LUBES WEST AFRICA

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Authoritative Voice of the Lube Industry

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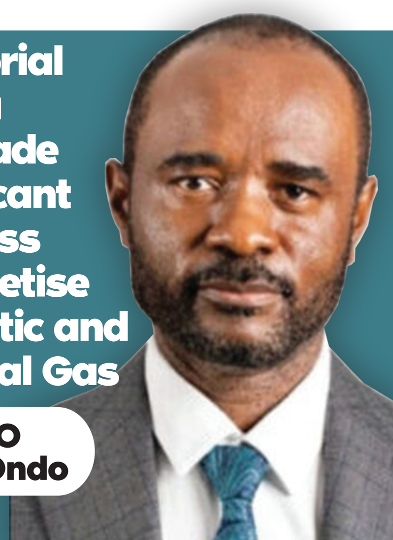
Equatorial Guinea Has Made Significant Progress to Monetise Domestic and Regional Gas



ANTONIO Oburu Ondo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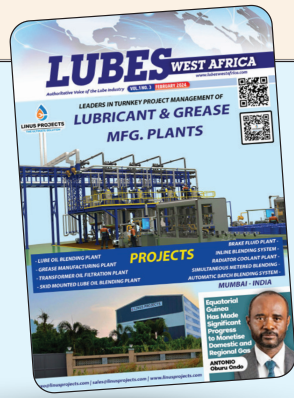
WORDS ON MARBLE

"As of 2023, the market was 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." *– M. A. Khattab, Managing Director, Linus Projects (India)*

"We will construct a pipeline that will transport gas from the offshore field to Elizabeth Bay located near the town of Lüderitz on the southern coast of Namibia, where a gas to power barge will convert the natural gas into electricity."
– Maggy Shino, Petroleum Commissioner, Ministry of Mines and Energy, Namibia.

"Equatorial Guinea, like many other African countries, believes that in order to make energy poverty history, we need to monetize and maximize all of our natural resources. ."
– Antonio Oburu Ondo, OPEC President and Equatorial Guinea's Minister of Mines and Hydrocarbons.

EDITOR'S NOTE



A Decade of Gas

The discoveries of oil and gas in great quantities across various rivers and basins in Africa in the past few years have been a real blessing to a continent that is very rich in mineral resources.

There is hardly any part of the continent that you won't find one natural resource or the other. Other critical minerals are also in abundance though they remain yet untapped on a large scale as oil and gas.

The rate at which attention is being given to the oil and gas resources in Africa is therefore commendable. Rather than calling for non-exploitation of these resources, environmentalists at the forefront of advocacy for green energy should take it easy with Africa for now.

Being one resource that is greatly attracting investors' attention at the moment, Africa cannot afford to shoot itself on the foot by accepting the demands for a complete stop on fossil fuels hook, line and sinker.

The value which the development of oil and gas is bringing to bear on African economies is quite much at the moment as oil forms the bedrock of foreign earnings in a country such as Nigeria. The value chain being created from oil and gas is also enormous.

A good example of a company providing valued services to the lubricants industry, an offshoot of oil and gas, is featured on our Cover this month.

Providing cutting-edge services and solutions to lube blending plants across Africa, Linus Projects (India) has proven that it has what it takes to meet the needs of the lube sector.

Also in this edition, we feature exciting interviews from Equatorial Guinea and Namibia on new oil discoveries and how the countries are maximising the opportunities in the new discoveries.

Other stories from other parts of the continent would surely interest our readers. Please, join us in this exciting journey as you enjoy our February edition.

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Galp Hits Oil at Mopane-1X in Namibia

Portuguese oil and gas company Galp said it has discovered light oil at the Mopane-1X well offshore Namibia, bringing the total number of oil and gas discoveries to six since 2022. Namibia has therefore reached another milestone in its exploration journey with this discovery of light oil at the Mopane-1X exploration project - located in Petroleum Exploration License (PEL) 83 in the Orange Basin.

Representing Namibia's sixth commercial oil and gas discovery - following hydrocarbon discoveries made by TotalEnergies in PEL 56 and Shell in PEL 39 - the Galp discovery further elevates Namibia's status as a frontier oil and gas market.

Galp reports that the discovery, made in reservoir-bearing sands of high quality, prompts the company to initiate an assessment of the reserves' commercial viability through a planned drill stem test in the coming weeks. Recognising the immense potential of Mopane-1X and Namibia's Orange Basin for world-class discoveries, Galp and its partners – Namibia's national oil company (NOC) NAMCOR and Custos Energy - are extending their drilling campaign with upcoming activities in the Mopane-2X well.

The African Energy Chamber (AEC), as the voice of the African energy sector, has congratulated Galp and its partners for the discovery.

"This achievement represents a substantial stride in positioning Namibia as a major energy player in Africa and on the global stage, aligning with recent successes in the country's upstream sector," AEC said in a message.

The AEC said it believes that the discovery is a massive milestone for Namibia, Galp, NAMCOR and its partners on PEL 83. In addition to fortifying local and regional energy security, the AEC foresees Galp's discovery and Namibia's burgeoning oil and gas industry playing a pivotal role in enhancing the country's economic strength and gross domestic product growth.

This will be achieved through bolstering energy market resilience, creating job opportunities, and expanding export revenue. Notably, with approximately 45 percent of Namibia's population currently lacking access to electricity, discoveries like Galp's will be instrumental in realising the government's objective of universal energy access by 2040 while ensuring the region has access to affordable energy.

"This is an example of an African country, the ministry and the NOC working hand-in-hand to enable explorers. These discoveries do not just happen because of the geology itself, but credit should be given to the hard work that has been put in by the Namibian government through its ministry and NOC in constantly and consistently keeping a stable environment, encouraging companies, listening to investors, and giving investors the confidence to pour in money and get massive discoveries. Namibia's example should be a lesson to many African states when it comes to exploration," Executive Chairman, AEC, NJ Ayuk, stated.

The discovery of light oil at Mopane-1X further demonstrates the commercial potential of offshore oil and gas in Africa. With six discoveries made in less than two years, Namibia is a testament to the role and future oil and gas plays in Africa. The AEC is optimistic about Namibia's hydrocarbon future and urges exploration companies and government to work together in navigating the legal, environmental and investment requirements to fast-track the development of these critical resources.

"We stand with Namibia in its endeavor to explore and exploit oil and gas resources to address energy security issues and maximize industrialization. Namibia's oil and gas resources will be key to expanding economic growth, driving diversification and advancing socioeconomic development, both in Namibia and across the southern African region," Ayuk maintained.

LINUS PROJECTS (INDIA):

Lube Oil Blending plant

Exploring Africa's Lube Market with Innovation and Specialised Solutions

BY OLAOLU OLUSINA

Linus Projects (India) is tapping into the immense opportunities the West Africa's lubricants market presents with innovative and specialised solutions to meet the specific needs of the region.

Managing Director, Linus Projects (India), M. A. Khattab, seems to have his eyes on the unique opportunities in this important market and he is confident that his company has what it takes to meet the specific needs of the market.

In an exclusive interview with LUBES WEST AFRICA, Khattab disclosed that the lubricants industry in West Africa, relative to other regions where his company operates, exhibits unique dynamics, saying the market presents opportunities for innovation and specialised solutions to meet specific regional needs.

He noted that despite facing distinct challenges, such as infrastructure constraints, the West African lubricants industry still showcases potential for expansion and development.

Linus Project is therefore set to tap into this potential that the market has in abundance.

An ISO9001:2015 certified multinational organisation established in 2014 and headquartered in Mumbai, India. Linus Projects (India) 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.

The company's team has executed up to 15 to 20 projects and products over the period of time and hence they are experts in their 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," Khattab maintained.

Without doubt, Linus Projects knows the market well as it has been active in West Africa since 2015,

Lube Oil Blending plant

contributing to various projects and initiatives in the region. The company is currently engaged in business activities in Nigeria, Kenya, Tanzania, Rwanda, Zambia, and Ethiopia.

"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," he stated.

The biggest lubrication challenges facing lube companies West Africa, according to Khattab, include:

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

He however disclosed that his company has been addressing these challenges with cutting edge solutions as competitive advantage to assist stakeholders and lube sector operators surmount these challenges.

"Our cutting-edge and competitive advantage lies in a combination of innovative technologies, specialised solutions, and a commitment to specialised expertise. We leverage advanced automation and quality control measures to ensure superior lubricant production.

