

# GERAB

# BULLETIN

Vol: 23



- **Editorial:** Gerab National Enterprises is headquartered in the UAE. Gerab serves the Oil, Gas, Petrochemical, Energy, Water, Process, and Other Civil Construction industries. Gerab's strong relationship with manufacturer's world-wide enables it to offer quality piping solutions timely, and competitively. Furthermore, it's in-house storage facilities, logistics capabilities, value-added services, and motivated teams offer innovative solutions for managing project material supplies to our customers. Gerab maintains a significant inventory of well-preserved piping components and applies the ISO 9001:2008 quality assurance standards for managing the inventory and material documentation. Gerab Bulletin is our contribution to update our stakeholders on project announcements and key component pricing trends. We hope you will find the contents useful and we would definitely like get your feedback.

## EXECUTIVE SUMMARY

### The Commodity summary

- Crude Oil Brent prices trading lower by 6% WTD and Crude Oil WTI prices are trading lower by 8% WTD.
- Coal prices are trading lower by 65% YTD
- Steel HRC (N America ) prices are trading higher by 3% WTD
- Iron ore prices are trading higher by 24% YTD
- Natural Gas prices are trading higher by 13% MTD

### The Currency summary

- Euro is stronger by 5% YTD to USD
- The US Dollar to CNY is stronger by 2% YTD

### The Rig count summary

- The Rig counts in Africa have gone up by 4% MTD and the rig counts in Europe have gone down by 4% MTD.

### Project summary

- ADNOC and Taqa secure financial closing of \$2.2B seawater treatment project in Abu Dhabi
- Petrofac's \$600M ADIPEC win: Fueling ADNOC's CCUS ambitions
- Baker Hughes awarded \$400million Electric-LNG Contract From ADNOC
- ADNOC awards \$12.8 bln contracts for Hail and Ghasha gas project
- Tecnimont awarded USD 8.7 billion contract by ADNOC, UAE
- ADIPEC 2023: Saipem lands massive \$4.1 billion deal with ADNOC
- Dubai Municipality Reissues \$22bn Tunnels Project Request
- Oman to develop 2,000 kilometer major hydrogen pipeline network
- Qatar plans \$19bn of projects in 2024 as it prepares major tender process
- QatarEnergy signs \$3.9bn deal for 17 LNG newbuilds in South Korea
- TROJENA Infrastructure Deal Contract Awarded for the 4.4-Kilometers
- Saudi Aramco Inks \$2.4 Billion Natural Gas Plant Deal With Hyundai
- Empowering Iraq: The \$27bn Deal for Iraq's Energy Sufficiency
- \$2.3 Billion Egypt's MIDOR Refinery Expansion Construction Finalizes Two Units

## COMMODITY UPDATES

COMMODITY	UOM	Latest Price	WTD %	MTD %	3MTD %	6MTD %	YTD %
Chromium	USD/MT	9,258.25	-0.09	3.11	3.55	-8.45	-2.30
Coal	USD/MT	150.47	0.00	-14.30	1.67	-28.34	-65.25
Cobalt	USD/MT	34,039.37	1.45	10.27	-0.60	-4.87	-39.52
Copper	USD/MT	8,055.50	1.67	-3.46	-4.77	-8.95	6.44
Crude Oil	USD/BBL	85.64	-6.80	-4.34	10.82	5.75	-4.90
Crude Oil Brent	USD/BBL	87.81	-5.85	-3.74	10.62	5.78	-5.83
Crude Oil WTI	USD/BBL	83.47	-7.77	-4.96	11.04	5.72	-3.90
Iron Ore	USD/MT	118.19	-0.71	-1.34	5.95	-0.90	24.37
Molybdenum	USD/MT	44,717.40	-0.29	-16.63	-9.26	-4.59	8.93
Natural Gas	USD/MCF	3.10	1.77	12.54	11.93	37.60	-51.63
Nickel	USD/MT	18,270.00	0.22	-9.52	-14.42	-23.31	-17.27
Steel HRC (FOB China)	USD/MT	545.00	2.44	-0.36	-0.41	-13.05	-1.74
Steel HRC (N. America)	USD/MT	831.14	2.65	1.99	-14.29	-35.56	-0.91
Steel Rebar	USD/MT	552.93	1.09	-1.99	-3.15	-11.76	-4.79
Steel Scrap	USD/MT	366.00	1.39	-3.25	0.22	-11.98	2.80

Source: Investing.com / Trading Economics / London Metal Exchange / MarketIndex.com.au / OilPrice.com

## CURRENCY EXCHANGE RATE

Code	Description	Country	Units	Latest Exchange Rates	WTD%	MTD%	3MTD%	6MTD%	YTD%
EURUSD	1 EUR to USD	Euro Area	USD	1.0549	-0.29	-0.20	-4.82	-4.45	4.56
USDCNY	1 USD to CNY	China	CNY	7.3267	0.12	-0.20	-2.47	-5.57	-1.96

Source- Trading Economics

## CRUDE OIL STOCK

Region	Unit	Latest Count	WTD %	MTD %	3MTD %	6MTD %	YTD %
US Stocks of Crude Oil & Petroleum Products	Thousand Barrels	16,16,887.00	-0.03	-0.37	0.25	1.11	-0.43

Source: US Energy Information Authority

## SELECTIVE COMMODITY TRADERS AND PIPE MANUFACTURERS STOCK PRICES.

### STOCK PRICES

Name	Latest Value	Units	WTD%	MTD%	3MTD%	6MTD%	YTD%
ArcelorMittal SA	21.89	USD	-1.84	-9.62	-23.06	-21.34	-5.97
Chiyoda Corporation	350.00	JPY	-3.05	-8.14	-0.28	-11.39	-3.85
Glencore PLC	439.80	GBP	-2.30	-2.65	-6.32	-8.64	-14.75
HD Hyundai Heavy Industries Co. Ltd.	1,11,100.00	KRW	-0.98	-8.86	-20.24	-4.22	5.31

JGC Holdings Corporation	1,839.50	JPY	-0.27	-13.84	-5.62	11.55	2.94
McDermott International Ltd.	0.19	USD	0.00	-24.00	5.56	-40.63	-68.33
National Marine Dredging	20.60	AED	5.42	-14.74	-7.21	-6.19	-23.13
NYSE American Steel Index	1,796.23	Index	-0.17	-4.89	-13.79	1.54	14.48
Rio Tinto PLC	5,157.00	GBP	2.08	2.04	-1.38	2.38	6.48
Technip Energies NV	20.39	EUR	-9.82	-11.54	-3.14	38.99	60.17
TechnipFMC PLC	19.93	USD	-3.67	-3.81	6.29	55.58	82.51
Tenaris SA	32.37	USD	-1.91	4.89	-1.76	13.62	4.28
Tubacex SA	2.85	EUR	-2.40	-2.90	-1.22	9.85	31.11
Woodside Energy Group	34.86	AUD	-4.65	-3.30	-7.85	2.77	-0.11

Source- Trading Economics / Wall Street Journal / CNBC

## INTERNATIONAL RIG COUNTS

### ACTIVE RIG COUNTS BY REGION

Region	Latest Count	WTD %	MTD %	3MTD %	6MTD %	YTD %
United Arab Emirates	59	*	3.51	5.36	13.46	18.00
GCC	221	*	-0.90	0.91	3.27	6.25
Middle East	323	*	-0.62	-0.31	1.57	5.21
Africa	96	*	-4.00	4.35	7.87	29.73
Asia-Pacific	205	*	0.00	0.00	5.13	6.77
Europe	108	*	-4.42	-3.57	-0.92	8.00
Latin America	175	*	1.16	-7.41	-4.37	-2.23
North America	818	0.99	1.11	-3.76	-3.20	-16.36
Total	1,725	*	0.00	-2.65	-0.81	-5.74

Source- Baker Hughes

(\*) No weekly data available for those particular regions

## PROJECTS

UAE	<ul style="list-style-type: none"> <li> <b>ADNOC and Taqa secure financial closing of \$2.2B seawater treatment project in Abu Dhabi</b>            New project will supply treated seawater for ADNOC's onshore operations. Dubai: The oil giant ADNOC has secured the financial closing for a \$2.2 billion project with the Abu Dhabi utility company Taqa to provide sustainable water supply to the former's onshore operations. The investment will lead to developing and operating facilities to sustainably treat and supply seawater for the ADNOC operations at the Bab and Bu Hasa fields in Abu Dhabi. This will in timelead to 'furthering ADNOC's efforts to decarbonize, transform and future proof its business'. A consortium of Orascom Construction and Metito will construct the centralized seawater treatment facility and the associated transportation and distribution network. ADNOC and TAQA own a joint 51 per cent stake (at 25.5 per cent each) with Orascom and Metito owning the remaining stake in the project company that will develop the project under a build-own-operate-and-transfer (BOOT) model. The full project will transfer to ADNOC after 30 years of operation. <b>25<sup>th</sup> September 2023</b> </li> <li> <b>Petrofac's \$600M ADIPEC win: Fueling ADNOC's CCUS ambitions</b>            Petrofac secures a \$600M ADIPEC contract from ADNOC Gas for the Habshan CCUS initiative, advancing UAE's decarbonization efforts and energy transition. Petrofac, a major global service provider in the         </li> </ul>
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energy sector, has secured a substantial Engineering, Procurement, and Construction (EPC) contract from ADNOC Gas. This agreement pertains to the Habshan Carbon Capture, Utilisation, and Storage (CCUS) initiative, which ranks among the largest carbon capture endeavors in the Middle East and North Africa. With a contract value exceeding US\$600 million, Petrofac's responsibilities encompass the delivery of carbon capture units, as well as the associated pipeline infrastructure and a network of wells tailored for carbon dioxide (CO<sub>2</sub>) retrieval and injection. The project's focal point is the Habshan gas processing plant, strategically positioned 150 kilometers southwest of Abu Dhabi. **3<sup>rd</sup> October 2023**

