key industry players. This upward trend is anticipated to persist over the forecasted period, marking notable advancements in the market landscape.

Who is Mr. M. A. Khattab and what are your interests and philosophy of life generally.

Mr. M. A. Khattab is a highly experienced Mechanical Engineer specializing in the Lubricants & Grease Industry. With a longstanding career dedicated to installing & Commissioning of Lube Oil Blending Plants, Grease Manufacturing Plants, and more, he currently holds the position of Managing Director at "LINUS PROJECTS." This company operates across India, Nigeria, and the UAE, with its manufacturing facility situated in Mumbai, India. LINUS PROJECTS has successfully established numerous plants across Africa, India, the Middle East, and Europe, showcasing a global footprint in the industry.

Empowering African people to manufacture their own lubricants not only contributes to local economic development but also fosters self-sufficiency. The "made in country" tag adds value by promoting locally-produced goods. By empowering African youth with the skills and tools to create products within their own communities, you're playing a vital role in promoting sustainability and economic growth. Such initiatives contribute to building a skilled workforce, fostering innovation, and enhancing the overall industrial landscape in Africa.



Minister of Petroleum and Energy for Senegal , Antoine Félix Abdoulaye Diome (right) welcoming the Managing Director of the Office National des Hydrocarbures et des Mines (ONHYM), Amina Benkhadra, who was on an official visit to Dakar with a delegation from the Office in Morocco

Senegal Expresses Support for Nigeria-Morocco Gas Pipeline Project

Senegal has expressed full support for the strategic Nigeria-Morocco Gas Pipeline Project as construction work on the project is scheduled to start this year.

Senegal's Minister of Petroleum and Energy, Antoine Félix Abdoulaye Diome, gave the assurance of his country's commitment to the success of the gas pipeline while receiving the Managing Director of the Office National des Hydrocarbures et des Mines (ONHYM), Amina Benkhadra, who paid an official visit to Dakar with a delegation from the Office in Morocco.

Diome, who stressed the crucial importance of the gas pipeline initiated by His Majesty King Mohammed VI of Morocco and former Nigerian President, Muhammadu Buhari, for the region, announced a special initiative in collaboration with Morocco, aimed at strengthening the project.

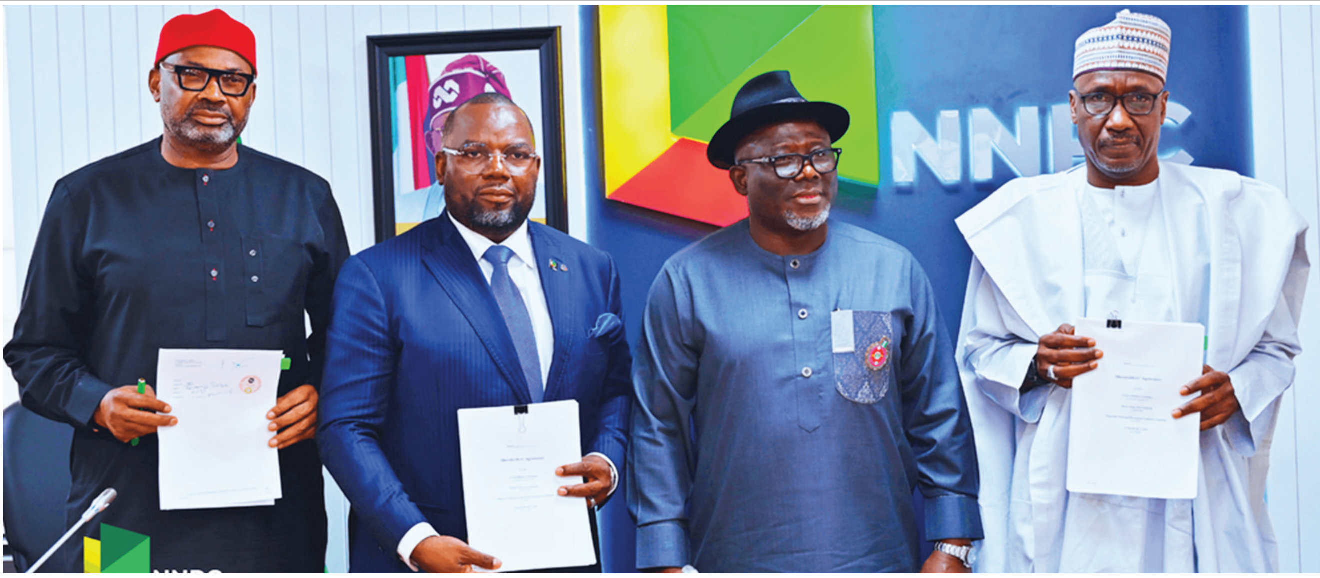
While expressing support for the project, which promises to stimulate South-South cooperation between countries in the region, the Senegalese Minister stressed the considerable benefits the project will bring to local populations and economies.