"Our dedicated team undergoes continuous

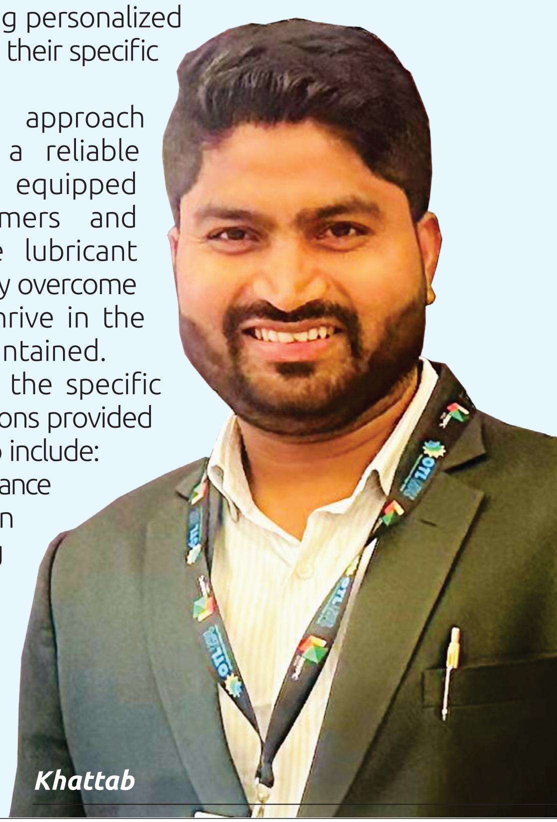
"Our engineering team gives customer support beyond the limit and beyond the time zone of different countries, irrespective of time zone and irrespective of workload we are always available for our valued client service, and service is our most priority task."

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 customers and operators in the lubricant sector to effectively overcome challenges and thrive in the industry, " he maintained.

Khattab listed the specific cutting edge solutions provided by Linus Projects to include:

- Provision of Advance level automation
- Proper handling of material with the company's advanced equipment
- Enhanced



Khattab

"Our cutting-edge and competitive advantage lies in a combination of innovative technologies, specialised solutions, and a commitment to specialised expertise. We leverage advanced automation and quality control measures to ensure superior lubricant production."

lubricant quality resulting from robust equipment standards and compliance.

- Integrity and transparency within the lubricant industry.
- Employing Artificial Intelligence for advanced automation alongside a dedicated focus on cultivating and refining professional skills through comprehensive training.

On the projections for the lube industry in the New Year and the new products and services to be expected from Linus Projects., the Managing Director said :"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 was 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."

According to Khattab, "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."

He also revealed that his company is also looking into the area of technology transfer and skills development for professionals in the industry in countries where they operate.

"We are dedicated to emphasising 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," he said.

The Linus chief however stressed the need to encourage the growth and development of the lube industry, saying this requires collaboration and strategic measures from both the government and stakeholders.

Linus Projects operates across India, Nigeria, and the UAE, with its manufacturing facility situated in Mumbai, India. The company has successfully established numerous plants across Africa, India, the Middle East, and Europe, showcasing a global footprint in the industry.

Empowering Africans to manufacture their own lubricants, the company not only contributes to local economic development but also fosters self-sufficiency.

Linus Projects believes that 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, " the company says . "Such initiatives contribute to building a skilled workforce, fostering innovation, and enhancing the overall industrial landscape in Africa."

Linus Project - Brake Fluid and Coolant Plant

DISCOURSE

African Energy Chamber

African Leaders Must Find Ways to Encourage Ongoing Oil and Gas Investments

Alweendo

BY TOM ALWEENDO

Despite the global push for near-instant transition to renewables, the immediate benefits for us (and many African nations) still predominantly lie in oil and gas As the 2023 U.N. Climate Change Conference, the 28th Conference of Parties (COP28) in Dubai drew to a close, the air was thick with determination among the 200 delegates. Acknowledging that the era of fossil fuels was on its last legs, they collectively pledged to hasten its demise. This was heralded as "the beginning of the end" for coal, oil, and natural gas. The nails and hammers were poised to pound the coffin of a sure- to-be- dead fossil fuel industry.

The conference culminated in a comprehensive agreement known as the "global stocktake". This ambitious strategy set forth key objectives: tripling renewable energy capacity, doubling the rate of energy efficiency improvements by 2030, expediting the reduction of coal power without carbon capture, and intensifying efforts to shift away from fossil fuel reliance in energy systems. The overarching message was clear: a full-scale transition to renewable energy sources is imperative, while fossil fuels must be left in the ground.

However, this either/or binary approach poses a significant dilemma for African nations. The economic and social benefits derived from fossil fuels are still crucial for us – from reducing energy poverty to bolstering our economies. Moreover, we believe that these benefits can be harnessed in tandem with addressing climate change concerns.

Our plea for understanding from Western nations and environmental groups, who are intensifying their efforts to stop new investments in African oil and gas ventures, seems to fall on deaf ears. The struggle to secure project financing is growing. On November 30, 2023, The Economist revealed that 27 banks had withdrawn from financing the East African Crude Oil Pipeline project, and numerous others had decided against directly funding new oil and gas initiatives.

Yet, there are glimmers of hope, particularly in Namibia. Here, we have introduced reforms to reduce the risks for investors. Almost a year ago, significant offshore oil and gas discoveries rewarded the investments of oil majors like Shell, TotalEnergies, and QatarEnergy in Namibia. Following this, Namibia has witnessed a surge in exploration activities. At the beginning of 2024, Portugal's Galp Energia announced the discovery of a substantial light oil reserve in Namibia's offshore block PEL83. Galp, along with its partners NAMCOR and Custos Investments Ltd., plans to explore deeper depths. Upcoming drilling campaigns by Chevron (U.S.) and Woodside Energy (Australia) are expected to continue this momentum.

This is a testament to an irrefutable fact: despite the global push for near-instant transition to renewables, the immediate benefits for us (and many African nations) still predominantly lie in oil and gas.

A REALITY CHECK

The immediate shift to renewable energy, as suggested by the COP28 global stocktake is impractical and overly idealistic. The reality is that any swift transition to renewable energy would only be viable if Africa, or indeed the world, were ready to rely entirely on wind, hydro, wave, and solar energy for powering homes, businesses, vehicles, and industries. Unfortunately, we are nowhere close.

For instance, despite Africa's abundant potential

for solar and wind energy — holding 60% of the planet's capacity — our actual production capabilities are starkly different. We might be termed the "Sun Continent", but our solar energy generation capacity is a mere 1% of the global total. In sub-Saharan Africa, biomass remains the predominant energy source for many.

Let us be in no doubt; Namibia remains committed to a renewable energy future. We have taken significant strides towards establishing a green hydrogen economy, evident in projects like the 3-gigawatt Tsau Khaeb and others in Kharas, Kunene, and Walvis Bay. However, achieving parity with global renewable energy capabilities will take time and money. A whole lot of money that most, if not all countries that make up the so called "Sun Continent", do not have.

LACKLUSTRE FUNDING SUPPORT

To be fair, this funding gap has not gone unnoticed. Institutions like the World Bank, the U.N., and the International Energy Agency have urged developed economies to invest in African renewable energy infrastructure. Till date, the financial support has been underwhelming. What this means is that, for all their renewables fervor and promises, the richer western nations — who collectively contribute the highest to global emissions — are not putting their money where their mouths are.

The International Energy Agency estimates that Africa would require over USD200 billion annually until 2030 to meet the Sustainable Africa Scenario's energy and climate objectives. Yet, despite a rise in global clean energy investment everywhere else, only a mere fraction of this amount, about USD25 billion, have been invested in Africa's renewable infrastructure development. This shortfall is even more pronounced considering Africa's burgeoning population, projected to constitute 25% of the global population by 2050. The continent's energy needs will rise exponentially and the funding gap does not seem to be closing anytime soon. As of today, the Just Energy Transition

Partnerships, a COP26 initiative designed to finance sustainable development in emerging economies, has yet to be effectively implemented or produce significant results. It is within this context that one must challenge the renewables or nothing stance of the Global Stocktake at COP28. If fossil fuels are out, what do we have to replace them, now and into the future?

UNACCEPTABLE INTERFERENCE

The underinvestment in African renewables is just one aspect of a larger problem. Concurrently, there's a concerted effort by the West to stifle investment in African fossil fuel projects. Even natural gas exploration – the cleanest fossil fuel and a transitional energy source – faces intense scrutiny and opposition.

For instance, a 2021 article in The Guardian reported that some experts advised Africa to prioritize renewable energy adoption at all costs, even if it meant abandoning the exploration of lucrative gas reserves. The intention was noble – to avert a climate crisis and expand clean energy access to millions lacking it. However, practical strategies and timelines to achieve this were notably absent, despite vehement criticism of the oil and gas sector.

