

Key contacts



Dayo Okusami
Partner and Co-Head,
Energy and Natural Resources
dayo.okusami@templars-law.com



Yemisi Awonuga
Partner and Co-Head,
Energy and Natural Resources
yemisi.awonuga@templars-law.com



Desmond Ogba
Partner,
Finance, Energy and Natural
Resources
desmond.ogba@templars-law.com

TEMPLARS Transcripts: Energy & Natural Resources Digest

Oil and Gas

- **The Federal Government of Nigeria Reviews Gas Tariff to Attract Investors in Midstream Business.**

The Federal Government of Nigeria (the FGN) is reviewing the current gas tariff system to foster greater investment in the gas sector, as the nation sustains momentum in driving her Decade of Gas program (the Program).

The Program was initiated by the FGN with the goal of utilising gas as a tool for industrialization, economic expansion, and the eradication of energy poverty. In consultation with important market stakeholders at the sixth Nigerian International Energy Summit (NIES), the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) indicated that the process is underway to finalizing the review of the domestic gas prices and tariffs.

- **The NNPC Limited and Norway's Golar LNG Sign MoU on Floating Gas Plant.**

NNPC Limited has signed a Memorandum of Understanding (MoU) with Golar LNG to build a floating Liquefied Natural Gas Plant (FLNG) in Nigeria for the purpose of boosting gas export and domestic gas use in the nation. According to NNPC Limited, the company is dedicated to enhancing Nigeria's natural gas resources to significantly increase the country's energy security. Nigeria, holds some of the world's biggest gas reserves and is seeking investment to boost its domestic supplies and exports.

- **Africa Finance Corporation Equity Investment Ltd to acquire Aker Energy and its interest in the Deepwater Tano/Cape Three Points Block.**

Aker Capital ASA and The Resource Group (TRG) AS which hold 50.79% and 49.21% shareholding in Aker Energy, respectively, have agreed to sell their stake in Aker Energy to AFC Equity Investment Ltd (AFC Equity) which is owned by Africa Finance Corporation. Aker Energy holds a 50% participating interest in the Deepwater Tano/Cape Three Points (DWT/CTP) block which has estimated resources between 450 and 500 million barrels in Ghana. Through this acquisition, AFC Equity will become the sole shareholder of Aker Energy and the beneficial owner of the 50% participating interest in the DWT/CTP block.

The proposed consideration for the share purchase by AFC Equity is an earn-out model based on potential future sales and/or production proceeds from the Pecan Field development in the DWT/CTP block.

Africa Finance Corporation had previously invested US\$200 million in senior secured bonds in the DWT/CTP block development and this acquisition represents a continuity of its investment in the Pecan Field development. AFC Equity has also indicated that the management team of Aker Energy will remain unchanged after the acquisition.

Energy Transition and Renewables

- **Nigeria Sovereign Investment Authority signs \$50 Million Carbon Vista Joint Venture Agreement with Vitol**

Vitol, a Swiss-based multinational organization, and the Nigeria Sovereign Investment Authority (NSIA) recently signed a \$50 Million Carbon Vista Joint Venture Agreement (JVA). The Carbon Vista is a fund co-sponsored by the NSIA and Vitol, which will focus on Environmental, Social and Governance (ESG) prepositions and will be used to invest in projects such as water purification, reforestation, and clean cooking projects.

The JVA is part of the collaboration between stakeholders in ensuring Nigeria plays its role in the fight against climate change which will further boost a green economy as well as aid in achieving Nigeria's 2060 net-zero goal.

- **African Petroleum Producers Give Conditions for Foreign Participation in Proposed Energy Bank**

The African Petroleum Producers' Organisation (APPO) has listed the conditions for the participation of foreign interests, outside the African continent, in the proposed African Energy Bank (AEB). In light of the drying investment in hydrocarbons which poses a threat to the exploitation of fossil fuels on the continent, the AEB will help fund the production of the commodity which will be highly regulated from interests outside Africa.

- **African Development Bank Approves \$28.49 Million Grant to Support Ghana's Universal Electrification Goals**

The Board of Directors of the African Development Bank has approved a grant of \$28.49 million for Ghana to construct renewable energy infrastructure. The grant will serve to enhance Ghana's universal electrification goal while increasing its renewable energy use by 10% by 2030.

The financing, which will come from the Climate Investment Funds - Scaling Up Renewable Energy Program in Low-Income Countries (SREP), will support the construction of mini-grids, stand-alone solar photovoltaic systems and solar-based battery facilities in Ghana for storing excess power.

Ghana's renewable energy development project will consist of the design, engineering, supply, construction, installation, testing, and commissioning of renewable energy systems for island communities in the Volta Lake region. With the African Development Bank's grant, the project currently has \$85.18 million in its coffers, with \$27.39 million provided by the African Development Fund, \$13.30 million from Switzerland's State Secretariat for Economic Affairs, and \$16 million from the government of Ghana.