

The ALP Review

ENERGY AND NATURAL RESOURCES

Q2 2024

For more information, please contact CorporateCommercial@alp.company

WWW.ALP.COMPANY



Trident Energy Secures Agreements: Multinational Energy Companies; Chevron and Total Energies to Obtain Stakes in the Republic of Congo’s Oil Fields
(1)

Trident Energy has secured agreements with Chevron and TotalEnergies to acquire stakes in Congo’s oil fields.

The company acquired Chevron Overseas (Congo) Limited and interests in the Moho-Bilondo, Nkossa, Nsoko II, and Lianzi fields. It will hold 85% of the interest in Nkossa and Nsoko II, a 15.75% interest in Lianzi, and a 21.5% interest in Moho-Bilondo. The transactions are expected to be completed by the end of 2024.

The Republic of Congo has proven crude oil reserves totalling 1,800,000,000 barrels, and Trident Energy's recent agreements, combined with the country's substantial oil production capacity signal a promising trajectory for resource utilisation. As development initiatives advance, there is a potential for increased production, job creation, and enhanced economic stability.

Comment

The announcement of Trident Energy’s partnerships with Chevron and Total Energies to acquire stakes in the Congo’s oil fields is likely to lead to increased investment confidence in the country’s oil sector. Although there is no limitation on the quantum of shareholding that may be held in Congolese oil industry, the transaction is still subject to the approval of the Autorité de Régulation de la Concurrence.

For more information, please contact CorporateCommercial@alp.company

Particularly, the regulator will have to confirm that the transaction does not negatively impact market competition in addition to approval by the Ministry of Hydrocarbons.

Evidently, thorough supervision and extensive management will be necessary to mitigate potential environmental and social impacts associated with increased oil production.

[For more details on this circular, please click here](#)

Invictus Energy Signs (2) Agreement to Power Zimbabwe's Mines

Invictus Energy Limited has signed a Memorandum of Understanding (MoU) with Dallaglio Investments (Pvt) Limited and Himoinsa Southern Africa Proprietary Ltd to develop Cabora Bassa Project, a gas-to-power project in Zimbabwe. This initiative will generate electricity for the Eureka Gold Mine using natural gas from the project. The project will initially provide 12 MW of power, with plans to expand to 50 MW. This shift from diesel to gas-fired power aims to enhance reliability and environmental sustainability. Feasibility studies are underway to determine the best method for power delivery, either on-site or via existing grid infrastructure. The project aligns with Zimbabwe's goals for sustainable energy development and economic growth, with potential benefits for other regions through the Southern Africa Power Pool.

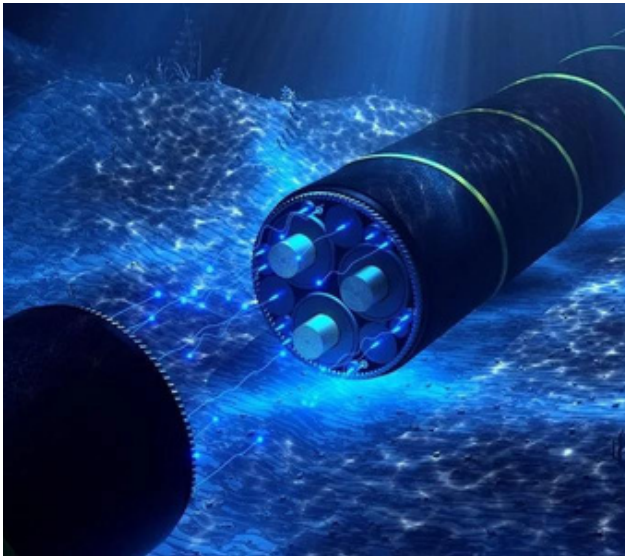
For more information, please contact CorporateCommercial@alp.company

Comment

This partnership amongst Invictus Energy, Dallaglio Investments, and Himoinsa Southern Africa to develop a gas-to-power project in Zimbabwe presents many benefits. By providing a stable and eco-friendly energy source for the Eureka Gold Mine, the initiative is set to boost mining productivity, support economic growth, and enhance regional energy security. In addition, it underscores the potential of leveraging local resources for sustainable development while creating jobs and fostering skill development in the region. It is expected that feasibility studies have been conducted and Environmental Impact Assessments will be underway before the parties proceed with the project.