- **ADNOC, Occidental Signed agreement for direct air capture project in UAE**

ADNOC and Occidental announced an agreement to undertake a joint preliminary engineering study for the construction of the first megaton-scale direct air capture (DAC) facility outside the United States (US). The agreement is the first project to reach the technical feasibility stage since the two companies signed a strategic collaboration agreement in 2023 to explore carbon capture, utilisation and storage (CCUS) projects in the UAE and the US. The study will assess the proposed one million tonnes per annum (mtpa) DAC facility to be connected to ADNOC's carbon dioxide (CO<sub>2</sub>) infrastructure for injection and permanent storage into saline reservoirs not used for oil and gas production. ADNOC is in the testing phase of the world's first full sequestered CO<sub>2</sub> injection well in a carbonate saline aquifer in Abu Dhabi. Musabbeh Al Kaabi, Executive Director for Low Carbon Solutions and International Growth at ADNOC, said, "Today's announcement represents continued positive momentum in our partnership with Occidental to significantly scale up promising carbon management technologies." He added that this joint investment in the proposed first megaton direct air capture facility in the region exemplifies ADNOC's commitment to leverage partnerships and promising technology to accelerate our decarbonisation journey on the way to net zero by 2045. **3<sup>rd</sup> October 2023**

- **DEWA and ACWA Power Signs agreements for \$914m Hassyan Sea Water Desalination Project**

Dubai Electricity and Water Authority (DEWA), signed a 30-year water purchaser agreement with Saudi Arabia's ACWA Power for phase 1 of the Hassyan sea water desalination project using solar power. The project is part of DEWA's efforts to increase its water desalination capacity to 730 MIGD by 2030, from 490 MIGD at present. The project aligns with Dubai's unparalleled economic growth and the Emirate's thriving construction sector. This complements the Dubai 2040 Urban Master Plan, addresses the substantial population growth, and meets the steadily increasing demand for water in domestic, commercial, and other consumer sectors. The agreement was signed by HE Saeed Mohammed Al Tayer, MD & CEO of DEWA; and Mr. Mohammad Abunayyan, Chairman and Founder of ACWA Power. Officials from both entities were present. Last August, DEWA announced ACWA Power as the 'Preferred Bidder' for the construction and operation of the 180 Million Imperial Gallon per Day (MIGD) Sea Water Reverse Osmosis Hassyan Phase 1 Independent Water Producer (IWP) project, with an investment of AED 3.357 billion (USD 914 million). **3<sup>rd</sup> October 2023**

- **Abu Dhabi's Energy Giant Is Preparing For Global Expansion**

ADNOC has been directed to expand internationally and has already made headlines with its interest in Germany, Israel, and Azerbaijan. In the coming months, Abu Dhabi's energy giant is likely to make moves in the Eastern Mediterranean and Europe. As well as expanding beyond its own borders, ADNOC is likely to use its proximity to COP 28 to expand its non-fossil fuel energy investments. Abu Dhabi National Oil Company (ADNOC), one of the largest NOCs around, has been directed to expand internationally. The NOC, already making headlines with its plans to potentially acquire Germany's Covestro and a major stake in Israel's NewMed Energy, is now openly going to put in place a direct internationalization strategy, as ordered by the Abu Dhabi Executive Council. According to Abu Dhabi media sources, Sheikh Khaled bin Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Chairman of the Abu Dhabi Executive Council, has directed ADNOC to "explore further opportunities for international growth". The directive was issued on September 28th. ADNOC holds an investment budget of around \$150 billion (over 5 years) to acquire international assets, with a particular focus on oil and gas production. At present, with the company looking at Absheron (Azerbaijan), NewMed Energy, and Covestro, there is

still a vast budget available. Taking into account the increase of crude oil prices globally, and still very high natural gas/LNG prices long-term, that budget could be increased even further. **4<sup>th</sup> October 2023**

- **Baker Hughes awarded \$400million Electric-LNG Contract From ADNOC**

ADNOC announced, that it has awarded a contract, valued at more than US\$400 million (AED 1.47 billion), to Baker Hughes, through its Nuovo Pignone International S.R.L. legal entity, for the supply of all-electric compression systems for the liquefaction of natural gas, to be powered by clean energy, for its low-carbon LNG asset in the Al Ruwais Industrial City, Al Dhafrah, Abu Dhabi. The LNG trains will comprise energy-efficient Baker Hughes technology, including compressors, driven by 75 MW electric motors. The Ruwais LNG plant will be the first LNG project in the Middle East and North Africa region to run on clean power, making it one of the lowest carbon-intensity LNG facilities in the world. Fatema Al Nuaimi, Executive Vice President, Downstream Business Management at ADNOC, said, "As the first clean electricity-powered LNG facility in the Middle East, the Ruwais LNG project reinforces ADNOC's leadership within the LNG industry and underscores our commitment to decarbonisation, sustainability and innovation. The project aligns with ADNOC's objectives to grow our energy portfolio with lower-carbon solutions, reinforcing our position as a reliable global supplier of natural gas and contributing to enhancing global energy security. **4<sup>th</sup> October 2023**

- **ADNOC awards \$12.8 bln contracts for Hail and Ghasha gas project**

Abu Dhabi National Oil Company (ADNOC) said on Thursday it had awarded contracts for a gas project that aims to operate with net zero carbon dioxide emissions, adding it would be the first in the world to do so. Italian engineering group Maire Tecnimont (MTCM.MI) and energy services group Saipem (SPMI.MI) said in separate statements they had been awarded \$8.7 billion and \$4.1 billion contracts by ADNOC respectively for the project. The two engineering, procurement and construction (EPC) contracts were signed for the Hail and Ghasha Offshore Development project that will produce 1.5 billion standard cubic feet per day (bscf) of gas before the end of the decade. "Natural gas is an important transition fuel and ADNOC will continue to responsibly unlock its gas resources to enable gas self-sufficiency for the UAE, grow our export capacity and support global energy security," Abdulmunim Al Kindy, ADNOC's upstream executive director, said in a statement. The Hail and Ghasha project will capture 1.5 million tonnes per year (mtpa) of CO<sub>2</sub>, which would raise ADNOC's committed investments for carbon capture capacity to almost 4 mtpa, the statement said. ADNOC - which in July brought forward its net zero carbon emissions target to 2045. last week said it aims to increase its carbon capture capacity to 10 mtpa by 2030. **5<sup>th</sup> October 2023**

- **Tecnimont awarded USD 8.7 billion contract by ADNOC, UAE**

MAIRE announces that Tecnimont, part of the Integrated E&C Solutions business unit, today signed a Letter of Award with ADNOC for the onshore processing plant of the Hail and Ghasha Development Project. The award was signed at ADIPEC, the world's largest energy summit. The Hail and Ghasha project is aimed to operate with net zero CO<sub>2</sub> emissions, in part due to the facility's CO<sub>2</sub> carbon capture and recovery units, which will allow the capture and storage of CO<sub>2</sub>. The overall EPC contract value is approximately USD 8.7 billion and project completion is expected during 2028. The scope of work includes two gas processing units, three sulphur recovery sections, the associated utilities and offsites as well as export pipelines. The engineering and procurement activities will be executed by several dedicated teams in Europe, India and the UAE, under the central coordination of MAIRE's Milan headquarters. In particular, MAIRE's UAE procurement hub will ensure the maximization of the local suppliers' involvement, aimed at providing significant value to the local economy. **5<sup>th</sup> October 2023**

- **ADIPEC 2023: Saipem lands massive \$4.1 billion deal with ADNOC**

Saipem, in partnership with NPCC, secures a \$4.1 billion contract with ADNOC for the Hail and Ghasha Development Project in the UAE. Saipem, in collaboration with the National Petroleum Construction Company (NPCC), has formally inked a letter of award today with the Abu Dhabi National Oil Company (ADNOC) for a newly awarded contract related to the Hail and Ghasha Development Project – Package

1 in the United Arab Emirates (UAE). The contract has a substantial value, with Saipem's portion amounting to approximately \$4.1 billion. **5<sup>th</sup> October 2023**