While recalling the deep historical ties uniting Senegal and Morocco, under the leadership of their leaders, H.M. King Mohammed VI and President Macky Sall, respectively, the Minister highlighted the richness and diversity of political, economic, social and cultural relations between Senegal and Morocco.

Diome, who also emphasised the promising future of cooperation in the hydrocarbons sector, stressed the importance of further strengthening the bilateral partnership in this crucial sector for both countries.

The meeting took place on the sidelines of the working sessions between ONHYM and PETROSEN Holding, which focused on collaboration in the fields of hydrocarbon research, production and transportation, as well as follow-up on the Nigeria-Morocco gas pipeline project.

At the end of the sessions, a Memorandum of Understanding was signed between ONHYM and PETROSEN Holding on action programmes for gas exploration, development and transportation, marking an important step in the collaboration.



NNPC Ltd., UTM Offshore, Delta State Seal Deal on Floating LNG

Nigerian National Petroleum Company (NNPC) Ltd., UTM Offshore (an indigenous company), and the Delta State Government have signed a Shareholders Agreement (SHA) on the development of the first Floating Liquefied Natural Gas (FLNG) facility in Nigeria. The landmark agreement was signed at a ceremony held at the NNPC Towers in Abuja, on Tuesday, 19 December 2023.

The FLNG facility is expected to produce 1.81 to 2.72 metric tonnes per annum (mtpa) of gas. The project equity has NNPC Ltd., UTM Offshore and the Delta State Government holding 20 percent, 72 percent and 8 percent stakes respectively.

The SHA signing ceremony came on a day the Group Chief Executive Officer, NNPC Ltd., Mr. Mele Kyari, said that the company will utilise Nigeria's abundant gas resources to revolutionize the nation's power and industrial sectors.

Kyari, who stated this at the signing ceremony, said: "In the next 2-3 years, we will use gas to bring about a revolution in our country. The outcomes will be clear on the table; there will be prosperity, and value will be created. Not just creating gas for export but progressing on all our initiatives of bringing gas into the domestic market.

"Our backbone infrastructures are almost ready to ensure we achieve that. Once that happens, we will see the immediate impact on the power sector, gas-based industries and several other collateral values that this will create."

Describing the FLNG project as a task that must be done, Kyari said Nigeria is a gas country whose abundant gas resources have been under-utilised. He stressed that the new focus is to monetise such gas resources for the benefit of the country and the world.

He said the FLNG Project clearly fits into the Nigerian Government's gas aspirations under the Decade of Gas Initiative and in line with President Bola Tinubu's clear agenda to create a gas hub so that value can be maximised, and Nigeria achieves the prosperity that it deserves.

Reiterating NNPC Ltd.'s commitment towards the project, Kyari said the FLNG was the first of its kind that the company was taking keen interest and holding an equity in.

"More than this, there are several Floating LNGs that we are promoting, including fixed LNG projects. We are happy to collaborate with the Delta State Government. We will take practical steps to get it done. We are committed to delivering this project in time, on schedule and at the best possible cost," Kyari added.

Speaking earlier at the ceremony, the Group Managing Director of UTM Offshore Limited, Mr. Julius Rone, described the SHA execution as another significant milestone in actualising Nigeria's first indigenous FLNG.