[For more information, please click here](#)





**Morocco-UK Power
 (3) Project: AFC Invests
 \$14.1M in
 Transcontinental Clean
 Energy Initiative**

Africa Finance Corporation (AFC) has invested about \$14,100,000 in the Morocco-UK Power Project, aiming to supply clean energy from Morocco to the UK using renewable sources like wind and solar. This project, which is capable of powering 7,000,000 British homes, supports Europe’s green transition programme while creating jobs and fostering Morocco’s renewable energy sector.

AFC’s Chief Executive Officer, Samaila Zubairu, commented on Africa’s role in global carbon net-zero goals, emphasising the project’s potential to boost Morocco’s economy and position it as a clean energy hub. With support from major supporters like Abu Dhabi National Energy Company and Total Energies, the project could set a precedent for future transcontinental clean energy collaborations, highlighting the power of cross-border infrastructure in addressing climate change.

For more information, please contact CorporateCommercial@alp.company

Comment

The \$14,100,000 investment by AFC in the Morocco-UK Power Project should contribute to progress towards supplying clean energy from Morocco to the UK. This initiative not only supports Europe’s green energy transition but also promises to create jobs and stimulate Morocco’s renewable energy sector. With potential to power 7,000,000 British homes, it highlights Africa’s crucial role in global net-zero targets. In addition, the collaboration would set a precedent for future transcontinental clean energy partnerships, demonstrating the potentials of cross-border infrastructure in combating climate change.

For more information, please click [here](#)

**Niger Signs Agreement
 (4) with Mali for Supply Of
 Diesel**

Niger has agreed to supply affordable diesel to Mali with the aim of bolstering Mali’s energy security. Under the agreement, Niger will provide diesel to Mali’s national energy company, Énergie du Mali SA (EDM-SA), at a reduced price.

This initiative is expected to reduce Mali’s persistent power shortages, which largely stems from inability to purchase diesel due to EDM-SA’s financial challenges. The agreement ties in with Niger’s broader strategy to boost oil production and exports and follows Niger’s

recent inauguration of a pipeline for crude oil transportation to Benin. It is apparent that Niger is expanding its business relations as it intends to fulfil diesel supply commitments to Burkina Faso and Chad as part of its obligations to the Alliance of Sahel States.

Comment

The agreement between Niger and Mali to supply affordable diesel creates expectations for improved energy security for Mali, potentially strengthening bilateral relations and fostering regional stability. Niger stands to benefit economically through increased exports and enhanced geopolitical influence, particularly with Chinese involvement in the region's energy sector. The deal may also influence energy prices and market dynamics in the Sahel region, while highlighting the importance of regional cooperation in addressing shared challenges.

[For more information on this directive, please click here](#)

(5) Halliburton Secures a Deep-Water Well Construction Contract with Rhino Resources for Namibian Energy Exploration

Halliburton has been contracted by Rhino Resources Ltd., a company involved in energy exploration in Namibia and other parts of Africa, to construct multiple deep-water wells and provide testing services in Namibia's Block 2914A (PEL 85) within the Orange Basin. The collaboration is expected to maximise asset value, foster innovation, and support local economic growth.

For more information, please contact CorporateCommercial@alp.company

Operations are expected to commence in the fourth quarter of 2024, prioritising the integration of global expertise with local resources for the benefit of Namibia's energy sector and its communities.

Comment

The collaboration between Halliburton and Rhino Resources in Namibia's energy sector is poised to enhance exploration and appraisal efforts in Block 2914A (PEL 85) of the Orange Basin. This partnership aims to maximise asset value, foster innovation, and support local economic growth. With operations set to begin in late 2024, the news suggest a positive impact on Namibia's energy industry, potentially leading to increased exploration activity, economic development, and job creation within the region.