- **Middle East contracting giant eyes global footprint amid expansion plans**

NPCC, the largest oil & gas EPC contractor in the UAE, recently won a \$8.2 billion offshore contract from Adnoc in partnership with Saipem. Abu Dhabi-based contracting giant National Marine Dredging Company (NMDC), which owns compatriot National Petroleum Construction Company (NPCC), is eyeing participation in "all active global markets," as it forges ahead with its expansion plans, the company's chief executive has said. NPCC, the largest oil & gas engineering, procurement and construction (EPC) contractor in the UAE, was recently awarded a \$8.2 billion offshore contract from state giant Abu Dhabi National Oil Company (Adnoc) in a consortium with Italy's Saipem for work on Hail & Ghasha sour gas development. **13<sup>th</sup> October 2023**

- **Dubai Municipality Reissues \$22bn Tunnels Project Request**

Dubai Municipality Reissues \$22bn Tunnels Project Request Dubai Municipality had earlier over the month of August expressed their interest for contractors to bid for a tunnels project construction. The contract of the project was for the bidding companies to provide consultancy on project management for the sewage treatment plants as well as deep tunnels across the emirates of Dubai. The Dubai municipality has rekindled their interest in the project and are seeking to work on the it with companies that had submitted their prequalification forms in the month of August 25th which had been the submission deadline for the firms that were interested. The project will involve developing assets across the city of Dubai and Hatta. Dubbed as the Deep Tunnels Portfolio by the Dubai Municipality, the scheme will be developed as a public-private partnership (PPP) initiative. The construction schematics involve plans of constructing two sets of two terminal pump stations. Dubai's Municipality Executive Council Approved the Project in June and issued AED80bn as a Budget Dubai's Municipality executive council approved the project in June this year and said that it would require AED80bn (\$22bn) for its completion. The council added that the project has been specifically tailored to serve the needs of the population in Dubai for the next 100 years. This is in alignment with the Dubai Economic Agenda D33 as well as the Dubai Urban Plan 2040. The project is expected to start in the last quarter of this year. **16<sup>th</sup> October 2023**

- **KCA Deutag awarded \$200 million contracts in the Middle East and Latin America**

KCA Deutag, a leading drilling, engineering and technology partner, has continued to solidify its global presence with the award of \$200 million of land drilling contracts (including options) in the Middle East and Latin America.

In the Middle East, the company has secured two separate five-year extensions for rigs in Saudi Arabia, while in Oman one rig has received a two-year extension and another has been awarded a one-year extension, with options to increase this to three years. These successes follow an announcement made last month for land drilling contract awards worth close to \$380 million in this core region. Additionally, in Latin America the company has secured a one-year contract for a rig in Ecuador and a rig in Peru has been awarded a short-term workover contract in the country. KCA Deutag completed the acquisition of 44 rigs from Saipem Onshore Drilling's Latin American business in May this year. **16<sup>th</sup> October 2023**

KUWAIT

- **Kuwait Expects Durra Gas Field to Be Fully Commissioned by 2029**

The Durra gas field in the Arabian Gulf is expected to be fully commissioned by 2029, a deputy managing director of Kuwait Petroleum (IPO-KUWP.KW) said on Wednesday. A Kuwaiti-Saudi Arabian development agreement signed last year has been criticized by Iran, which claims a stake in the field. Durra holds an estimated 20 trillion cubic feet in proven reserves. Kuwait also is committed to oil producers' group OPEC+ production guidance and is not going to produce above quota, Shaima Al-Ghunaim said at the Baker Institute's Center for Energy Studies.

The Middle East country has been adding to its production capacity, and expected to be able to pump 3 million barrels per day by 2025, up from current 2.8 million bpd now. Kuwait plans to have enough spare to ensure enough supply if needed, she said. **4<sup>th</sup> October 2023**

- **CGC Kuwait Signs \$144.2m KOC Contract**

Combined Group Contracting (CGC), Kuwait announces in a statement that it has signed the contract for a Services project issued by Kuwait Oil Company (KOC). The company states that the works includes providing maintenance support services for export facilities, for a period of 5 years. The value of the Contract is KWD 44.5 million. **23<sup>rd</sup> October 2023**

- **KCA Deutag awarded \$380 million drilling contracts in the Middle East**

KCA Deutag, announced in a statement that it has secured land drilling contracts and contract extensions with a total value of \$379 million, with existing and new customers in Saudi Arabia, Oman and Pakistan. The awards span key markets in the Middle East, solidifying KCA Deutag's position as a leading land drilling contractor in the area. In Saudi Arabia, KCA Deutag has been awarded contract extensions and an equipment upgrade project with a combined value of \$292 million. The contract extensions amount to a total of 23 years of additional work across four rigs, while the equipment upgrade project includes the delivery of mechanised catwalks on two rigs to improve safety and operational performance. Further success in Oman has seen the company extend two existing contracts as well as gain one new contract award with a total value of \$78 million. Two rigs in Oman have secured extensions for two and one-year contracts respectively while a third rig, currently stacked, has been awarded a new three-year contract, with options that could extend this to five-years. Adding to our commitment and investment in the region, in Oman KCA Deutag has completed the build of the first two highly automated newbuild rigs which are currently undergoing commissioning and are due to be mobilised to their first location shortly. KCA Deutag has finalised the design of the next two rigs with the customer and has begun the construction phase for rig delivery in 2024. Each of the four rigs will fulfil a 10-year drilling operations contract secured in January 2022. **27<sup>th</sup> September 2023.**

- **Oman's OQGN set to award \$100 million EPCCM contract soon**

PCCM contract on the horizon: OQGN in Oman nearing award decision. OQ Gas Networks (OQGN) in Oman is anticipated to grant the engineering, procurement, construction, commissioning, and management (EPCCM) services contract for a range of Green and Brownfield Projects to meet the demands of their existing facilities by the first quarter of 2024, as reported by an insider. Oman OQGN's EPCC contract. According to the source, the EPCC contract was issued on August 9, 2023, with the technical and commercial bid submission deadline set for September 25, 2023. The contract for EPCC is expected to be awarded by mid-January 2024. There are also plans for improving and enhancing existing facilities (brownfield improvement) and addressing any bottlenecks. The contract's operational duration is envisaged to span three years, with the possibility of a one-plus-one-year extension, as indicated by the source. The project is targeted for completion by the fourth quarter of 2025, as confirmed by a second source, who estimates the project's cost to be approximately \$100 million. **24<sup>th</sup> September 2023.**

- **Oman to develop 2,000 kilometer major hydrogen pipeline network**

Hydrom, a state-owned company, is leading this initiative, with plans to initially supply green hydrogen to three key industrial zones. Oman is set to construct an extensive hydrogen pipeline network spanning 2,000 km to advance its ambitious green hydrogen agenda. Hydrom, a state-owned company, is leading this initiative, with plans to initially supply green hydrogen to three key industrial zones: Duqm, Al-Jazir, and Salalah. The first phase will link Duqm and Al-Jazir, eventually connecting with Salalah in the south, with the final phase slated to reach the capital, Muscat, by 2050. The infrastructure aligns with Oman's strategic objective of producing 1 to 1.25 million tonnes of green hydrogen annually by 2030, catering to local demand. OQ Gas Networks (OQGN), the sole operator of Oman's gas transportation system,

OMAN

partnered with Hydrom in June to explore the establishment of a green hydrogen network across the nation. **22<sup>nd</sup> September 2023**

QATAR

- **Chinese yard secures \$220 million contract for Qatar offshore facilities**

Bomesc to deliver living quarters for North Field Production Sustainability project. Italian contractor Saipem has awarded Chinese modular fabrication specialist Bomesc Offshore Engineering a \$220 million contract to construct living quarters as part of Qatargas' North Field Production Sustainability project.

**22<sup>nd</sup> September 2023**

- **Worley wins FEED contract for Qatargas' CCS project**

Decarbonisation of 10 LNG trains planned. Australian services contractor Worley has won the front-end engineering and design (FEED) services contract for Qatargas' CO<sub>2</sub> sequestration project in Ras Laffan, Qatar. Worley's teams in Australia and Qatar will develop the FEED study and engineering, procurement and construction (EPC) scope of work, with the contract set for completion in 2024. Financial terms of Worley's contract were not disclosed. Once completed the sequestration facility will be capable of capturing 4.3 million tonnes per annum of CO<sub>2</sub>, helping to further reduce Qatargas' environmental impact across the liquefied natural gas value chain by reducing emissions from its seven trains at QG North and three LNG trains at QG South. Carbon dioxide will be captured from the trains, compressed and injected into new injection wells. New compression trains and pipelines will need to be installed after the FEED work is completed. Worley said that, drawing on the expertise from its carbon capture, utilisation and storage (CCUS) centres of excellence, the project team will aim to prove the pre-FEED concept by modelling the CO<sub>2</sub> capture process. **25<sup>th</sup> September 2023.**