He expressed gratitude to President Tinubu for his dedication towards developing the Nation's gas resources, as exemplified in the recently held COP28 Conference

Aiteo Takes Major Stake in Mozambique's Mazenga Gas Block

Aiteo, Africa's leading oil independent, has secured a major stake in the Mazenga gas block, Mozambique's largest onshore gas block.

While Aiteo is undoubtedly Africa's largest oil independent and is owned by Nigeria's businessman, Benedict Peters, the Mazenga gas block in Mozambique is the largest onshore gas reserve in Africa.

The strategic acquisition, which marked a significant expansion in Aiteo's global energy portfolio, was achieved through a series of agreements with Mozambique's State oil firm, Empresa Nacional de Hidrocarbonetos (ENH), thus effectively positioning Aiteo as the new operator of the block.

The Mazenga gas block, which is located in Mozambique's prolific sedimentary basin, covers an area of approximately 23,000 square kilometres and is estimated to hold 19 trillion cubic feet of gas.

With the new acquisition, Aiteo has now launched a comprehensive development programme, which includes aeromagnetic and gravitational geological studies, field surveys, and the reprocessing of existing data.

CEO, Aiteo, Benedict Peters, is quite excited at the new deal and has underscored the company's dedication to investing in and developing the gas sector in Mozambique. He pointed out the strategic significance of the acquisition and Aiteo's goal to enhance its presence in the global gas market, as it continues along its trajectory to become a leading player in the international energy industry.

"The assets we're investing in are situated in one of the most promising gas production areas in Mozambique. This initiative reflects our strategy to be actively involved in unique energy projects across Africa.

"Our aim is to not only increase our global gas resource portfolio but also to establish ourselves as an industry leader within the continent. We are confident in our ability to develop these assets, benefitting both Mozambique and our stakeholders," Peters said.

It is worthy to note that Aiteo is the continent's largest indigenous oil producer, contributing more than five percent of Nigeria's daily oil output with a production rate nearing 100,000 barrels per day. In November 2023, Aiteo launched a new crude grade, Nembe, through a joint venture with the Nigerian National Petroleum Company Limited (NNPCL). Nembe is noted for its low sulphur content and reduced carbon footprint, adhering to the stringent requirements of major European buyers.

Peters

...OFFSHORE, DELTA STATE SEAL DEAL ON FLOATING LNG

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in Dubai, UAE. At the Climate Conference in Dubai last December, Tinubu had made a commitment for the complete flare-down and use of Nigeria's gas resources as a transition fuel to achieve the global transition to cleaner energy fuels and reduce methane emission in oil and gas operations.

Rone also lauded Kyari of NNPC Ltd for his leadership and commitment in ensuring that Nigeria's gas resources are developed within the provisions of the Petroleum Industry act (PIA) 2021.

In his remarks at the occasion, Delta State Governor, Sheriff Oborevwori, said that the Delta State Government, which has 40 percent of Nigeria's proven gas reserves, decided to take 8 percent equity in the Floating LNG project because of its conviction on the strategic importance of the project to the national economy.

Minister of Petroleum Resources (Oil), Sen. Heineken Lokpobiri (middle); Group CEO, NNPC Ltd., Mr. Mele Kyari (second right); Executive Vice President, Downstream, Adedapo Segun; Managing Director, PHRC, Ibrahim Onoja; while inspecting the new facility.

Port Harcourt Refinery Achieves Mechanical Completion

Nigerian National Petroleum Company (NNPC) Ltd. said it has fulfilled its pledge of achieving the mechanical completion of rehabilitation work on Area 5 Plant of the Port Harcourt Refining Company (PHRC).

Rehabilitation work has been ongoing at the Refinery for over two years and the NNPC Ltd. had pledged to complete Phase One of the project (mechanical completion and flare start-up) of Old Port Harcourt Refinery (Area 5) by 31 December 2023.

