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# TEMPLARS Transcripts: Energy & Natural Resources Digest

## Oil and Gas

- **The Ghana National Gas Company Concludes a US\$700 Million Project Implementation Agreement with Joint Venture Partners for the Construction of a Second Gas Processing Plant in Ghana.**

The Ghana National Gas Company Limited (GNGC), which is the state-owned company mandated to operate infrastructure required to gather, process, transport and market natural gas resources in the midstream sector, has signed an implementation agreement with a consortium which includes the Logistic Bureau Ghana Limited, John Moore International Limited and the African Finance Corporation for the construction of Ghana's second gas processing plant (GPP Train 2).

The proposed gas processing plant will have a nominal capacity of 150 million standard cubic feet per day (MMscfd) which can be expanded to 300 MMscfd to process incremental raw gas volumes from the Jubilee field and the Tweneboa, Enyenra Ntomme (TEN) fields. The project will include the construction of the 150 MMscfd processing plant, a storage facility, an additional compressor package at Atuabo Mainline Compressor Station and provision of a utilities and liquid waste treatment system.

This project ultimately forms part of the GNGC's strategic development plan and aims at increasing the national gas processing capacity of Ghana to 450 MMscfd in line with the Government's industrialisation agenda and energy transition objectives.



- **NNPCL Signs MoU With Gambia On Crude Oil Exploration**

The Nigerian National Petroleum Company Limited (NNPC Limited) has signed a Memorandum of Understanding (MoU), with the Government of The Gambia to explore and develop crude oil in the West African nation.

According to NNPC Limited, the MoU is a significant step toward strengthening bilateral relations between Nigeria and The Gambia and will create opportunities for the two countries to collaborate in the oil and gas sector. The MoU allows the NNPCL to collaborate with the Gambian National Petroleum Corporation (GNPC) to explore and assess potential oil resources in The Gambia.

As part of the exploration activities, geological and geophysical studies will be conducted, and seismic data will be acquired and analysed. NNPC Limited will also work with GNPC to identify potential exploration blocks and carry out drilling activities in the country.

NNPC Limited has been involved in similar initiatives in recent years, including exploration projects in Niger, Chad, and Benin Republic.

- **NMDPRA Moves to Determine Tariff Methodology for Petroleum Transportation and Storage in Nigeria**

The Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) has announced that it is expanding its database and establishing accurate and reliable data relevant to determining the appropriate tariff methodology for the transportation and bulk storage of crude oil and natural gas.

The NMDPRA disclosed these plans at the 2022 Petroleum Liquid Inventory Reconciliation Exercise which took place, this February, in Lagos. The Reconciliation exercise involved the NMDPRA, Nigerian Upstream Petroleum Commission, Crude Oil and Gas Export Companies, the Central Bank of Nigeria, and the Nigeria Extractive Industries Transparency Initiative. The exercise was scheduled to establish and authenticate a common data on midstream statistics relating to crude oil, condensates, natural gas and its derivatives. The reconciled data will provide the basis for the administration of petroleum liquid supply license and guide the appraisal of licenses, authorisations and approvals issued in the midstream sector relating to petroleum transportation, storage and exports.

According to the NMDPRA, the expanded data ecosystem will cover petroleum liquid volumes evacuated by trucking, barging and pipelines. It will also include a data system on terminal receipt volumes and terminal stock records, crude oil inventory records per company, per terminal, and quantities delivered to and received into refineries. It will also include quantities evacuated to other midstream storage facilities, export permit volumes, and actual export volumes per company per terminal.

This initiative is in line with the Petroleum Industry Act, 2021 (PIA) which mandates the NMDPRA to periodically reconcile data on crude oil terminal receipts, exports, refinery delivery, oil and gas transportation, and other related statistics.

## Energy Transition and Renewables

- **FG Hosts Inaugural Private Roundtable Meeting on Energy Transition**

The Federal Government of Nigeria has launched a series of private sector roundtable dialogues aimed at rallying Nigerian private sector players behind the financing and implementation of the country's \$410 billion Energy Transition Plan (ETP). The inaugural meeting was held in Lagos recently and had participants drawn from the oil and gas, renewable energy, power, and finance/investment services communities amongst others.

The meeting brought together these stakeholders to secure strong private sector partnership in support of the financing and implementation of the ETP; and identify approaches and market enablers that could help crowd in private finance at scale to the ETP.

The meeting also sought to define a framework for the creation of a working group for the private sector, which would support the Vice President, Prof. Yemi Osinbajo led Energy Transition Working Group (ETWG) by identifying barriers to sourcing the necessary private investment, advocating for reforms necessary to address those barriers, and identifying approaches that could help mobilise private finance at scale to achieve SDG7 by 2030 and net zero by 2060.

*Partner and Co-Head of the Energy and Natural Resources practice group, Mrs. Yemisi Awonuga represented Templars at the meeting. Please [click here](#) to see photos.*

- **Nigeria To Benefit from Afdb's \$1m Electric Mobility Development Grant**

The Sustainable Energy Fund for Africa (SEFA) of the African Development Bank Group (AfDB) has announced that it will provide a \$1 million technical assistance grant to the Green Mobility Facility for Africa (GMFA) to create an enabling environment for Electric Vehicles (EVs), the design of EV business models and guidelines for the public and private sector in Nigeria and six other African countries.

In a statement issued on its website, the AfDB noted that the fund further extends the GMFA's role in providing technical assistance and investment capital to accelerate and expand investments in sustainable transport solutions across seven countries, including Kenya, Morocco, Rwanda, Senegal, Sierra Leone, South Africa and Nigeria.