Our plea for understanding from Western nations and environmental groups, who are intensifying their efforts to stop new investments in African oil and gas ventures, seems to fall on deaf ears. The struggle to secure project financing is growing. On November 30, 2023, The Economist revealed that 27 banks had withdrawn from financing the East African Crude Oil Pipeline project, and numerous others had decided against directly funding new oil and gas initiatives.

This is not to undermine the dedication of climate activists; the reality of climate change impacts is undeniable. However, I believe Africa can address climate change while simultaneously tackling energy poverty through the judicious use of our natural resources. With 600 million people lacking electricity access, a comprehensive approach is imperative to overcome the current energy deficit and mitigate against a larger one in the future.

NAMIBIA'S LOGICAL RESPONSE

From the foregoing, it is only logical for African nations to safeguard the socioeconomic advantages from ongoing oil and gas operations. We can do this by enacting policies that incentivize investment and by building inclusive economic and political institutions. The high costs associated with exploration and production must be reflected in our tax and royalty policies. Additionally, factors like stable economies, transparency, and efficient legal frameworks significantly influence investment decisions. We must be committed to ensuring these conditions are met in our countries.

Namibia exemplifies these efforts in both oil, gas, and mining sectors. We continue to collaborate with investors and industry stakeholders to foster further improvements. Our efforts to create an enabling environment for investors played a significant role in driving the drilling campaigns by Shell, TotalEnergies, Galp, and QatarEnergy. The investments these companies are making in Namibia will play a central role in generating government revenue; building roads, bridges, and dams; creating jobs; and improving standards of living for every Namibian in line with the vision of President Hage Geingob.

However, we must not compromise our own needs and priorities in attracting investment. African nations must always seek investments that are mutually beneficial. This can be achieved through balanced and pragmatic local content policies that offer employment, business opportunities, capacity building, and technology and knowledge transfer.

IMPERATIVES FOR OUR PROSPEROUS FUTURE

African countries' pursuit of fossil fuel projects, especially natural gas, is in line with global practices. Even countries advanced in renewable energy do not rely solely on these sources. For instance, in the U.S., 60% of electricity is still generated from fossil fuels, predominantly natural gas, while renewables and nuclear energy contribute 21% and 18%, respectively. Natural gas is deemed more reliable, operating at full capacity 65% of the time, compared to solar and wind energy's 36% and 25% capacity factors, respectively. Asking African nations to disregard natural gas is akin to suggesting we should accept half the power capacity, half the standard of living, and half the safety compared to Western nations. This is not a reasonable expectation.

Capitalizing on Africa's natural gas resources is about more than just enhancing power capacity or addressing electricity shortages. It is a means to build industrial capacity and revitalize African economies, lifting people from poverty and energy scarcity.

In light of this, there is a clear imperative for African leaders to take immediate actions to foster an environment conducive to oil and gas investments. As for energy companies, we invite you to partner with us. Do not overlook the vast opportunities in Africa. Your investments will not only yield returns but also contribute significantly to eradicating energy poverty, driving economic growth, and paving the way for the development of renewable energy sectors in African countries.

Let's remember, no nation has achieved industrialization solely through solar or wind power. But those that are industrialized, with financial reserves, are in a better position to finance their energy transitions. For us as Africans, we must be in the position to drive our energy transition initiatives by using what we have now to achieve what we envision for our future. To waiver from this objective is a risky and untenable proposition.

• Tom Alweendo is the Minister of Mines and Energy, Namibia

Amazon Lubricants: Greasing Wheels of Success Across Global Markets

Amazon Lubricants and Grease LLC, with its production facility in Umm Al Quwain, United Arab Emirates (UAE) and corporate headquarters in United Kingdom, is greasing the wheels of progress across global markets, especially in Africa, Middle East and Europe, through its distribution network and partnership.

Flaunting its reputation of being "just more than just a company, " saying "we are a catalyst for change, " Amazon Lubricants stressed that "We are driven by a deep-rooted belief in the power of innovation and sustainability to transform the lubricants industry and create a more sustainable future for all.''

Renowned across global markets for quality lubricants and grease that are ISO Certified and manufactured according to API Certified standards, Amazon Lubricants continues to strive for production excellence as it looks towards the future with confidence.

As it continues to relentlessly innovate and develop world-class lubricants that empower businesses and societies to operate efficiently, responsibly, and sustainably, Amazon Lubricants is collaborating with its teeming customers and partners to drive innovation and sustainability across the lubricants industry.

"Since 2018, we've become a top maker and exporter of industrial lubes, helping machines run like dreams across the Middle East, Africa, and beyond,'' the company says.

''With a team of clever minds in our lab,

"Our commitment extends beyond innovation to encompass sustainability. We recognise the profound impact our industry has on the environment, and we are dedicated to minimising our footprint... Our manufacturing processes adhere to the strictest environmental standards, and we actively seek ways to reduce waste and promote circularity."

we're always creating new lubes to keep your engines purring. And we do it all the green way, with clean manufacturing and smart recycling."

Maintaining that "we're more than just lube makers – we're your teammates in the world of machines!," Amazon Lubricants says it is always cooking up amazing new lubes to keep machines running smooth, no matter what they're doing."

"These new lubes are like magic – they adapt to whatever your machines need, so you can keep working without a hitch.

"Our commitment extends beyond innovation to encompass sustainability. We recognise the profound impact our industry has on the environment, and we are dedicated to minimising our footprint.

"Our manufacturing processes adhere to the strictest environmental standards, and we actively seek ways to reduce waste and promote circularity," the company adds.

Focusing on automotive, industrial, and marine lubricants, Amazon Lubricants products include: Automotive Lubes (Petrol, Diesel, Motorcycle Engine Oils), Automatic Transmission Fluid, Gear Oils, Car Care, Hydraulic Oil, Pump Set Oil, CNG Oil, Grease, Industrial Lubricants and Agricultural Lubricants.

With fully synthetic and semi-synthetic oils as well as Mineral Oil based Engine Oil, Amazon Lubricants also conducts Oil Analysis and Toll Blending Services.

Automatic Transmission Fluid

Brake Fluid

Gear Oil

Multi Purpose Oil

SAE 5W-20 API SN is advanced high-performance fully synthetic motor oil

LIQUI MOLY increases annual sales to € 917 million. Managing Directors Dr. Uli Weller (left) and Günter Hiermaier set course for a billion

LIQUI MOLY Confidently on Course for a Billion

German motor oil and additive producer increases sales by almost 15 percent to €917 million in 2023. Oil and additive sales soar in volume. Number of employees grows by more than five percent. Inflation compensation and an employee bonus of up to € 3,000.

The two managing directors Günter Hiermaier and Dr. Uli Weller are very satisfied with the annual result. Further investments of more than 20 million euro at the German locations in Ulm and Saarlouis are intended to strengthen production and logistics.

"Our goal is to achieve a turnover of one billion euro in 2025. It looks like we'll make it a year earlier," says Günter Hiermaier confidently. His colleague Dr. Weller, who has also been Managing Director of the Ulm-based company for a year now, is equally positive about 2023: "The general conditions were extremely poor. We were hit hard by energy prices, logistics costs and inflation. We cannot and do not want to pass on the increased costs 1:1 to our customers. We are left with the lion's share of the price increases. The only thing that helps is to make savings where it doesn't hurt anyone and to sell more — worldwide."

LIQUI MOLY is apparently doing this well. Production and sales volumes are increasing. "We have reached our capacity limit in additive production. More than 18.5 million cans came off the production line in Ulm. Our expansion of production will provide relief here. We are planning 22 million cans in 2024," says Günter Hiermaier. Oil production in Saarlouis is also almost at its limit.

"Investments worth millions are helping us to increase production volumes," reports Dr. Weller. In

2023, the oil plant in Saarlouis produced over nine percent more than in 2022 with a good 94,000 tons of lubricants. Motor oils accounted for the largest share, followed by transmission oils.

"Our filling systems for small containers are reaching their capacity limits with these quantities. We have invested heavily here to increase volume output," says Dr. Weller.

In general, the entire capacity limit of the oil plant is in sight. This is 120,000 tons per year. "With constant growth, we would have reached our upper limit in three years if we had not continued to invest in the location," Dr. Weller continues.

Overall, the lubricant specialist is still on track for growth. "We are maintaining our course of internationalization and strengthening our subsidiaries abroad. We are increasing staff wherever necessary. In 2023, we created around 50 jobs, which corresponds to a boost of 5 percent," Günter Hiermaier explains.