- **Saipem picks Chinese player for Qatar-bound offshore gas platform**

Industrial machine manufacturer Servizi Energia Italia, a subsidiary of Italy's Saipem, has hired China's engineering, procurement, and construction company, Bomesc Offshore Engineering, to build a compression facility for an offshore natural gas project off the northern coast of Qatar. Thanks to the inking of a \$220 million deal with Saipem's subsidiary, Bomesc will take part in the development of an offshore energy project in Qatar, according to Chinese state-owned financial news agency, Yicai Global. This comes after Saipem disclosed the award of a contract worth approximately \$4.5 billion in October 2022 for the North field production sustainability offshore compression complexes project. At the time, the Italian giant described the deal as the largest single offshore contract by value in its history. This is similar to the agreements that QatarEnergy inked with China Petroleum & Chemical Corporation (Sinopec) for the supply of LNG and partnership in the NFE expansion project. The North field is one of the largest single non-associated natural gas fields in the world, which is operated by QatarEnergy LNG and lies off the northeast shore of the Qatar peninsula. Qatar's energy sector is positioned for further growth, as confirmed by the country's plans to boost its LNG production from 77 million metric tonnes per annum (mtpa) to 126 million mtpa by 2027. Both of these LNG giants have an abundance of low-cost gas, competitive pricing, and astute commercial partnering, thus, their combined market share is expected to exceed 60% by 2040. **25<sup>th</sup> September 2023.**

- **Qatar plans \$19bn of projects in 2024 as it prepares major tender process**

Qatar announces tender plans for 2024 as it lines up more than \$19bn of spending. Qatar plans QR70bn (\$19.2bn) of projects in 2024, a forum on government procurement plans has heard. The Public Works Authority (Ashghal) and the Qatar General Electricity and Water Corporation (Kahramaa) will implement the projects next year. **26<sup>th</sup> September 2023**

- **QatarEnergy signs \$3.9bn deal for 17 LNG newbuilds in South Korea**

Middle Eastern liquefied natural gas producer QatarEnergy has kicked off the second phase of its massive shipbuilding program by signing a contract with South Korea's HD Hyundai Heavy Industries (HHI) for the construction of 17 LNG carriers, one of the largest single shipyard orders in history. The deal, valued at \$3.9bn, will see the newbuilds support its expanding LNG production capacity from the



North Field LNG expansion and Golden Pass LNG export projects, as well as its long-term fleet replacement requirements. QatarEnergy changed its name from Qatar Petroleum in 2021, signalling a new strategy focused on energy efficiency and environmentally friendly technologies. The company booked a huge number of yard slots in South Korea and China in 2020 to facilitate its future LNG exports. QatarEnergy's historic LNG shipbuilding program is the largest of its kind in the history of the LNG industry. Together with the 60 ships that were contracted for by QatarEnergy in the first phase of the program, which will be built at Korean and Chinese shipyards, the new deal brings the total number of confirmed LNG carrier newbuilds to be delivered to QatarEnergy and its affiliates to 77 and the company said there will be more to follow. **28<sup>th</sup> September 2023**

- **QatarEnergy and Chevron Phillips Secures \$4.4 billion Finance for Ras Laffan Petrochemicals Project**  
QatarEnergy and Chevron Phillips Chemical Company LLC (CPCChem) announced that they have secured \$4.4 billion financing for the Ras Laffan Petrochemicals project, a world scale integrated polymers complex in Ras Laffan Industrial City, Qatar. The senior debt financing package is comprised of commercial and Islamic facilities as well as Export Credit Agency (ECA) financing. The Ras Laffan Petrochemicals project is a joint venture between QatarEnergy (70%) and CPCChem (30%) and is considered the largest petrochemical project in Qatar for which Final Investment Decision was announced in January 2023. The complex, expected to begin production in late 2026, consists of an ethane cracker with a capacity of about 2.1 million tons of ethylene per annum. It also includes two polyethylene trains with a combined output of 1.7 million tons per annum of High-Density Polyethylene (HDPE) polymer products, which are used in a wide range of applications, including packaging, construction, and consumer goods. **9<sup>th</sup> October 2023**

SAUDI ARABIA

- **Saudi's Binyah awarded \$610.7m infrastructure packages works at Qiddiya project**  
The Saudi Real Estate Company. (Al Akaria) Announces signing Infrastructure Packages Contracts between Qiddiya Investment Company (QIC) to one of its subsidiaries "Saudi Real Estate Infrastructure Company (Binyah)" jointly with Infraroad Contracting Co. LLC. The Value of the Contract is SAR 2.2 billion. The Project is to execute the construction, testing and commissioning parts of Main infrastructure networks and bridges for Qiddiya Resort Core, including parts of primary and secondary roads and utilities networks, utility culverts, pedestrian bridges and perimeter cut-off storm drainage channels along with Design, construction, testing and commissioning of sewage treatment plant, irrigation water storage tanks & pump station, potable water storage tank & pump station and solid waste transfer hub. The duration of the Project is 22 months. Binyah Company is one of the national companies specialized in implementing infrastructure development works, of which the Saudi Real Estate Company (Al Akaria) owns (60%). **26<sup>th</sup> September 2023.**
- **Saudi Arabia Announces Prequalified Bidders for Jubail 4 & 6 Independent Water Project**  
Saudi Water Partnership Company S.M.L.L.C (SWPC) announced the Prequalified Bidders in respect of the potential development of an Independent Water Project to be designed using Reverse Osmosis seawater desalination technology, Jubail 4 & 6 Independent Water Project. The desalination plant will be located 18 kms south of Jubail Industrial City at the Arabian Gulf Coast, adjacent to the existing plant units (Jubail Phase 1, Jubail Phase 2, Jubail 3A & 3B), in the Eastern Province of the Kingdom of Saudi Arabia. Following is the list of pre-qualified bidders (companies/consortia) for Jubail 4&6 IWP: Earlier, SWPC received Expression of interest from 35 companies including 16 Saudi companies. (read more) Power supply to the Project will be provided from the Saudi Electricity Company's high voltage network. **26<sup>th</sup> September 2023.**
- **Samsung Engineering awarded FEED contract for Saudi Petrochemical Project**  
Samsung Engineering, announced in a statement that it has received the NoA (Notice of Award) for the FEED (Front End Engineering Design) contract of a PDH, PP, UTOS plant from Alujain National Industrial Co.(LNIC) in Saudi Arabia. The contract amount is USD 19.428 million and the FEED work is expected to be carried out in Samsung Engineering's offices in Seoul, Korea until May 2024. This project will take

place at the Yanbu Industrial Complex in Madinah Province, western Saudi Arabia. This project is to carry out basic design for a propane dehydrogenation (PDH) plant with an annual capacity of 600,000 tons, a polypropylene (PP) plant with an annual capacity of 500,000 tons, and Utilities & Offsite (UTOS) required for the plant. Samsung Engineering said the key to winning this work was its extensive experience in the PDH, PP field and its competitiveness in the FEED engineering technology market. Alujain has expressed its confidence in Samsung Engineering by awarding FEED after previously awarding Samsung Engineering with the Pre-FEED contract. Samsung Engineering plans to successfully carry out and execute this FEED project and has expressed its intent to win the EPC contract once it is released in mid-2024. **27<sup>th</sup> September 2023.**

- **Aramco Looks To Expand Position In LNG With New Deal**

Saudi Aramco, the world's foremost national oil and gas company, has boosted its investment activity with the announcement of the acquisition of a minority stake in U.S.-based MidOcean Energy, owned by EIG, a prominent institutional investor in energy and infrastructure sectors. This development has taken many by surprise, considering Aramco's historical focus on oil, despite its substantial reserves of natural and associated gas in Saudi Arabia. Aramco has been actively positioning itself as a prominent International National Oil Company (INOC), expanding its footprint in both upstream and downstream sectors worldwide. The acquisition, estimated to be valued at \$500 million, involves a minority stake, and the exact percentage remains undisclosed pending a comprehensive report. Presently, MidOcean Energy is securing interests in four Australian LNG projects, with indications that further acquisitions are on the horizon. Given that EIG, the owner of MidOcean Energy, has already invested a substantial \$45.1 billion in the energy sector across 400 projects or companies in 42 countries spanning six continents, such expansion plans are entirely plausible. EIG's primary financial supporters include sovereign wealth funds, international banks, and pension funds. **28<sup>TH</sup> September 2023**

- **SWPC issued RFP for 605km Jubail**

Saudi Water Partnership Company (SWPC) announced in a statement that Request for Proposal (RFP) has been issued to the Pre Qualified Bidders of Jubail Buraydah Independent Water Transmission Pipeline (IWTP) project. The project involves the construction of water transmission pipeline of capacity up to 650,000 cubic meters per day, and lengths of **605km**. As per the notification, SWPC will conduct a competitive process to select a developer or developer consortium to develop the Project on a Build, Own, Operate and Transfer (BOOT) basis. The project company developing the Project will provide the entire transmission capacity to SWPC under a Water Transmission Agreement (WTA). The term of the WTA is expected to be up to 35 years. SWPC's obligations under the WTA will be supported by a credit support agreement entered into by the Ministry of Finance on behalf of the Government of the Kingdom of Saudi Arabia. SWPC advised by Synergy Consulting IFA Inc. (as Lead and Financial Adviser), Amer Al Amr Law Firm (as Legal Adviser) and Fichtner GmbH & Co. KG (as Technical Adviser). The PCOD of the Project is expected in Q4-2027. **1<sup>st</sup> October 2023**