[For more information on this directive, please click here](#)

World Bank and African Development Bank Partner to Bring Electricity to 300,000,000 Africans by 2030

The World Bank Group and the African Development Bank (AfDB) are partnering to provide electricity access to 300,000,000 people in Africa by 2030. This ambitious plan involves the World Bank connecting 250,000,000 people through renewable energy systems, while the remaining 50,000,000 will be supported by the AfDB. The project requires \$30,000,000 in investment, with the World Bank's International Development Association contributing \$20,000,000.

Comment

The partnership between the World Bank Group and the African Development Bank to provide electricity access to 300,000,000 people in Africa will have a positive effect on economic development, healthcare, education, and job creation in the region. It signals a substantial investment opportunity in renewable energy and highlights the importance of policy reforms to attract private sector involvement. It is expected that the World Bank and the African Development Bank will share information on the funding and implementation of the program as it proceeds.

[For more information, please click here](#)

(7) Schneider Electric Launches Villaya Flex Microgrid to Tackle Africa’s Energy Crisis

Schneider Electric has launched Villaya Flex, a microgrid solution aimed at addressing Africa’s energy crisis. This initiative was unveiled at the Energy Access Investment Forum Conference in Lagos. Villaya Flex is designed to enhance sustainability and resilience in off-grid communities across Africa by maximising solar energy and minimising reliance on generators.

Schneider Electric aims to connect millions to clean electricity, with a commitment to sustainability and carbon neutrality by 2050. The company’s Access to Energy programme is intended to have immense impact in Nigeria and beyond, emphasising reliable energy access for rural communities and fostering economic productivity.

Comment

The launch of Schneider Electric’s Villaya Flex microgrid solution in Africa is expected

to have a transformative impact on addressing the continent’s energy challenges.

By maximising solar energy and reducing dependence on polluting generators, the initiative promises to provide sustainable and reliable electricity to off-grid communities. This could lead to improved living standards, economic growth through enhanced productivity, and progress towards achieving global sustainability goals.

[For more information, please click here](#)

(8) FirstBank Partners with Proparco to Advance Climate Initiatives in Nigeria

FirstBank of Nigeria Limited has partnered with Proparco, a development finance institution, to integrate climate initiatives into its business operations and strategy. The partnership aims to reduce greenhouse gas emissions and position the bank as an African Climate Bank. FirstBank is implementing mechanisms to calculate its operational emissions and identify opportunities for reduction. As a signatory to the Africa Business Leaders’ Climate Statement, the bank is committed to achieving Nigeria’s emission reduction targets. Acting Chief Risk Officer, Patrick Akhidenor, indicated that the bank’s focus is currently on climate finance opportunities and reducing carbon emissions.

Comment

The partnership between FirstBank and Proparco to integrate climate initiatives into operations is likely to enhance the bank’s environmental impact, business positioning, regulatory compliance, and innovation potential, contributing to both sustainability and growth goals.

[For more information, please click here](#)



(9) Namibia Is Making Its Move to Become Sub-Saharan Africa's Leader In The Race To Produce Green Energy

Namibia is positioning itself as a leader in green hydrogen production in sub-Saharan Africa. Namibia's desert region is becoming a hub for green energy, with Belgium's King Philippe and Namibian President Nangolo Mbumba recently inaugurating a hydrogen-powered truck by Compagnie Maritime Belge.

Commercial hydrogen production will start this year, with plans for a \$3,500,000,000 project to deploy solar energy to produce ammonia from water. The Port of Antwerp, in collaboration with the Namibian Ports Authority, will develop storage and shipping facilities for hydrogen and ammonia. Namibia's abundant sun and wind make it an ideal location for producing green hydrogen, which could play a key role in decarbonising global shipping and heavy industry.

James Mnyupe, Namibia's green hydrogen commissioner, has been actively promoting the project internationally. Agreements with Belgium, the European Union, Germany, and the Netherlands are expected to bring in over \$10,000,000,000 for a major project in southern Namibia.

This development represents an economic opportunity for Namibia, a nation of 3,000,000 people, potentially transforming its economy alongside potential offshore oil discoveries. While green hydrogen technology is still emerging and may face viability challenges, Namibia is optimistic about its future. President Mbumba reflected on the progress since Namibia gained independence, highlighting the country's ambitious advancements.