According to the company's philosophy, the co-entrepreneurs (as employees at LIQUI MOLY are traditionally called) should be as well off as possible. In addition to the introduction of flexible working hours and mobile working wherever possible, additional financial benefits have been implemented for all 1104 employees.

"Sales of motor oils and additives are likely to decline within the EU over the next two decades. Internationally, e-mobility plays a minor role. Nevertheless, we want to be strong as a brand in the EU, which is why we will continue to develop our existing range for electric and hybrid vehicles."

"We paid the full € 3,000 inflation compensation and voluntarily implemented the collective agreement. This alone has resulted in wage increases of more than 10 percent in production, for example. At the same time, we are giving all our colleagues up to € 3,000 as a share in profit. This also constitutes good practice for us," says Günter Hiermaier.

The two managing directors are clear on where the journey is heading.

"We will continue to grow. The billion mark is not the limit. We have our sights firmly set on the second billion," both of them say confidently. The homework assignments have already been distributed to all co-entrepreneurs: Strengthening the export business, further digitalization, customer loyalty and product innovations in all areas, electric vehicles included. The latter is particularly important for the European market.

"Sales of motor oils and additives are likely to decline within the EU over the next two decades. Internationally, e-mobility plays a minor role. Nevertheless, we want to be strong as a brand in the EU, which is why we will continue to develop our existing range for electric and hybrid vehicles," reports Dr. Uli Weller.

Günter Hiermaier emphasizes that "we are driving forward internationally what has made us strong in Germany. And that's our excellent personal service. Our competitors are making massive job cuts in this area. We are stepping up our headcount and, with a concentrated sales force, entering markets that are as yet untapped. You can see from our subsidiaries that this strategy is working."

The company enjoys the full backing of its parent company Würth in all its endeavours.

"We continue to operate independently. The Central Management Board trusts and strengthens us in our path. Our cooperation is based on mutual respect. We and all our co-entrepreneurs see ourselves as LIQUI MOLY. This is central to our self-image, our team spirit and our strong brand," says Günter Hiermaier.

LIQUI MOLY

With around 4,000 items, LIQUI MOLY offers a global, uniquely broad range of automotive chemicals: Motor oils and additives, greases and pastes, sprays and car care, glues and sealants. Founded in 1957, LIQUI MOLY develops and produces exclusively in Germany. There it is repeatedly voted the best oil brand. The company's products are available in around 150 countries and generated € 917 million in sales in 2023.

Namibia Has Been on a Roll Since 2022

– Maggy Shino, Petroleum Commissioner, Ministry of Mines and Energy, Namibia

Ahead of the forthcoming Namibia International Energy Conference scheduled to hold in Windhoek from April 23-25, 2024, Petroleum Commissioner, Ministry of Mines and Energy, Namibia, Maggy Shino, discusses the country's efforts to fast-track development of breakthrough discoveries in the Orange Basi. Excerpts.

Maggy Shino

What does the pathway to first oil look like for Namibia? Are there any updates on the technical and commercial viabilities of the recent discoveries?

Namibia has been on a roll since 2022, in that nearly every hole that has been drilled in the subsurface has yielded a positive indication of hydrocarbons. Between February 2022 and July 2023, we have had oil discoveries: the Graff-1, Jonker- 1X, La Rona-1 and Lesedi-1X discoveries in PEL 39 by Shell Namibia Upstream BV and its partners, and the Venus-1 discovery in PEL 56 by TotalEnergies EP Namibia and its partners. It has been a journey to get here – we drilled close to 37 dry wells prior to these discoveries. When the results were negative, it was very difficult to make the case to the world that Namibia does have oil and gas accumulation. These discoveries are a testament to both patience and hard work, as well as the potential of the market.

The plan for the Namibian government, the International Oil Companies and our partners is to accelerate development of these discoveries and to see first oil in Namibia. We have commenced appraisal work on the Graff-1 and Venus-1 discoveries and the initial results have been very encouraging. We are making ongoing evaluations to determine the exact size of these fields and continuously improve our estimates to determine commerciality. Shell's Graff-1 discovery has been estimated to hold volumes ranging from 200 million barrels of recoverable oil reserves, while TotalEnergies' Venus-1 discovery is estimated to have a potential to hold up to 2 billion barrels of recoverable oil reserves. Shell's Jonker-1X discovery is estimated to hold an additional 300 million barrels of recoverable reserves.

In terms of the timeline, there are four drilling rigs currently operating in Namibian waters – the Deepsea Mira, Tungsten Explorer, Deepsea Bollsta and Maersk Voyager – which are working tirelessly to appraise these discoveries and determine how much oil will be able to flow to the surface and at the same time explore for more upside potential of these blocks. With this information, it will take another six months to gather all of the data and establish the size so that we can build the requisite infrastructure to develop these discoveries. To build this infrastructure, we need an influx of foreign direct investment into the industry. Once we have the infrastructure, we can then commence the production of Namibia first oil.

What are the priority areas for further exploration?

We have only scratched the surface of the hydrocarbon basin in Namibia. The offshore market is ready – and not just the Orange Basin. In terms of deep-water potential, the Lüderitz, Walvis and Namib Basins are highly prospective and share many characteristics of the Orange basin yet remain highly underexplored. Onshore, the Owambo and Nama basins are also underexplored, while exploratory drilling in the Kavango sub-basin has indicated the presence of an active petroleum system that could hold up to 30 billion barrels of oil. Our geological data confirm that there are still many prospects that are mapped with untapped reservoirs both onshore and offshore, and for that we will continue promoting the country's petroleum potential.

"We have only scratched the surface of the hydrocarbon basin in Namibia. The offshore market is ready – and not just the Orange Basin. In terms of deep-water potential, the Lüderitz, Walvis and Namib Basins are highly prospective."

What is the status of the Kudu development project and how does it align with Namibia's gas agenda?

Kudu remains our national strategic project. The Kudu Gas field contains an accumulation of 1.3 trillion cubic feet (tcf) of natural gas, yet following recent hydrocarbon discoveries, Namibia's estimated natural gas reserves within the Orange Basin could increase significantly because of the associated gas found within these recent discoveries. To harness the Kudu field reserves, we plan to build a floating production platform approximately 170 km offshore in the block by BW Energy (operator of the Kudu field). From this platform, we will construct a pipeline that will transport gas from the offshore field to Elizabeth Bay located near the town of Lüderitz on the southern coast of Namibia, where a gas to power barge will convert the natural gas into electricity. Namibia is well connected to the Southern African Development Community (SADC) region when it comes to power transmission and distribution. For Phase 1 of Kudu field development, we will generate up to 420 MW of electricity for domestic market consumption as well as regional via the SADC network. Phase 2 will commence thereafter to generate the full 820 MW.

We are now looking at the Kudu development project with a new vision because of the discovery of additional gas reserves. Natural gas is a clean energy source. With the production of electricity from gas, we will be able to provide an energy transition solution and lower our carbon emissions as a country and as a continent. Being a latecomer to oil and gas development means that we will be able to leverage new innovations and technologies in carbon emission reductions. We plan to utilize every energy resource that we have for the benefit of Namibians. When we are designing our energy development plan, we are building it with long-term ambitions. The Kudu field is the only solution that can provide us with baseload power, which will enable us to industrialize. Namibia is not just looking to turn on the lights – we are looking to become an industrial nation. For this, we need baseload power.

What steps has the government taken to ensure a sustainable balance between the needs of the oil and gas industry and the needs of the Namibian people?

While we are in the pre-production phase, the government is working to establish effective petroleum revenue management legislation. Economic benefits include the payment of royalties (5%), petroleum income tax (35%) and additional profit taxes which are negotiated, as well as NAMCOR's participating interest ranging from a minimum of 10%. That being said, we must ensure that the economic value generated by the recent discoveries and ongoing exploration endeavours extends beyond short-term taxes and royalties and serves to create sustainable forward and backward linkages that benefit current and future generations. Local content is a must in Namibia – the Namibian oil and gas industry must be led by capable Namibian men and women. We are seeking to create a win-win scenario for both the industry and the Namibian government. Last May, we held a two-day stakeholder workshop seeking input on the draft National Upstream Petroleum Local Content Policy, with a view to ensuring that Namibians will participate and contribute meaningfully to the emerging oil and gas industry.