- **Groundbreaking Middle East basin holds key to 20 million tpa long-term potential gas supplies**

Rub Al Khali basin, dubbed the 'Empty Quarter' believed to be one of the most prolific hydrocarbon basins in the world. Rub al Khali, a promising and rather unexplored basin in the Middle East could potentially hold the key to up to 20 million tonnes per annum of liquified natural gas supplies by 2040, according to consultant Rystad Energy. The Rub Al Khali basin, also dubbed the "Empty Quarter" is believed to be one of the most prolific hydrocarbon basins in the world. **4<sup>th</sup> October 2023**

- **L&T awarded Mega Contract in Middle East for Gas Compression Plants**

The Hydrocarbon Business (L&T Energy Hydrocarbon LTEH) of Larsen & Toubro (L&T) announced that it has recently secured a Letter of Intent for a Mega onshore project from a prestigious client in the Middle East. The scope of work involves engineering, procurement and construction of Gas Compression Plants consisting of Gas Inlet Facilities, Gas Compression System, Produced Water Handling, Propane Refrigeration System, Condensate Transfer and Utilities for Gas Compression Facilities in new onshore

facilities and its integration with existing Gas Compression Plants. To cater to the power supply requirements of the Gas Compression Plants, 3 Nos of 230 kV Extra High voltage substations will be set up by the Power Transmission & Distribution arm of L&T Construction. Commenting on this, L&T Chairman & Managing Director Mr S N Subrahmanyam said: "One doesn't get to win such an order every day. This is something unique for L&T and a matter of pride for India – for we are a true Indian multinational. This also shows our capabilities to perform and deliver on time and the enormous trust that our client has on us to manage such complex projects. **11<sup>th</sup> October 2023**

- **Saudi Aramco awards huge gas project to contracting giant**

The engineering, procurement and construction project is valued between \$1.5 billion and \$2 billion. Saudi Aramco has awarded a sizeable engineering, procurement and construction (EPC) contract to a leading Asian contracting giant for work on a huge onshore gas compression facility in Saudi Arabia. Aramco, the world's largest oil exporter, is embarking on multiple brownfield and greenfield developments, with its capital expenditure expected to rise sharply this year on the back of increased upstream spending and the expansion of its massive Jafurah unconventional gas project. **12<sup>th</sup> October 2023**

- **Saudi Aramco awards two large offshore projects to leading Middle East contractor**

Opec kingpin is heavily investing in offshore projects aimed at rejuvenating production from some of its largest oil and gas fields. Saudi Aramco has awarded two large offshore projects to a leading Middle East-based engineering and construction player, as a part of its long-term agreement (LTA) scheme with international contracting giants. The awards come as the Opec kingpin is spending billions of dollars in offshore LTA projects aimed at rejuvenating production from some of Saudi Arabia's largest oil and gas fields. **17<sup>th</sup> October 2023**

- **TROJENA Infrastructure Deal Contract Awarded for the 4.4-Kilometers**

TROJENA Infrastructure Deal Contract Awarded for the 4.4-Kilometers NEOM Time Travel Tunnel. TROJENA Infrastructure deal contract has been awarded for the 4.4-Kilometers NEOM Time Travel Tunnel. Saudi Arabia's NEOM has awarded the TROJENA infrastructure development contract to a joint venture. The joint venture includes local company Al-Ayuni Investments & Contracting, and Turkish Limak Holding. The scope of the contract awarded covers the construction of a tunnel as well as a freight depot. The scope also covers excavation works at TROJENA, a mountain destination 50 kilometers from Saudi Arabia's Gulf of Aqaba Coast. Bidding companies submitted their interest for the Mechanical, Electrical, Instrumentation, Controls, and Automation (MEICA) contract in May. The NEOM Time Travel Tunnel extends at 4.4 kilometers and includes twin-bored tunnels with an at-grade section, and ventilation shafts. The freight depot will be constructed next to the Mirage Visitor center and will be known as the Mirage freight depot. The depot will provide access to the underground Time Travel Tunnel. TROJENA Aims to Redefine Luxury as a Unique Mountain Destination in NEOM. There prospect is also that the project will be done in time to host the Asian Winter Games in 2029. **19<sup>th</sup> October 2023**

- **SEPCO awarded EPC Contract for Jafurah Desalination Project**

Shandong Electric Power Construction (SEPCO), China announced in a statement that, it has signed EPC Contract for Jafurah seawater desalination and water supply pipeline project located in Eastern province of Saudi Arabia. The agreement was signed with the Consortium of Lamar Holding and Mowah on the sidelines of the third "Belt and Road" International Cooperation Summit Forum. The main scope of work includes a seawater desalination plant with a daily water production capacity of 80,000 cubic meters and the EPC work of about 200 kilometers of water transmission pipelines. After completion, the project will be responsible for providing desalination water for Saudi Arabia's Jafurah gas field development facilities. **21<sup>st</sup> October 2023**

- **Saudi Arabia Announces Winning Bidders for Taiba-1, Taiba-2, Qassim-1, and Qassim-2 Conventional IPPs Projects**

The Saudi Power Procurement Company (SPPC) announced the winning bidders for the Taiba-1, Taiba-2, Qassim-1, and Qassim-2 Conventional IPPs projects. These Conventional IPP projects are part of the energy mix plan, which is under the supervision of the Ministry of Energy, the energy mix plan aims to meet the future load demand of the electrical system, to ensure the reliability of the energy supply, to ensure security of supply, to localize gas turbines industry, and to allow for the utilization of carbon capture technologies. Furthermore, in alignment with the Saudi Green Initiative to reach net-zero greenhouse gases (GHGs) by the year 2060G by implementing advanced technologies in support of circular carbon economy strategies. On 20th January 2023, SPPC launched the Request for Proposals (RFP) for these Conventional IPP projects, on 30th July 2023, five (5) bids were received for each of Taiba-2 and Qassim-2 projects. Later, on 15th August 2023, five (5) bids were received for each of Taiba-1 and Qassim-1 projects. All bids were evaluated to ensure compliance with the RFP's technical and commercial requirements.

**Taiba 1 (1.8 GW)**

Saudi Electricity Company + International Company for Water and Power Projects (ACWA Power)

Saudi Electricity Company

International Company for Water and Power Projects (ACWA Power)

**Taiba 2 (1.8 GW)**

Al Jomiah Energy and Water + EDF + Buhur for investment

Al Jomiah Energy and Water

EDF

Buhur for investment

**Qassim 1 (1.8 GW)**

Saudi Electricity Company + International Company for Water and Power Projects (ACWA Power)

Saudi Electricity Company

International Company for Water and Power Projects (ACWA Power)

**Qassim 2 (1.8 GW)**

Al-Jomiah Energy and Water + EDF + Buhur for investment

Al-Jomiah Energy and Water

EDF Buhur for investment

The projects will attract investments of around SR29.2 billion (7.8 billion USD). Each project will be developed on a build, own, and operate (BOO) basis by the winning consortiums, which will be 100% owned by the successful bidder. **25<sup>th</sup> October 2023**

- **NEOM's ENOWA and Aramco to develop first-of-its-kind e-fuel demonstration plant**

Aramco, a global integrated energy and chemicals company, and ENOWA, NEOM's energy and water company, have signed a joint development agreement to construct and establish a first-of-its-kind synthetic electro fuel (e-fuel) demonstration plant. It will be located in ENOWA's Hydrogen Innovation and Development Center (HIDC) and aims to demonstrate technical feasibility and commercial viability by producing 35 barrels per day of low-carbon, synthetic gasoline from renewable-based hydrogen and captured carbon dioxide (CO<sub>2</sub>). Once complete, the integrated facility will generate 12 tons of synthetic methanol per day from green hydrogen and CO<sub>2</sub>, using proprietary technologies developed by ThyssenKrupp Uhde. The synthetic methanol will then be converted into low-carbon gasoline using ExxonMobil's Fluidized-Bed Methanol-to-Gasoline (MtG) technology. The HIDC will also produce green hydrogen by leveraging an on-site 20-megawatt electrolyzer, powered by renewable energy sources. The innovation center being created by ENOWA will showcase the region's vast potential to generate and use wind and solar power commercially. Aramco's Transport Technologies R&D, with a presence in Paris, Detroit, Shanghai, and the headquarters in Dhahran, is advancing multiple technologies that aim to enable a more reliable, affordable, and sustainable transport future. **25<sup>th</sup> October 2023**

- **Firms Signed MOU to Foster Hydrogen Mobility Ecosystem in Saudi Arabia**

Hyundai Motor Company signed a memorandum of understanding (MOU) with Korea Automotive Technology Institute (KATECH), Air Products Qudra (APQ) and the Saudi Public Transport Company (SAPTCO) to establish and develop an ecosystem for hydrogen-based mobility in the Kingdom of Saudi Arabia. The parties have agreed to cooperate in establishing a hydrogen-based mobility ecosystem in Saudi Arabia and to provide support on technological services and human resources. Specific areas of collaboration include promoting demonstration projects for hydrogen fuel cell commercial vehicles and exploring opportunities for joint research in the field of hydrogen-based mobility. Hyundai Motor is expected to provide hydrogen fuel cell commercial vehicles to SAPTCO as part of the partnership, with the pioneering technologies in the hydrogen fuel cell industry with field-proven products and services deployed worldwide. As part of this strategy, the country announced the “Saudi Green Initiative” in 2021, demonstrating its commitment to exploring cutting-edge technologies and innovations to achieve the net zero carbon emission goal by 2060. **23<sup>rd</sup> October 2023**