Comment

Namibia's push into green hydrogen is set to transform its economy with over \$10,000,000,000 in investments, creating jobs and boosting GDP. This development positions Namibia as a renewable energy leader in Africa, attracting global partnerships and contributing to global decarbonisation efforts. With abundant solar and wind resources, Namibia is poised for economic growth and technological advancements, though ensuring the benefits are widely shared will be key. This development could improve living standards and strengthen Namibia's international influence.

[For more information, please click here](#)

(10) Nigerian Navy Arrests Oil Thieves in Bayelsa

The Nigerian Navy seized three barges transporting suspected stolen petroleum products, including crude oil and refined Automotive Gas Oil, in the Tunu Community Creek in the Ekeremor Local Government Area of Bayelsa State. Seven individuals onboard claimed to be security personnel but were detained pending investigations.

The operation followed intelligence reports on oil theft activities in the area, with Shell Petroleum Development Company reporting daily production losses. Each barge had a capacity of hundreds of thousands of litres. Investigations are ongoing to determine ownership and intended discharge locations. The navy commander warned against illegal oil theft activities, emphasising continued enforcement efforts by the Nigerian government to protect its resources.

Comment

The apprehension of oil thieves and seizure of barges by the Nigerian Navy in Bayelsa is likely to have several effects. Firstly, it serves as a deterrent to illegal activities in the oil industry, potentially reducing production losses reported by companies like Shell Petroleum. Secondly, it highlights the government's commitment to combating oil theft and enforcing maritime security, which could improve investor confidence in Nigeria's oil sector. In addition, it underscores the ongoing challenges of oil theft in the region, prompting calls for enhanced security measures and stricter enforcement.

[For more information, please click here](#)

For more information, please contact CorporateCommercial@alp.company

(11) President Tinubu Inaugurates Nigeria's Largest Lithium Processing Plant in Nasarawa State

Nigeria's largest lithium processing plant in Nasarawa State, which was built by the Chinese firm, Avatar, has been commissioned. With a capacity of 4,000 metric tonnes daily, the plant signifies Nigeria's appeal to foreign investors. Additionally, Canmax Technologies announced a \$200,000,000 investment for another plant in the region.

During a meeting with Governor Abdullahi Sule, the Governor of Nasarawa State, and Chinese executives, President Bola Tinubu highlighted Nigeria's potential in solar panel production, emphasising the country's skilled labour and vibrant economy. He urged the Chinese firms to focus on environmental protection, community engagement, and corporate social responsibility.

President Tinubu praised the efforts of the governor and Solid Minerals Minister, Dele Alake in ensuring sustainable mining practices. Governor Sule expressed gratitude for President Tinubu's support, and Mr. Alake outlined measures to address abandoned mines and enforce remediation plans for new mining licenses.

Chinese executives on their part committed to adhering to regulations and fulfilling their corporate social responsibilities, recognising Nigeria as a promising investment destination.

Comment

The launch of Nigeria’s largest lithium processing plant and the announcement of further investment by Chinese firms indicate remarkable foreign investment and economic growth potential for Nigeria. This development is likely to boost the country’s mining sector, create jobs, and position Nigeria as a key player in the global lithium and solar panel markets. In addition, it emphasises the importance of sustainable practices and community engagement in the mining industry.

[For more information, please click here](#)

Comment

The Federal Government’s decision to ban the processing of Nigeria’s mineral resources abroad may have a positive impact the country’s mining sector. By mandating that mining companies set up processing plants within Nigeria, the government aims to stimulate local economic development, create employment opportunities, and enhance the nation’s self-sufficiency in mineral processing.

[For more information, please click here](#)

**Federal Government
 (12) Bans Processing of
 Nigeria’s Mineral
 Resources Abroad**

The Federal Government now requires mining companies to process Nigeria’s mineral resources within the country rather than abroad. Minister of Solid Minerals Development, Mr. Dele Alake, announced this policy shift alongside the revocation of mining licenses from dormant companies. The administration aims to boost the solid mineral sector’s development, with over 10,000 new license applications received and 4,000 issued.