We are placing a strong focus on achieving value creation through local content. There are significant opportunities along the oil and gas value chain for Namibians to participate, especially in servicing the exploration sector. First, we need to build the capacity, both in the local workforce and in the institutions that will help oversee, develop and regulate Namibia's oil and gas industry. We also have an obligation to share up-to-date information with the Namibian people so that they can prepare effectively for first oil production. The industry also has an obligation to ensure that knowledge and skills are transferred to build the capacity of Namibians. This will enable Namibian companies to participate meaningfully and add value to the projects. A much bigger obligation is further placed on the Namibian people to ensure that they equip themselves with the necessary skills required. The oil industry is a highly specialized industry with high standards for HSE, and we will not compromise on the international requirements. We must ensure that the industry has an effective local content policy and regulatory landscape so that Namibians reap the fruits of their labor. This is central to sustainable governance.

We would like to inform those envisaging to service the Namibian oil industry that local content is mandatory and that the Namibian government will not compromise in providing opportunities for its people to participate meaningfully in the industry. It is a common phrase from companies that are originating from developed economies that local content raises the cost of doing business. This is not true. As a matter of fact, if applied correctly, local content is a very effective cost-saving measure, and I therefore request all of you to make the utilization of Namibian goods and services, joint venture partnership with Namibian entities, and technology transfer an integral part of your businesses in Namibia.

What are your top energy development priorities between now and 2030?

In terms of energy diversification, Namibia is strategically positioned in that we have a wide range of energy resources, of which many countries can only dream. Our new discoveries of oil and the large volumes of natural gas, together with the existing renewable energies such as solar, wind, biomass and hydropower – then adding the new prospectivity of both green and blue hydrogen – provides a unique opportunity for Namibia to offer energy security to Africa. Because all of these resources are bountiful in Namibia, we have made a policy decision to utilize all available energy resources to achieve both energy security and advance our development agendas. This is clearly articulated in our National Integrated Resource Plan, which mandates that value should be generated by utilizing all our energy resources. With this approach, it will be possible for us to easily navigate the energy landscape that is constantly changing.


Shino

"We would like to inform those envisaging to service the Namibian oil industry that local content is mandatory and that the Namibian government will not compromise in providing opportunities for its people to participate meaningfully in the industry."

With these opportunities available, we are planning to provide baseload power to Namibia and the SADC region through Kudu gas-to-power. With the additional gas, our objective is to provide the world with low carbon emissions through the production of both green and blue hydrogen, and offer that to the export markets. Our focus right now is to build the infrastructures that are required for us to make all of this possible in the next two to three years, while still continuing to advance the renewable energy agenda.

• CREDIT: This exclusive interview with Energy Capital & Power was featured in Energy Invest: Namibia 2023, the official investment report for the country's energy and mineral resource sector and the report will be re-released at the forthcoming Namibia International Energy Conference scheduled to hold in Windhoek from April 23-25, 2024.

Lebo Ramolahloane

SAPRA Backs Diesel Probe

Following recent reports regarding the probe by the South African Department of Mineral Resources and Energy (DMRE) into filling stations selling watered down diesel, the South African Petroleum Retailers Association (SAPRA), representing the interest of numerous petroleum retailers in South Africa and a proud association of the Retail Motor Industry Organisation (RMI), says it supports any measures to curb non-compliance.

Vice Chairman of SAPRA, Lebo Ramolahloane, says compliance is absolutely key to prevent these practices from continuing and commends the work of DMRE to identify these non-compliant operators.

"Fuel adulteration is definitely not a new problem however and one of the reasons SAPRA, together with other key stakeholders in the sector, initially set up a Petroleum Compliance Forum in 2019. Its intention was to bring back some level of reform to the petroleum malpractices underway, which inadvertently erode compliant business margins, taxes to the fiscus and impacts the integrity of consumer vehicles to perform optimally on South African Roads."

In 2018, SAPRA itself also launched a Whistleblower hotline and this has been extremely successful in reporting illicit trade and transport, and has led to fines, penalties and suspensions.

"The awareness created has made movement by illicit operators significantly harder. We have made a lot of good progress but this is an area which needs ongoing and urgent attention as evidenced by the recent probe," he says.

Ramaolahloane says these unscrupulous operators know that the situation is very difficult to monitor and both the DMRE and SARS simply do not have enough inspectors on the ground. "From a retail perspective it is also very difficult to monitor as the mixing happens at depot level before it reaches our retail filling stations."

He did however confirm that SAPRA members adhere to a very strict code of conduct and in the event there is a problem, motorists can immediately visit the SAPRA website and report any suspicions on their whistleblower hotline.

"We will not hesitate to investigate and if found guilty take immediate action against that member in addition to any of the other punitive clauses imposed against them by statutory bodies.

"Unsuspecting consumers are losing money from engine damage while the economy is losing billions in lost revenue."

Ramaolahloane confirmed SAPRA would continue to do everything it could to support any efforts by the DMRE and other stakeholders to prevent the sale of contaminated fuel to unsuspecting customers.

"We are pleased to see many of the well-established filling station franchises have been cleared of any wrongdoing and 70 stations are under invesigation. While efforts continue to stamp out the practice, he cautions consumers to be extremely wary of buying cheap diesel," he concludes.

TotalEnergies Moves to Acquire Kyon Energy in €90 Million Deal

• Strengthens Position in Malaysia With 50% Stakes in SapuraOMV

TotalEnergies has signed an agreement to acquire from its three founders the entire share capital of Kyon Energy, one of the leading developers of battery storage systems in Germany. The consideration consists of a €90 million upfront payment, plus some earn out payments linked to the achievement of development targets.

Since its creation in 2021, Kyon Energy has developed 770 MW of projects with very competitive connection costs of which 120 MW are already in operation, 350 MW are under construction and 300 MW are ready to build. In addition, Kyon Energy's portfolio includes a 2 GW pipeline of advanced-stage projects.

Thanks to the expertise of Kyon Energy's management and employees, TotalEnergies will develop, build, and operate those projects, mainly located in the North of Germany, as part of its integrated power strategy. This new acquisition follows 2023 successes in the country – including the award of a maritime concession to develop a 3 GW offshore wind farm, the acquisition of the renewable energy aggregator Quadra Energy and the award of a contract to install and operate 1,100 high-power charge points for electric vehicles – and is further strengthening TotalEnergies ability to offer reliable and competitive power to its German customers.

The battery storage system will contribute to the resilience of the German electricity system, help solving congestion problems or providing additional flexibility to the German power grid, and ultimately support the rapid expansion of renewable energies in Germany

"I would like to welcome the Kyon Energy team to TotalEnergies. The acquisition of this company, one of the leaders in its market, is a key element in our presence in the German electricity market, which is the largest in Europe," said Stéphane Michel, President Gas, Renewables & Power at TotalEnergies. "This acquisition will enable us to accelerate the development of our Integrated Power activities in Germany, both in production, trading, aggregation and marketing of low-carbon electricity available 24 hours a day. It also contributes to our profitability target for this business segment of 12 percent ROACE by 2028."

"This partnership with TotalEnergies represents a key moment for Kyon Energy, as we aim to become one of Europe's leading flexibility providers. By joining forces, we are consolidating our position in the German electricity market, and thus making a direct contribution to its transition to a more sustainable system", said Adrian Kapsalis, CEO of Kyon Energy.

The acquisition is, however, subject to authorisation by the relevant authorities.

In a related development,TotalEnergies is moving to strengthen its position in Malaysia as it has signed an agreement with OMV to acquire its 50 percent interest in the country's independent gas producer and operator SapuraOMV Upstream Sdn (SapuraOMV).

The deal is for a consideration of $903 million (including the transfer of a $350 million loan granted by OMV to SapuraOMV), subject to customary closing adjustments.

SapuraOMV's main assets are its 40 percent operated interest in block SK408 and 30 percent operated interest in block SK310, both located offshore Sarawak in Malaysia.

"This partnership with TotalEnergies represents a key moment for Kyon Energy, as we aim to become one of Europe's leading flexibility providers. By joining forces, we are consolidating our position in the German electricity market, and thus making a direct contribution to its transition to a more sustainable system."

In 2023, SapuraOMV's operated production (100 percent) was about 500 Mcf/d of natural gas, feeding the Bintulu LNG plant operated by Petronas, as well as 7 kb/d of condensates. On block SK408, the development of the Jerun gas field is on track for startup in the second half of the year 2024

The transaction is subject to customary conditions precedent, in particular the receipt of regulatory approvals. Closing is expected by the end of first half of 2024.

SapuraOMV also holds interests in exploration licenses in Malaysia, Australia, New Zealand and Mexico where a discovery has been made in 2023 on block 30.