- **Saudi Aramco Inks \$2.4 Billion Natural Gas Plant Deal With Hyundai**

Saudi Aramco has sealed a deal with South Korean Hyundai Engineering & Construction and Hyundai Engineering for the construction of a \$2.4-billion gas processing plant. The investment will be focused on the second phase of the facility. The two South Korean companies are already working on the first phase after they won the contract for that in 2021. The plant will be built at the Jafurah field, which, according to Reuters, is Saudi Arabia’s largest non-oil associated gas field. Its reserves are estimated at some 200 trillion cubic feet. The company says it increased its daily gas processing capacity from 2 billion cu ft daily to 18 billion cu ft between 2000 and 2022 and has plans to boost this further. At the meeting where the \$2.4-billion deal for the Jafurah facility was signed, Riyadh also inked another deal with a South Korean company, this time for oil. Under the deal, Aramco could store 5.3 million barrels of crude at a storage facility operated by Korea’s state-owned KNOC. Both deals were signed during a visit by South Korea’s president to Riyadh to expand bilateral business dealings. Saudi Arabia is the biggest supplier of oil to South Korea. **24<sup>th</sup> October 2023**

- **The 800,000 cm/d Al-Haer Sewage Treatment Plant Construction Project Selects its Preferred Bidders**

The 800,000 cm/d Al-Haer Sewage Treatment Plant Construction Project Selects its Preferred Bidders. The 800,000 cubic meters per day (cm/d) Al-Haer sewage treatment plant construction project has been awarded to preferred bidders. The contract was awarded to local Miahona Company, and Belgium’s Besix as its preferred bidders. The Saudi Water Partnership Company (SWPC) which was the company tasked with the contract awarding selected the two companies to develop and maintain the Al-Haer sewage treatment plant in Riyadh. The company has also announced Spain’s Acciona and the local company, Tawzea as reserved bidders for the project. The Miahona/Besix team offered to develop the project for \$0.5173 a cubic meter. The Acciona/Tawzea team offered to construct the plant at \$0.6231 a cubic meter. The project involves the construction of a water treatment plant with a capacity of 200,000 cubic meters per day. The scope of the Al-Haer sewage treatment plant also includes the development of a treated sewage effluent (TSE) reuse system. **25<sup>th</sup> October 2023**

- **Saudi Aramco floats tenders for trio of offshore projects involving giant oilfields**

The work offered involves Marjan, Safaniyah and Abu Safah. Saudi Aramco has kicked off the chase for three offshore contracts falling within the scope of its long-term agreement (LTA) programme, involving some of Saudi Arabia’s largest oilfields. Multiple people with direct knowledge of the process told Upstream that the state-owned giant recently issued tender documents to its select group of LTA players for the trio of maintenance and brownfield projects in the Persian Gulf. The projects are termed contract release purchase orders (CRPOs) and the three in question are CRPO 77 and CRPO 91 and CRPO 92, one informed person said. Aramco recently highlighted its intent to reach net zero scope-1 and scope-2 emissions by 2050, but is pressing ahead with key oil and gas investments that are aimed at maintaining the production profile of some of the kingdom’s largest fields. Saudi Aramco has been spending between \$1.5 billion and \$2 billion each year on LTA projects, but cash flows nosedived last year as the pandemic dragged several regional economies into a sustained slowdown. However, LTA spending this year has recovered substantially on the back of higher crude prices and improved market fundamentals.

Multiple offshore LTA engineering, procurement and construction contracts have been observed moving into the tendering stage, with Aramco expected to float many over the coming months. The company's lucrative LTA programme aims to rejuvenate oil and gas production from the country's maturing oilfields. **26<sup>th</sup> October 2023**

IRAQ

- **Iraq plans to build gas pipeline to Europe**

Iraq aims to bolster its economic prospects by facilitating the transportation of both gas and goods to international markets. Iraq, a prominent OPEC oil producer, is contemplating the construction of a gas pipeline connecting to Europe as a component of its multi-billion-dollar project, which also involves the establishment of a rail link to Turkey. Yunus Al-Kaabi, Director of the General Company for Rail in Iraq, revealed this development, stating that several global companies have expressed keen interest in both the rail and gas line ventures, particularly as the designs for Phase 1 of the rail network have already been finalised. Iraq's gas pipeline to Europe: The proposed rail and gas line projects have the potential to extend their reach to Turkmenistan, Kazakhstan, and European destinations. Kaabi stated that in addition to the rail project, there is a proposal to construct a pipeline for transporting Iraqi gas to the European market. Phase 1 designs for this have already been prepared by an Italian firm. A recent report from the Iraqi Transport Ministry estimated the overall cost of the project, which encompasses the construction of a 1,200-kilometer rail and motorway network from Southern Iraq to the Northern border with Turkey, to be approximately \$17 billion. **21<sup>st</sup> September 2023**

- **Ukrainian Company to Develop Akkas Gas Field Instead of KOGAS**

A senior official in the Iraqi Ministry of Oil said that Baghdad will soon terminate the contract with Korea Gas Corporation (KOGAS) to develop the Akkas gas field and will enter into a contract with a Ukrainian company. The Undersecretary of the Ministry of Oil for Extraction Affairs, Bassem Khudair, said that the ministry will announce in the coming days a new contract with a Ukrainian company to develop the gas field located west of Ramadi. Khudair noted that the step aims to develop the gas field to reach a production capacity of 400 million cubic feet per day. Khudair elaborated that a contract was signed in 2011 with the South Korean public natural gas company to develop the gas field, but production was hindered for more than a decade. The Iraqi official clarified that Iraq will be able to extract natural gas from the second largest gas field in Iraq after the Siba conventional gas field south of Basra, according to Al-Sabah newspaper. Khudair indicated that the Iraqi cabinet decided last March to repudiate the contract with KOGAS, the operator of the Akkas gas field, to be able to accelerate the completion of the strategic investment project for Iraq. **25<sup>th</sup> September 2023**

- **Key Oil Pipeline May Spring Back To Life After Months-Long Stalemate**

Since 25 March, hundreds of thousands of barrels per day of oil flows crucial to the semi-autonomous Kurdistan region of Iraq (KRI) and important to the oil sector as a whole have been prevented from being exported to Turkey on the basis that they are regarded as illegal by the Federal Government of Iraq (FGI) in Baghdad. The outcome of the current impasse between the two sides will determine the future of Iraq's oil and gas sector and of its geopolitical positioning for decades to come. According to highly reputable local news sources, the movement has been detected in the long-running standoff between the KRI and FGI. However, according to high-level sources connected to both sides spoken to exclusively by OilPrice.com last week, all may not be as it seems. The local Iraq sources highlight a series of meetings held recently between officials from Iraq's State Organization for Marketing of Oil (SOMO), the Kurdistan Regional Government (KRG), and Turkey's state-owned Petroleum Pipeline Corporation (BOTAS) in which detailed discussions took place concerning the technical and commercial issues involved in resuming oil exports from the KRI to Turkey. For many years, these oil flows used to average around 500,000-600,000 barrels per day (bpd) running through the Iraq-Turkey Pipeline (ITP), with plans having been made to increase this to 1 million bpd. **25<sup>th</sup> September 2023**

- **Iraq may Add New Capacity to Najaf Refinery**

During an inspection visit to the Najaf Refinery, Iraq's Deputy Prime Minister for Energy Affairs and Minister of Oil emphasized the ministry's commitment to enhancing and expanding the refining capacities of national refineries. The goal is to support dedicated efforts in line with the ministry's objectives, including improving the quality of petroleum products. The visit, which took place on Saturday, September 16, 2023, involved a comprehensive review of the refinery's production units. The Deputy Prime Minister met with the refinery's staff and officials, gaining insights into the refining processes and receiving updates on production operations and public services from the refinery's director, Mr. Laith Abdul Rasul. The Deputy Prime Minister for Energy Affairs and Minister of Oil, Hayan Abdul Ghani, announced that the ministry is conducting a feasibility study for the addition of a new production unit to the Najaf Refinery, with a capacity of 70,000 barrels per day. He highlighted the significance of the Najaf Refinery, which provides 825,000 liters of gasoline per day, 650,000 liters of kerosene, and 650,000 liters of gas oil. **19<sup>th</sup> September 2023**