The government also approved \$25,000,000 to revive the Ajaokuta Steel Plant, intending to produce iron rods for construction and potentially military hardware. Discussions are underway to engage private sector funding and possibly foreign firms to maximize the plant’s output and establish an industrial park for further economic growth.

[For more information, please contact CorporateCommercial@alp.company](mailto:CorporateCommercial@alp.company)

**Senegal Begins
 (13) Production at First
 Offshore Oil Project**

Production has begun at Senegal’s first offshore oil project, led by Australian company Woodside Energy, which described the day as historic. The project, located at the Sangomar oil fields 100 kilometres offshore, aims to produce 100,000 barrels of oil daily. The discovery of oil and gas in 2014 raised hopes for economic transformation in Senegal.

However, the new government, which took office earlier this year, plans to review existing oil and gas contracts, considering them unfavourable to Senegal. President Bassirou Diomaye Faye and Prime Minister Ousmane Sonko emphasised their commitment to ensuring fair revenue distribution from natural resources. Woodside holds an 82% stake in the project, with the state-owned Petrosen holding the rest. The project is expected to generate over \$1,000,000,000 annually for the next three decades. In addition, Senegal is set to begin extraction at the Greater Tortue Ahmeyim LNG project, a joint venture involving BP and other international partners, by the end of the year.

Implication

The start of production at Senegal’s first offshore oil project marks a milestone for the country’s economic development. It promises substantial revenue generation and potential economic transformation. However, the government’s plans to review and renegotiate contracts with foreign companies could lead to changes in how profits are distributed, potentially increasing Senegal’s share of the benefits from its natural resources. This move could also impact relations with multinational corporations involved in the sector.



Comment

The commitment by Niger State Governor Mohammed Bago to plant 1,000,000 trees as part of an environmental campaign should enhance the region’s ecological sustainability, promote environmental awareness, and contribute to combating deforestation. This initiative, along with the agricultural revolution for food security, could drive economic growth, improve public health, and make the state more attractive for investment. In addition, the collaboration with the Nigerian Institute of Public Relations (NIPR) highlights the importance of strategic communication and public engagement in achieving these environmental and developmental goals.

[For more information, please click here](#)

[For more information, please click here](#)

(14) Niger State Takes Steps Towards Conservation

Niger State Governor, Mohammed Bago, has committed to planting 1,000,000 trees as part of a campaign to green the environment and ensure a safer environment for residents. This initiative aligns with the New Niger Agenda, which aims to remodel the state for growth, development, and investment. The announcement was made during a visit by the Nigerian Institute of Public Relations (NIPR) to celebrate their Diamond Jubilee anniversary.

The Governor, represented by the Head of Service, Abubakar Salisu, also emphasised an agricultural revolution for food security. NIPR members participated in various activities, including planting sixty trees to mark their 60th anniversary and kickstart World Environment Day. The NIPR aims to plant sixty trees in each of Nigeria’s 36 states and the Federal Capital Territory. The visit included tours of key infrastructure projects and discussions on future plans, such as establishing a Public Relations and Leadership University in Nasarawa State.

For more information, please contact CorporateCommercial@alp.company

CONTACT US:

Lagos

15 Military Street,
Onikan,
Lagos.

T: +234 201 700 2570-9

Abuja

3 Lobito Crescent,
Wuse 2,
Abuja.

T: +234 209 700 2570-9

For more information, please contact CorporateCommercial@alp.company

DISCLAIMER

All rights asserted and reserved. This publication is for general guidance only. It does not contain definitive advice. Whilst every effort has been made to ensure accuracy, this publication is not an exhaustive analysis of the area of law or issues discussed. ALP NG & Co. cannot accept responsibility for any loss incurred by any person acting or refraining from acting as a result of the material in this publication. If you require any advice concerning individual problems or other expert assistance, we recommend that you consult a competent professional adviser.

ALP NG & Co. is an Africa-focused law firm with member law firms across Africa.