Commenting on the deal, Chairman and CEO of TotalEnergies, Patrick Pouyanné, said, "We are pleased to strengthen TotalEnergies' position in Malaysia by becoming a shareholder of the independent gas producer SapuraOMV. Over the past few years, we have developed a strategic international partnership with Petronas, the national company of Malaysia.

"This transaction will anchor our future growth in the country and reinforce our partnership with Petronas. With their low production costs and low GHG intensity, SapuraOMV's assets will perfectly fit in TotalEnergies' portfolio and participate in meeting the growing demand of gas in Asia."

Delegates from Morocco at the talks

Nigeria, Morocco Intensify Talks On Gas Pipeline Project

Nigeria and Morocco are intensifying talks on their Gas Pipeline project in order to arrive at the Final Investment Decision (FID) in good time.

The talks continued in January on the fringes of a meeting between the Nigerian Minister of State for Petroleum Resources (Gas), Hon. Ekperikpe Ekpo, and the Moroccan Minister of Energy Transition and Sustainable Development, Ms. Leila Benali.

The latest meeting was anchored by the NNPC Ltd.'s Executive Vice President, Gas, Power & New Energy, Mr. Olalekan Ogunleye, and the Director General of the Morocco National Office of Hydrocarbons and Mines (ONHYM), Mme Amina Benkhadra.

The talks focussed on how to drive the partnership between the two countries to accelerate the Nigeria-Morocco Gas Pipeline Project in line with the series of Memoranda of Understanding (MoUs) signed between the two countries in Abuja in 2022.

The two parties also stressed the strategic importance of the project to the two countries and the entire African continent and the need to fast track its completion to achieve the objective of stemming energy poverty on the African continent.

The Cooperation Agreement for the 48" x 5,300Km pipeline from Nigeria to Dhakia (Morocco) and 1,700km from Dhakia to Northern Morocco was signed in 2017 with a capacity of 30 billion cubic meter (bcm) per year (equivalent of 3.0 billion standard cubic feet of gas per day).

The project, which among other things, will help drive the monetisation of Nigeria's gas resources, maintain NNPC Ltd.'s energy leadership in Africa, and promote economic and regional cooperation among African countries, will see the pipeline travel through Republic of Benin, Togo, Ghana, Cote d'Ivoire, Liberia, Sierra Leone, Guinea, Guinea-Bissau, Gambia, Senegal, Mauritania, and terminate in Morocco with a spur to Spain.

ECOWAS Commission is saddled with the responsibility to, among other things, facilitate inter-governmental treaty and host government agreements, establishment of Pipeline Higher Authority, and alignment with AU, UN and other relevant international bodies.

Dangote Refinery Begins Production, Registers Leading Marketers for Products Distribution

The multi-billion dollar Dangote Refinery and Petrochemicals Company, which is also the largest single train refinery in the world, is set to pump diesel and aviation fuel into the market as production begins on the two products.

President of Dangote Group, Aliko Dangote, who disclosed this in a statement, said the products will be in the market as soon as regulatory approvals are granted.

The 650,000 barrels per day refinery kicked off production, early January , as the company has now received six million barrels of crude supply till date..

Expressing gratitude to President Bola Tinubu for his support and "for making our dream come true," Dangote said "This production, as witnessed today, would not have been possible without his visionary leadership and prompt attention to detail."

Dangote stated further; "His intervention at various stages cleared all impediments thereby accelerating the actualisation of the project. We also thank the NNPC, NUPRC and NMDPRA for their support.

"These organisations have been our dependable partners in this historic journey. We also thank Nigerians for their belief and support in this project.

"We have started the production of diesel and aviation fuel, and the products will be in the market within this month once we receive regulatory approvals.

"This is a big day for Nigeria. We are delighted to have reached this significant milestone. This is an important achievement for our country as it demonstrates our ability to develop and deliver large capital projects. This is a game changer for our country, and I am very fulfilled with the actualisation of this project.

"I must extend our sincere appreciation to our bankers and financiers, both local and offshore, who demonstrated a great deal of patience in seeing us through many difficult times.

"In the same vein, we thank the Government of Lagos State, under the leadership of Babajide Sanwo-Olu, who has been incredibly proactive in ensuring that the many challenges we encountered in the course of executing this project were quickly resolved.

"I thank him immensely."I also sincerely thank our host communities and their traditional leaders for their sustained patience, forbearance and admirable willingness to work with us to find amicable and win-win resolutions to the many issues we have had to deal with as the construction of this huge facility progressed.

"Our staff have also contributed so immensely to the success of this project. I thank them profusely."

Meanwhile, Dangote Petroleum Refinery said it has registered three leading petroleum marketers associations for its product distribution.

The company listed the associations to include the Major Oil Marketers Association of Nigeria (MOMAN), Depot and Petroleum Products Marketers Association of Nigeria (DAPPMAN) and Independent Petroleum Marketers Association of Nigeria (IPMAN) .

The company said it is also considering other marketers that have signified interest in the lifting and distribution of its petroleum products in the country.

Executive Secretary, MOMAN, Clement Isong, while confirming the development, said members of his association had registered with Dangote Petroleum Refinery to market its products.

"I confirm that my members have registered with them. We were waiting for the production to start and now it has started; we shall soon start discussing the terms", Isong said.

The refinery, which is designed for 100 percent Nigerian crude, with the flexibility to process other crude oil, also has the capability of loading 2,900 trucks a day at its truck-loading bays.

Eunisell's Early Production Facility: Transforming Oil and Gas Operations with Speed and Efficiency

In the dynamic world of the oil and gas industry, the demand for inventive solutions to enhance production efficiency is more crucial than ever. Eunisell, a leading provider of specialty chemicals and engineering solutions, has brought about a paradigm shift in the sector through its state-of-the-art Early Production Facilities (EPF). Eunisell's EPF offers a distinctive advantage for oil and gas operations, enabling swift oil production at minimal cost and facilitating the early generation of much-needed cash flow.

The Essence of Early Production Facilities

Early Production Facilities (EPF) play a pivotal role in the initial stages of oil and gas field development, designed to expedite the extraction of hydrocarbons and swiftly bring assets into production. Eunisell's EPF stands out as a game-changer, providing an array of benefits that significantly contribute to the overall success of oil and gas projects.

ADVANTAGES OF EUNISELL EPF FOR QUICK OIL PRODUCTION

Rapid Deployment and Scalability

Eunisell's EPF boasts swift deployment, enabling operators to initiate oil production in a matter of weeks, rather than the traditional months. The modular design ensures scalability, allowing adjustments to align with evolving production requirements. This agility is instrumental in expediting the entire production process.

Cost- Effectiveness

A standout feature of Eunisell's EPF is its ability to achieve quick oil production at minimal cost. The use of modular and standardized components reduces engineering and construction expenses, providing operators with a cost-effective solution for early production. This cost efficiency enhances the viability of projects, especially in the crucial early stages.

Optimized Production Processes

Eunisell integrates advanced technologies into its EPF, optimizing production processes to maximize efficiency. These technologies enhance reservoir management, well testing, and separation processes, ensuring that the extracted oil meets the required quality standards. This optimization contributes to increased production rates and streamlined operations.

Nigerian Auto Mechanics Await BASF's Training One Year After

Nigerian auto mechanics and technicians are still waiting for the fulfilment of the promise made by BASF over a year ago to train over 300 of them leveraging the German dual vocational training model.

LUBES West Africa recalls that, over a year ago, BASF West Africa unfolded a plan to partner with the Delegation of German Industry and Commerce in Nigeria (AHK Nigeria) to train over 300 Nigerian auto-mechanics. The plan was unfolded at the launch of its premium engine coolant, GLYSANTIN® G48, into the Nigerian automotive industry.

BASF Technical Account Manager for Fuel and Lubricant Solutions in East & West Africa, Joseph Ndungu, who disclosed the plan while speaking at the launch, said in a demonstration of trust, GLYSANTIN® has undergone different approval processes to become the coolant with the most OEM approvals in the world despite the long time and costs that are involved in securing an OEM approval.

Katharina Felgenhauer, who represented the Delegation of German Industry and Commerce in Nigeria (AHK Nigeria) at the launch, commended the BASF team for often pioneering sustainable solutions in the Nigerian market and for the planned effort to improve human capacity in the Nigerian automotive industry.

National Secretary, Nigerian Auto Technicians Association (NATA), Comrade David Ajetunmobi, told LUBES West Africa that his members are still looking forward to the training with keen interest, saying it would be of immense benefit to them.