Speaking during an inspection tour of the rehabilitation project, which also coincided with the 15th Refineries' Rehabilitation Steering Committee Meeting, the Group Chief Executive Officer, NNPC Ltd., Mr. Mele Kyari, said as of 15 December 2023, 84.4 percent of Area 5 Plant, a key component of the Refinery, and 77.4 percent of the entire rehabilitation project have been completed.

"In our quest to ensure that this refinery is re-streamed to continue to deliver value to Nigerians, we made a promise that we will reach a mechanical completion of phase one of the rehabilitation project by the end of December and get the other plants running in 2024. Today, we have kept those commitments," Kyari stated.

He commended the NNPC Ltd.'s staff and the EPCIC contractors for doing a great job in ensuring that the refinery achieved that significant milestone.

Chairman of NNPC Ltd Board, Chief Pius Akinyelure, in his remarks, described the milestone as "historic", stressing that the board was proud of the staff and management of the refinery.

"We are just starting. We want to be at the highest level of production so that we will keep petroleum prices stable in order to give comfort to our people and generate more revenue for our country," Akinyelure noted.

Minister of State for Petroleum Resources (Oil), Senator Heineken Lokpobiri, said the milestone is another landmark of the renewed hope agenda of President Bola Tinubu.

He expressed gratitude to Nigerians for their patience and the trust they have in NNPC Ltd.'s ability to deliver on this huge project.

Minister of State for Petroleum (Gas), Ekperikpe Ekpo, said re-streaming the refinery will herald a good omen for the nation's Liquefied Petroleum Gas (LPG) industry, as LPG, also known as cooking gas, is a major bye-product of the refinery.

Managing Director of Tecnimont Nig. Ltd., Fabio Del Cioppo, one of the EPC Contractors of the Rehabilitation Project, said his company remains committed to fulfilling the terms of the contract.

This contribution from the African Development Bank is crucial for improving the electricity sector in Cameroon and allowing it to be more productive and competitive

UNIVERSAL ACCESS TO POWER:

AfDB Grants EUR 74 million Loan to Cameroon for Electricity Sector Reforms

African Development Bank Group, on 14 December 2023 in Abidjan, approved a loan of EUR 74.25 million to Cameroon to enable the country implement the first phase of the Electricity Sector Recovery Support Programme (PARSEC).

The programme will support the Cameroonian government to implement the reforms necessary in the energy sector in 2024 and 2025 so that, in the long term, the country can produce enough electricity to cover its national requirements of 5,000 megawatts and build a reserve to export energy to neighbouring countries, particularly Chad.

"This programme allows the African Development Bank to provide added value in its support for the recovery of the electricity sector in Cameroon. It also offers significant leverage effects through its connection to various recovery plans in the electricity sector. The various actions implemented in the context of high-level dialogue with the government are such that they will raise the Bank to the rank of a preferred partner to Cameroon," the Director General for the Central Africa region and head of the African Development Bank's Country Office in Cameroon, Serge N'Guessan, said.

Among other things, the reforms will enable Cameroon to reduce its commercial losses on electricity, improve revenue collection and deal more efficiently with energy flows in distribution, by migrating metering from a post-paid to a pre-paid mode and installing smart meters, including in public buildings. The programme will also help to develop and implement an information-education-communication plan aimed at the population, to publicize the new type of metering and introduce customers to pre-payment.

The Bank's support will build human resource capacity so that Cameroon has a critical mass of qualified personnel to work throughout the electricity sector value chain, from production to knowledge distribution, with the aim of facilitating faster responses to technological, organizational, environmental, climate-related and financial needs in the sector.

The programme will also contribute to the development of a low-cost, integrated master plan to build planning capacity in the electricity sector, covering the whole of the electricity value chain in Cameroon and taking gender concerns into account.

The whole of the Cameroonian population will benefit from the programme, based on an improvement in quality of life. The programme will also benefit small and medium-sized enterprises (SME), which will see several constraints on the development of their activities, including the irregularity of the energy supply, removed. This will improve the business environment, allowing the Cameroonian economy to attract more national, regional and foreign capital.