Support will also be provided for the development of a bankable pipeline of e-mobility projects, regional coordination, and knowledge sharing amongst other upstream activities to help catalyse follow-on private sector financing during the subsequent investment phase of the GMFA.

- **Universal Energy Facility to Provide Grant of Up To 3.500 For Renewable Energy Companies**

The Universal Energy Facility (UEF) has announced that it will provide grants to about 3,500 renewable energy companies that applied to have their projects financed as part of the facility's Stand-alone Solar for Productive Use program in Nigeria.

The facility will enable companies to begin construction of proposed solar projects which will be used to connect businesses and services to a clean, affordable and reliable electricity source. The UEF estimates that approximately 5,400 tons of CO<sub>2</sub> equivalent per year will be saved once all of the proposed projects are implemented.

Last year, Nigeria launched its Energy Transition Plan (ETP) showing how the country will achieve net-zero emissions by the year 2060, as well as the finance required to meet

these goals. The UEF will be a contributing factor to the achievement of the targets set out in the ETP as the grants will provide power generation companies with the additional finance required for clean energy projects.

- **Rural Electrification Agency Signs 342 Grant Agreements with Firms**

In a bid to bridge the energy gap through the deployment of off-grid solutions, the Rural Electrification Agency (REA) has signed 342 grant agreements with local firms to provide off grid electricity for unserved and underserved Nigerians under the Nigeria Electrification Project (NEP).

The NEP program is co-funded by the World Bank and the African Development Bank (AFDB), and according to the REA, AFDB has provided energy access to up to 6.8 million Nigerians nationwide.

According to the REA, the REA aims to help Nigeria achieve its vision 30:30:30, aimed at raising the generation capacity to 30,000MW by 2030, of which 30 percent will be from renewable sources.

## Power and Infrastructure

- **FG Announces Preferred Bidder for Zungeru Hydropower Plant Concession**

The Federal Government of Nigeria has selected Mainstream Energy Solutions Ltd (MESL) as the preferred bidder for the concession of the 700-megawatt Zungeru hydroelectric power facility.

MESL was chosen over Africa Plus Partners Nigeria Limited Consortium (APPNLC), which received 742 points, by scoring 1,142 out of a possible 1,200 points, or 94.3 percent, above the minimal benchmark score of 75 out of 1,200 points.

- **FG Approves Egbin Power, KEPSCO Restructuring**

The National Council on Privatisation (NCP) has approved a scheme of external restructuring proposed by KEPSCO Energy Resources Nigeria Limited (KERNL), the core investor in Egbin Power Plant.

The approval is to enable KERNL boost its capacity to raise the required capital to double the existing capacity of the plant to 2640MW.

- **Afreximbank Subsidiary Acquires 5% Stake in Geregu Power Plc**

The African Export-Import Bank's (Afreximbank) Fund for Export Development in Africa (FEDA) has finalized the acquisition of a 5% share in Nigerian power generation company Geregu Power Plc in a deal worth N12.5 billion.

Geregu Power Plc is one of the Power Holding Company of Nigeria Plc successor generation companies which was acquired by Amperion Power Distribution Ltd in 2013, as part of the privatization plans of the Federal Government of Nigeria.

The acquisition is considered by FEDA to be part of its strategic plans to boost Africa's energy security and industrialization. FEDA announced that it plans to assist the company as a minority investor and to work with the current owners and management team to accelerate the company's growth in the coming years.



- **Ikeja Electricity Distribution Company Plc (IKEDC) Partners with A4&T Power Solutions Limited ("A4&T") To Develop an Interconnected Solar Mini-Grid**

IKEDC has partnered with A4&T to co-develop a 0.88MW (scalable to 2 MW) Interconnected Solar Mini Grid in Epe Lagos State under the Interconnected Mini-grid Access Scheme (IMAS) program which is aimed at connecting approximately 27,600 households and impacting over 138,000 Nigerians.

The IMAS program is led by the Rural Electrification Agency, under the Federal Government of Nigeria Ministry of Power with funded support from the European Union and the German Government through the Nigerian Energy Support Program.

The Lagos State Government has described the project as the first of its kind, and part of its plans to achieve 1GW of Solar PV generation by 2030 as set out in the Lagos State Off-Grid Electrification Strategy and Action Plan.

- **Benin Port: FG, Edo Govt Start Bidding Process for Development Of 300,000 Teus Per Year Project**

The Federal Ministry of Transportation (FMOT), the Nigerian Ports Authority (NPA), and the Edo State Government are seeking Public-Private Partnerships (PPPs) for the development of the Benin Port (on an area of about 20 hectares), according to a request for proposals (RFP) issued by the parties.

The Federal Government of Nigeria ("FG") has approved the project as being qualified for a PPP through the Infrastructure Concession Regulatory Commission. The purpose of the project is to enhance the national water transportation capacity and to develop a multi-purpose port with the capability to handle containers and general cargo.

The Edo State government has hired CPCS Transcom Nigeria Limited as the Transaction Advisor to help in the search for potential private sector investors with the necessary technological know-how, managerial aptitude, and financial resources.

The project is expected to include Container Terminal operations and maintenance (capacity of 300,000 TEUs per annum); Cargo handling, stevedoring, warehousing, and delivery; the development and maintenance of the port superstructure; management of safety and security within the port; towing, pilotage, mooring, bunkering, ship handling, and ship repairs; and the transfer of technology through training of local personnel.