The BASF West Africa team could not be reached for official comments on the planned training as at the time of filing this report but insider sources informed our reporter that the delay was partly caused by the general elections in Nigeria last year as the German chemicals company was banking on a post-election plan.

However, eight months into the new political dispensation in Nigeria, the promised training plan is still hanging.

...TRANSFORMING OIL AND GAS OPERATIONS WITH SPEED AND EFFICIENCY

Continued from page 24

Generating Early Cash Flow

The rapid deployment of Eunisell's EPF ensures revenue generation from the onset of production. This early cash flow is instrumental in offsetting initial project investments, contributing to a quicker return on investment for operators. The ability to generate revenue at an early stage is a game-changer for sustaining project momentum.

Flexible Contracting Models

Recognizing the financial constraints faced by operators in the early stages of a project, Eunisell offers flexible contracting models. This allows operators to access EPF without significant upfront capital expenditure. This flexibility fosters collaboration and provides operators with the financial flexibility needed to navigate the initial phases of production.

RISK MITIGATION

By leveraging Eunisell's EPF, operators can mitigate the financial risks associated with delayed production. The early cash flow generated not only covers operational costs but also provides a financial buffer, enhancing the resilience of oil and gas projects in volatile market conditions.

This risk mitigation strategy contributes to overall project stability and success. Eunisell's Early Production Facilities represent a pivotal advancement in the oil and gas industry, offering operators a strategic tool for achieving quick, cost-effective oil production. The advantages of rapid deployment, cost-effectiveness, and early cash flow generation position Eunisell's EPF as a catalyst for success in oil and gas operations. As the industry continues to evolve, embracing innovative solutions like Eunisell's EPF becomes essential for staying ahead in the competitive landscape of hydrocarbon extraction.

Equatorial Guinea Has Made Significant Progress to Monetise Domestic and Regional Gas

– Antonio Oburu Ondo, OPEC President and Equatorial Guinea's Minister of Mines and Hydrocarbons

In this exclusive interview with the African Energy Chamber, President of OPEC and Equatorial Guinea's Minister of Mines and Hydrocarbons, Antonio Oburu Ondo, dives deep into the country's exploration and drilling strategies. He maintains that gas, as a clean and readily available resource, is the best way for Africa to achieve energy security while facilitating a just energy transition. Excerpts.

Ondo

OPEC members recently met in Vienna for the 8th OPEC International Seminar. What measures is OPEC currently taking to stabilize the market given recent price increases?

The global oil market has experienced a relatively volatile few years but OPEC remains committed to contributing towards market stability, both for producers and consumers alike. We have been closely monitoring the market and the associated global dynamics, and our recent seminar in Vienna featured in-depth discussions about production, and maintaining a balance between supply and demand. OPEC will continue to monitor the market while cooperating with our member and non-member countries to address any market imbalances.

Equatorial Guinea's Gas Mega Hub (GMH) initiative continues to make progress with a Heads of Agreement signed with Marathon Oil Corporation for the second and third phases of the project. What does the timeline look like for the project? Can we expect any milestones to be achieved in 2024 and 2025?

Phase one of the GMH comprised the tie-back of the Alen Field to the Punta Europa Liquefied Natural Gas (LNG) terminal on Bioko Island. This phase delivered first gas in February 2021, and soon thereafter, the government, alongside its project partners, have been working towards getting phase two onstream. In March this year we signed an agreement with Marathon Oil and Noble Energy for the next two phases of the project and we expect phase two to come online as early as January 2024.

This stage involves processing gas from the Alba Field while phase three will facilitate gas processing from Noble Energy's Aseng oil and gas field. Marathon Oil is also currently evaluating two infill drilling opportunities to improve the

Alba production performance.

So, we will be starting 2024 with a major milestone and are aiming to reach many more after that. We have recently also established a bilateral trade agreement with Cameroon on cross-border oil and gas development while other exploration projects continue to make progress. A similar agreement was signed with Nigeria in 2022. These endeavors open up new opportunities for the expansion of the GMH by maximizing feedstock for the terminal.

With production decreasing due to natural declines in legacy fields, what efforts are being taken by the Ministry to boost output?

In addition to drilling works being undertaken to improve and maintain production levels at existing fields, the Ministry is making great strides towards accelerating exploration across the country's offshore acreage. Our recent agreement with Cameroon will see the two countries jointly develop oil and gas projects along our maritime borders, including the Yoyo and Yolanda fields, the Etinde gas field and the Camen and Diega fields.

The country's enabling environment for investment and strong record of successful offshore finds have also seen new E&P players join the market. Earlier this year we also signed three production sharing contracts with Panoro Energy and Africa Oil Corporation. These contracts are expected to further open up the upstream market. Additionally, we have several global energy majors and independents progressing with exploration and are optimistic about these campaigns. The only way to address production declines is to explore, drilling more wells and unlocking the potential of offshore basins.

"Equatorial Guinea has made significant progress to monetize both domestic and regional gas but a lot more needs to be done to maximize resources and drive industrialization and economic growth."

Equatorial Guinea has recently inked agreements with regional neighbors Nigeria and Cameroon to expand energy cooperation. How is the government strengthening local content within the natural gas industry and how will these agreements help bolster capacity building on a regional scale?

Local content has and will always be a top priority for Equatorial Guinea. In our oil and gas sector, local content is enforced through the National Content Regulation and Hydrocarbons Law as well as additional ministerial decrees, individual production sharing contracts and local labor laws. Through clear regulation and regular engagement with both local and international energy companies, we continue to strengthen our local content and drive capacity building and opportunity.

In addition to policy, the government carries out skills and technology transfer through initiatives and training. We have a number of training and education institutions open and constantly engage our partners about exchange programs and bilateral skills development. Our agreements with neighboring countries fall under these efforts to up-skill and re-skill the workforce. We also believe that regional cooperation will help advance opportunities for oil and gas entrepreneurs. Our partnerships with other West African countries aim to increase trade, commerce and collaboration between Equatorial Guinea and its regional counterparts. These efforts are introducing opportunities for domestic and regional market growth as well as bilateral knowledge sharing.

African Energy Week 2023 takes place under a mandate to make energy poverty history by 2030. How does Equatorial Guinea plan to leverage its resources to achieve this objective and what messages will you be driving during the conference?

Equatorial Guinea, like many other African countries, believes that in order to make energy poverty history, we need to monetize and maximize all of our natural resources. Our efforts to increase investment and bolster development across the entire energy value chain has already been instrumental in alleviating energy poverty. Equatorial Guinea has a wealth of natural gas resources and we are making progress to leverage these resources for domestic power generation. The Bioko Turbogas thermal power plant provides reliable power to the population and as the GMH expands, so will opportunities for gas-to-power.

The country is also capitalizing on its renewable energy wealth, and invites investors and project developers to invest in the country's green energy sector. We are also working with other countries in Africa to expand trade and regional connectivity.

I am looking forward to participating in a number of panel discussions, investor summits and ministerial forums, and will drive the message that gas is good for Africa. Equatorial Guinea has made significant progress to monetize both domestic and regional gas but a lot more needs to be done to maximize resources and drive industrialization and economic growth. Gas, as a clean and readily available resource, is the best way for Africa to achieve energy security while facilitating a just energy transition.

• This interview was conducted before the African Energy Week 2023

APPOINTMENT

Eterna Appoints Bunmi Agagu-Adu General Manager, Lubricants and Gas

eterna

Bunmi Agagu-Adu has been appointed as the General Manager, Lubricants and Gas at Eterna Plc, an integrated energy company and sole licensee of Castrol in Nigeria.

Before her new appointment, Agagu-Adu, a Barrister and Solicitor of the Supreme Court of Nigeria, who holds a Bachelor of Laws degree from the University of Nigeria, Nsukka, was the Head of Real Estate and Non-Fuels at Eterna.

Mrs Agagu-Adu, who also holds an MSc in Corporate Governance from Leeds Beckett University, UK, was until April 2022 the Company Secretary/Legal Adviser at Eterna Plc for over 10 years.

An Associate member of the Chartered Institute of Secretaries and Administrators UK and Nigeria, Agagu-Adu, has attended several professional management courses at the Lagos Business School and the Harvard Business School's Entrepreneurship Essentials.

She has over 15 years' experience in managing and navigating legal, commercial and transactional issues in the oil and gas industry.

Meanwhile, Eterna Plc has emerged as an official domestic sales distributor of Dangote Petroleum Refinery products in Nigeria.

This has made the company one of the major distributors of Dangote domestic products in the country and reinforces Eterna Plc's commitment to improving product supply with the assurance of significant investment in trucking both through truck acquisition and strategic partnership with third-party transportation.

The emergence is also seen as a testament to the company's long-standing reputation for excellence and commitment to customer satisfaction.

Excited at the new deal with Dangote, the Managing Director/ CEO, Eterna Plc, Mr. Benjamin Nwaezeigwe, said, "We are proud to be appointed as an official distributor of Dangote refinery domestic sale in Nigeria. This partnership with Dangote refinery is a demonstration of our commitment to providing Nigerians with world-class energy solutions that meet their needs and expectations.

''We are happy that we are keeping to our promise to stakeholders that the company will remain competitive even in the face of fuel subsidy removal.''

Eterna Plc manufactures, markets and distributes lubricants and chemicals as well as operates a network of filling stations, with plans to further increase its retail network across the country.

Eternal Plc also plans to actively play across the energy value chain covering the production, transportation, and distribution of energy solutions vital for economic growth and development.

BASF Anticipates Lower Results than Expected for 2023

The world's largest chemical company, BASF of Germany, has stated that its preliminary sales and EBIT before special items in 2023 are lower than expected and below the respective analyst consensus. Additionally, annual EBIT and net income are considerably below the respective analyst consensus, primarily due to non-cash-effective impairments.

Expected BASF Group sales for the full year 2023 of about €68.90 billion ($74.9 billion) are below the range of €73 billion to €76 billion forecasted by BASF and below average analyst estimates of €70.58 billion. Sales in 2022 amounted to €87.33 billion.

Expected income from operations (EBIT) before special items of €3.81 billion in 2023 is below the range of €4.0 billion to €4.4 billion forecasted by BASF and below the level of average analyst estimates of €3.93 billion. EBIT before special items in 2022 amounted to €6.88 billion. The decrease compared with the prior year is due to sales-related lower margins, which could not be offset by the achieved fixed cost reduction.

The BASF Group's expected EBIT in 2023 amounts to €2.24 billion; this is below analyst consensus of €3.69 billion and below the figure for the prior year's €6.55 billion. This is primarily attributable to non-cash-effective impairments in the amount of €1.1 billion. It mainly relates to the Surface Technologies, Agricultural Solutions and Materials segments.

BASF Group expects net income to be €225 million in 2023, compared to a loss of €627 million in 2022. However, the analyst consensus for net income of €2.25 billion is not achieved. The prior year results included non-cash-effective impairments on Russia-related assets of Wintershall Dea in the amount of €6.5 billion.

Sustainable Separations: Three Key Things Chemicals Companies Must Know

BY ANTHONY SCHIAVO

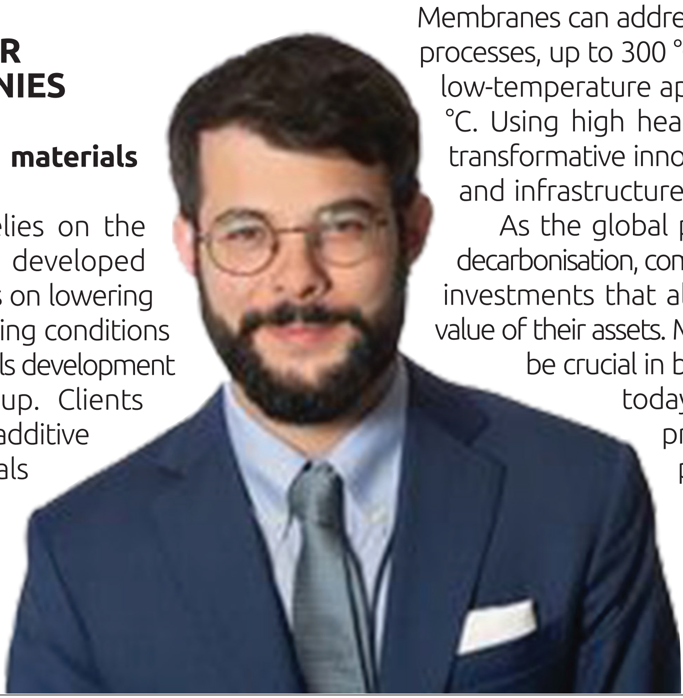
Industrial processes are responsible for 22 percent of global carbon emissions. Whether producing hydrogen, splitting hydrocarbons, recovering solvents, or manufacturing chemicals, polymers, and paper products, energy-guzzling separation processes are at the heart of these applications.

Legacy thermal technologies like distillation, evaporation, and drying can account for 80 percent of in- plant energy use in the industry today. Emerging membrane technologies are creating new solutions for sustainable separations that can reduce energy demand, shift from combustion to electric processes, recover more products, and enable efficient capital investment in existing facilities.

The opportunity is massive: Across processing industries, more than 2,200 Tbtu are addressable using membranes, with possible savings of 900 Tbtu in the U.S. alone.

KEY TAKEAWAYS FOR CHEMICALS COMPANIES ARE:

1. Membranes are a materials innovation opportunity:
The membrane market relies on the same polymer materials developed back in the '90s with a focus on lowering costs. Operating in challenging conditions requires innovation in materials development and manufacturing scale-up. Clients should look to advances in additive manufacturing, materials discovery, and process intensification technologies that can disrupt membrane markets with a step change in performance.



2. Membrane technology can debottleneck production processes:
The modular nature of membrane systems offers quick retrofit solutions within a limited footprint for refiners. In applications like the separation of olefins, hybrid separation techniques — where membranes do the bulk of the gas separation and cryogenics improve quality — could reduce the energy intensity of olefin production by an order of magnitude.

Hybrid systems can be 20 percent – 50 percent lower in energy consumption and unlock a 2 percent – 5 percent increase in olefin yield without expanding distillation capacity.

3. Deep decarbonisation will require more innovation:
Membranes can address low and medium heat processes, up to 300 °C, but are best suited for low-temperature applications less than 150 °C. Using high heat processes will require transformative innovation on both materials and infrastructure.

As the global policy landscape pushes decarbonisation, companies will seek near-term investments that allow them to retain the value of their assets. Membrane separations will be crucial in bridging the gap between today's high-temperature processes and the novel production approaches of tomorrow.

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

GEBE Joins TALENTS4AA as Sebastian Hoff Becomes Ambassador

GEBE, the brand name of the automotive aftermarkets from IKA Germany, and a family business with a long IAM and industry heritage, is now a member of TALENTS4AA. The association has also welcomed Sebastian Hoff, Managing Director at IKA Germany, as its Ambassador.

TALENTS4AA is the automotive aftermarket industry initiative to attract and retain talents of all ages in the automotive aftermarket. Its members are manufacturers, parts distributors, workshop networks, professional or educational organizations linked by the same goal: to promote the automotive aftermarket. TALENTS4AA is a non-profit registered association.

Celebrating the admission of GEBE to its fold in a message, TALENTS4AA said, "We are thrilled to introduce GEBE, a family business with a long IAM and industry heritage. Since 1906, GEBE has been recognized for quality and got established as the brand of choice for the

rebuild industry globally.

"Today, as a system provider for Sensors and Engine Management, the GEBE team serves its IAM partners in over 70 countries with over 14,000 references.

"Join us in extending a warm welcome to GEBE as they become an integral part of the TALENTS4AA community!"

Managing Director, Dr. des. Roman Schoenen, described the development as "a great opportunity for IKA Germany to spread the opportunities of working in the automotive aftermarket."

Welcoming Hoff as its Ambassador, TALENTS4AA said, "We extend a warm welcome to our latest Ambassador Sebastian Hoff, the Managing Director of IKA Germany. We are excited about our collaboration to promote the automotive aftermarket and make it even more appealing to attract talents."

IKA Germany IKA Industrie- und Kraftfahrzeugausrüstung GmbH

DISTRIBUTORS WANTED!!!

GEBE Electrical /Electronics Automotive Parts/Aftermarkets from IKA Germany, the German autoparts specialist and manufacturer, are now available to distributors in Nigeria, Ghana, Cote d'Ivoire and across West Africa.

These products and other OEMs aftermarkets being distributed by IKA Germany could be sourced through LUBE MARKET AFRICA, owners and publishers of AUTO REPORT AFRICA and LUBES West Africa, the Exclusive Agent for IKA Germany in Nigeria and the rest of the West African sub-region.

The parts are tested and trusted and are genuine autoparts of European origin. Serious and interested distributors/dealers as well as retailers and direct end-users should contact:

olaolu.olusina@autoreportafrica.com / sales@ika-germany.de

or chat us up on

+234 811 675 9799 (WhatsApp)

+ 234 803 714 5288