- **Empowering Iraq: The \$27bn Deal for Iraq's Energy Sufficiency**

Any opinions expressed here are those of the author(s) and do not necessarily reflect the views of Iraq Business News. Empowering Iraq: The \$27 Billion Deal for Iraq's Energy Sufficiency. This past July, Iraq and France's TotalEnergies finalized the Gas Growth Integrated Project, a \$27 billion energy deal aimed at Iraq's natural resources and improving the country's electricity supply. Despite Iraq's natural wealth, decades of conflict and corruption have limited the country's infrastructure, prompting over-reliance on Iran for energy provisions. While previous Iraqi governments have struggled to attract foreign investments, Iraq's complex political system has proven resistant to crises, and the nation's current state of relative peace has catalyzed a shift. As regional reconciliation efforts persist, Iraq stands at the center, as the nation undergoes a pivotal phase of transition and complex reconstruction efforts. However, the path to energy sufficiency remains a considerable challenge for Iraq even with regional aid. Without domestic reforms to address the underlying causes of the energy crisis, Iraq's journey towards achieving energy self-sufficiency is still a considerable distance away. **17<sup>th</sup> September 2023**

- **Iraq Urges Swift Implementation of Nebras Petrochemical Project**

Iraq's Deputy Minister of Oil for Gas has emphasized the importance of expediting the implementation of the Nebras [Nibras] Petrochemical Project. During a meeting held at the Ministry of Oil's headquarters, discussions revolved around reviewing the preliminary report by a global consultant regarding the project's components, economic feasibility study, and the necessary steps for its successful execution. The goal is to achieve the highest financial and economic benefit for Iraq and the project's stakeholders. The spokesperson for the Ministry of Oil, Asim Jihad, explained that the Nibras Petrochemical Project aims to establish a massive industry in this sector, divided into two phases: the first phase involves conducting studies and designs, while the second phase entails the actual implementation. **13<sup>th</sup> September 2023**

- **PetroChina's major move: Halfaya Gas Plant bolsters Iraq's energy**

Iraq inaugurates a 300mscf gas processing plant in Halfaya field, reducing emissions and powering millions of homes. Iraq has formally opened a state-of-the-art associated gas processing facility in the prolific Halfaya oil field. The facility, with a substantial capacity of 300 million standard cubic feet (mscf), was confirmed by a senior government official. The primary purpose of this facility is to extract hydrogen sulphide from the associated gas, resulting in purified dry gas. This purified gas will be supplied to power plants located in Amara and Maysan. The Governor of Maysan, Ali Douai Lazem, conveyed this information to the state-owned Iraq News Agency, emphasizing the project's importance in the context of associated gas investment. This project's environmental impact is also noteworthy, as it will lead to the closure of five flaring sites. This move is expected to contribute significantly to the reduction of environmental pollution. Additionally, there is a call for the Ministry of Oil to establish a dedicated pipeline for the efficient transportation of cooking gas. **1<sup>st</sup> October 2023**

- **Iraq Set To Award 30 Oil And Gas Projects In Two Licensing Rounds**

Iraq is inviting international companies to bid for 30 new oil and gas projects in two licensing rounds until January 2024, as OPEC's second-largest oil producer looks to boost crude production and reduce gas import dependence. The so-called "fifth plus" and sixth licensing rounds will have lower royalty rates and profit-sharing agreements that are expected to be of less burden to investors, Al-Hakam I. Al-Neama, the head of the exploration contracts division at Iraq's Oil Ministry, said at the ADIPEC energy conference in Abu Dhabi, as carried by Reuters. The "fifth plus" licensing round will aim to award 16 projects, including some that weren't awarded in the fifth round, while the sixth round will award another 14 projects, according to the Iraqi official. Despite being rich in oil and gas, Iraq has had to import gas from neighboring countries, including Iran, for fuel at its power plants. Iraq lacks the gas processing plants necessary to process the associated gas extracted from its massive oilfields and continues to flare some of those gas volumes. Iraq imports gas and electricity from Iran but has had trouble paying for those because of the U.S. sanctions on Iran's energy sector. **3<sup>rd</sup> October 2023**

- **Iraq, UAE's Crescent Launch Deals to Develop Three Oil and Gas Fields**

Iraq has launched three energy contracts with UAE-based Crescent Petroleum to develop three oil and gas fields in Iraq, the oil ministry said on Sunday. United Arab Emirates-based Crescent Petroleum signed in February three 20-year contracts to develop oil and natural gas fields in Iraq's Basra and Diyala provinces in northeastern Baghdad. The Crescent Petroleum contracts are expected to begin producing 400 million standard cubic feet per day of natural gas within 18 months, the oil ministry statement quoted Iraq's oil minister Hayan Abdel-Ghani as saying. Abdel-Ghani, who attended the launch at the oil ministry headquarters in Baghdad, said starting operations by Crescent Petroleum will help Iraq to stop gas flaring and use the processed gas to generate electricity. The OPEC producer relies heavily on Iranian gas imports to feed its power grid. But the United States has pushed Iraq to reduce its reliance on Iranian gas. Iraq continues to flare some of the gas extracted alongside crude oil because it lacks the facilities to process it into fuel for local consumption or exports. **16<sup>th</sup> October 2023**

- **Baghdad plans to extract 2 billion cubic feet of natural gas**

The Iraqi Ministry of Oil revealed on Sunday that it is planning to extract two billion cubic feet of natural gas. The Undersecretary of the Ministry of Oil for Gas Affairs, Izzat Saber, said during a meeting that the Oil Ministry is eager to carry out strategic projects to extract natural gas within specified timing and to accelerate new projects at sites including hydrocarbon gases, the Iraqi News Agency (INA) reported. Saber explained that the Oil Ministry is currently working on the Halfaya Complex Project in Maysan governorate, which will produce 300 million cubic feet of natural gas early next year. The Halfaya field is currently producing 130 million cubic feet of natural gas used to fuel power plants, according to Saber. Iraq signed a contract with TotalEnergies to extract 600 million cubic feet of natural gas in addition to other gas projects carried out by the Basra Gas Company, which reached production rates exceeding 1,000 million cubic feet of natural gas, as part of its plans to reach 2,000 million cubic feet of natural gas. **8<sup>th</sup> October 2023**

- **Iraq launches carbon reduction projects in East Baghdad Field**

The Iraqi Prime Minister, Mohammed Shia Al-Sudani, announced on Wednesday the launch of carbon reduction projects in the East Baghdad Field, noting that Iraq is working on diversifying energy sources. In a speech he delivered in the 6th version of the Russian Energy Week, Al-Sudani stated that Iraq is committed to reducing carbon emissions until 2045. Al-Sudani explained that carbon reduction projects will be carried out in gas facilities in the East Baghdad Field to maintain oil and gas as sustainable and environmentally friendly sources of energy. East Baghdad Field is a group of oil fields with eight billion barrels of recoverable reserves. According to reports, this group of oil fields, which are located in an area that is 11 kilometers wide and 64 kilometers long, have a production capacity of 400,000 barrels per day. The Iraqi Prime Minister indicated that Iraq is producing 3,000 megawatts from solar energy, adding that the government aims to cover one-third of electricity consumption in Iraq from renewable energy sources by 2030. **11<sup>th</sup> October 2023**

- **Siba Gas Field's Production to Be Raised to 100 Million Cubic Feet**



The Iraqi Minister of Oil, Hayan Abdul-Ghani, stated on Friday that the ministry will increase the production of the Siba gas field in Basra governorate from 60 million to 100 million cubic feet per day. Abdul-Ghani explained that the field is one of the important gas fields in Iraq, adding that it currently produces between 50 and 60 million cubic feet per day, according to a statement cited by the Iraqi News Agency (INA). The Iraqi Oil Minister illustrated that the Siba gas field also produces 1,200 tons of liquid gas and 1,000 barrels of condensate. Abdul-Ghani clarified that the electricity required to power the facilities in the gas field is generated at the field where the fuel is available. The 21-kilometre-long and 6–13-kilometer-wide gas field was discovered in 1968 and has reserves of approximately 1.1 trillion cubic feet of gas. According to Abdul-Ghani, the gas field uses advanced technologies and horizontal drilling to increase the quantities of gas produced from the field. **23<sup>rd</sup> October 2023**

- **IDC Completes New Oil Well at Al-Zubair Oil Field**

The Iraqi Drilling Company (IDC) has successfully completed the drilling of the new oil well at Zubair oil field in Basra. Well Zubair/607 was drilled to a depth of 3,533 meters in 36 days. This achievement is part of a Contract with the Italian company ENI to drill 37 oil wells at the Al-Zubair oil field in Basra, in collaboration with Schlumberger. The Zubair/607 well is the 24th well completed by the company in this project. The drilling operations utilized the IDC-37 drilling rig, with a horsepower capacity of 1,500. Following this completion, the rig will be relocated within the same field to begin drilling the Zubair/600 oil well. The Iraqi Drilling Company allocated two modern drilling rigs, IDC-37 and IDC-38, for the execution of this project. **22<sup>nd</sup> October 2023**

- **UAE's Crescent Petroleum starts Iraq Gas Development Projects**

Iraq's Oil Minister has 'activated' three contracts with UAE-based **Crescent Petroleum**, as part of Iraq's fifth licensing round. The contracts are aimed at harnessing 400 million standard cubic feet of gas per day, within one and a half years, from the following development blocks:

Gilabat-Qumar [Kalabat], in Diyala

Khashim Ahmer-Injana [Khasham Al-Ahmar], in Diyala

Khudher Al-Mai [Khider al-Mai], in Basra and Muthana

Oil Minister Hayan Abdul Ghani emphasized the government's and ministry's dedication to increase investment in gas production, focusing on utilizing the gas to generate electricity. In a statement, the Ministry said the implementation of these contracts will prevent gas flaring, and the gas will be used to produce electricity through mobile power stations at the field sites, bolstering the national grid with substantial gas reserves. The original, twenty-year, contracts for these projects were signed in February 2023. Crescent Petroleum had previously stated that the two fields in Diyala, Gilabat-Qumar and Khashim Ahmer-Injana, will initially produce 250 million standard cubic feet per day (MMscfd) of natural gas. **17<sup>th</sup> October 2023**

EGYPT

- **Bidding on bounty: Egypt's Red Sea potential in oil and gas**

The Red Sea represents a newer area of exploration for Egypt. On Monday, September 25, Egypt's Ministry of Petroleum launched an international bidding round for 23 open blocks with a deadline of February 25 for accepting offers. This round of bidding includes ten areas in the Western Desert, two in the Eastern Desert, seven in the Gulf of Suez, and four in the Red Sea. Minister of Petroleum and Mineral Resources, Tarek El Molla, stated that the bidding will be conducted by the Egyptian General Petroleum Corporation (EGPC) and the South Valley Egyptian Petroleum Holding Company (GANOPE) via the Egyptian Upstream Gateway (EUG) platform. El Molla further announced that the Egyptian government plans to launch Gas Bid Rounds in March and Oil Bid Rounds in September/October every year in its bid to become a major North African oil and gas producer. The Red Sea represents a newer area of exploration for Egypt. In 2022, a seismic survey was conducted, operated by SLB's WesternGeco and TGS in collaboration with GANOPE. Exploration in the Red Sea has been ongoing since 1976, with over 28,000 km of 2D data acquired and approximately 4,000 square kilometers of 3D seismic data. **25<sup>th</sup> September 2023**

- **Egypt's oil and gas bonanza: Big players secure Mediterranean blocks**

Egypt has set ambitious plans to commence drilling 35 exploratory natural gas wells in the Mediterranean and the Nile Delta regions. In a significant development on Tuesday, Egypt's Ministry of Petroleum announced the allocation of four blocks for oil and gas exploration through a competitive bid round in the Mediterranean and Nile Delta regions. The contracts were awarded to global energy giants, including Italy's Eni, bp, QatarEnergy, and Russia's Zarubezhneft. Eni stands to gain ownership of two blocks independently and a third through a collaborative effort with bp and QatarEnergy. Additionally, Zarubezhneft secured rights to explore one of the awarded blocks. According to an official statement from the Ministry, it has been revealed that the forthcoming exploration phase will require a minimum investment of approximately USD \$281 million. This funding will be allocated towards the drilling of no fewer than 12 wells during the exploration period. Furthermore, a USD \$7.5 million signature grant is also part of the financial commitment. **27<sup>th</sup> September 2023**

- **BP and Eni among the winners in Egypt licensing round**

Eni, BP, QatarEnergy and Zarubezhneft to drill minimum of 12 wells. Egypt has awarded four exploration areas to international oil companies just as the North African nation unveiled a new licensing competition. According to the country's Ministry of Petroleum & Natural Resources, Italy's Eni, UK supermajor BP, QatarEnergy and Russia's Zarubezhneft secured new blocks in Egypt. Eni won solo two blocks in the Mediterranean Sea, plus another area in partnership with BP and QatarEnergy. Zarubezhneft landed a block in the Nile Delta. The companies paid \$7.5 million in signature bonuses and have committed to investments totalling about \$281 million, which includes the drilling of a minimum of 12 wells. The round was launched last year and included 12 blocks half onshore and half offshore. It was backed by state-owned Egyptian Natural Gas Company (EGAS). As Egypt faces growing demand for gas from its population, the country on 25 September launched a new round, this time featuring 23 blocks in proven basins and frontier plays. **26<sup>th</sup> September 2023**

- **QatarEnergy awarded offshore exploration block in Egypt**

QatarEnergy has been awarded a new exploration block offshore in the Arab Republic of Egypt as part of the 2022 EGAS International Bid Round. The results of the competitive bid process were announced by Egypt's Ministry of Petroleum and Mineral Resources, awarding exploration and production rights for block EGY-MED-E8 (East Port Said) to a consortium comprising of QatarEnergy (33%), ENI (Operator, 34%) and BP (33%). This award solidifies QatarEnergy's position in Egypt's upstream sector with a total of four offshore exploration blocks, including interests in Red Sea Block 3 and Block 4, and the North Marakia block in the Mediterranean Sea. Commenting on this award, His Excellency Mr. Saad Sherida Al-Kaabi, the Minister of State for Energy Affairs, President and CEO of QatarEnergy, said: "We are delighted to be awarded the East Port Said block, which further expands our presence in the Arab Republic of Egypt. We look forward to collaborating with the Ministry of Petroleum and Natural Resources, EGAS, and our partners ENI and BP to progress our exploration endeavors." Located offshore Egypt's northeastern Mediterranean coast, the East Port Said block lies in water depths up to 800 meters and covers an area of approximately 2,600 square kilometers. **4<sup>th</sup> October 2023**

- **El Dabaa Nuclear Power Plant (NPP), the first nuclear power plant in Egypt**

El Dabaa Nuclear Power Plant (NPP), the first nuclear power plant in Egypt. A melt localisation device melt trap is reportedly being installed at unit 1 of the El-Dabaa Nuclear Power Plant (NPP) in Egypt. The 700-tonne, 6.1-metre diameter melt trap (core catcher), which is a key component of the VVER-1200 reactor passive safety system is being installed by Rosatom. According to Dr Amged El-Wakil, Board Chairman of Egypt's Nuclear Power Plants Authority (NPPA), the installation of the melt trap is a "key milestone" in the El-Dabaa project. El-Wakil explained that within 14 months of its implementation, the project achieved five major milestones. These include the laying of the first concrete for Unit 1, Unit 2, and Unit 3 in July 2022, November 2022 and May 2023 respectively. The melt trap for Unit 1 on the other hand arrived at the project site in March 2023 and the first concrete for Unit 4 is expected to be installed later this year. 1st concrete foundation for El Dabaa NPP's third reactor to be laid in May. The first concrete foundation for the El Dabaa Nuclear Power Plant (NPP)'s third reactor is set to be laid in

May 2023. The head of the NPPA affirmed that the plant's construction works for the year 2023 will go ahead as scheduled, "including laying the concrete foundation for the plant's fourth and final nuclear reactor." Permission to build the third reactor at the El Dabaa site In early April 2023, Rosatom received permission from Egypt's nuclear regulator to build the third nuclear reactor at the El Dabaa site. **11<sup>th</sup> October 2023**

- **Shell and Aramco's bold bid for Egypt's Wataniya sparks fierce competition**

Shell and Saudi Aramco partner to bid on Wataniya Petroleum, as ADNOC's offer shines among five contenders in Egypt's energy sector shakeup. In a significant development in the energy sector, global oil giant Shell has joined forces with Saudi Aramco to submit a bid for Wataniya Petroleum, a subsidiary of the National Service Products Organization (NSPO), owned by the Egyptian military. This move comes as part of the Egyptian government's broader economic reform agenda, which includes divesting its stake in Wataniya. Competing for the acquisition of Wataniya is the North Petroleum International Company (NPIC), an Egyptian subsidiary of China's Zhen Hua Oil. NPIC is eager to expand its presence in the Egyptian market, not only in the distribution sector but also in oil and gas exploration and production. **16<sup>th</sup> October 2023**

- **\$2.3 Billion Egypt's MIDOR Refinery Expansion Construction Finalizes Two Units**

\$2.3 Billion Egypt's MIDOR Refinery Expansion Construction Finalizes Two Units Egypt's MIDOR refinery finalizes construction of two units in a bid to expand the refinery. The Middle East Oil Refinery (MIDOR) located in Alexandria, Egypt is currently aiming to increase its refining capacity by 60%. The refinery is currently undergoing an expansion in the aim of realizing this target. The current expansion estimated to cost \$2.3bn will increase the total production of the MIDOR refinery from the current 100,000 barrels per day to 160,000 barrels per day (bpd) of the refined products. The expansion is also expected to increase the middle distillate yield and also meet the Euro V grade fuel domestic requirement. MIDOR refinery Expansion Project Expected To Produce an Additional 280,000 million tonnes of LPG The expansion of MIDOR refinery is not only expected to increase barrel processing but also increase the production of Liquid Petroleum Gas to 280,000 million tonnes. This will in turn increase the amount of high-octane gasoline to 1.6 Million Tonnes, jet fuel to 2.2 Million Tonnes, and 2.8 Million Tonnes of diesel as outlined by the International Euro V specifications. The expansion project is part of Egypt's ministry of Petroleum and Mineral Resources' plan to upgrade the country's existing oil refineries. The aim of this is to reduce the amount of import the country makes on petroleum and crude products. **12<sup>th</sup> October 2023**

LEBANON

- **TotalEnergies, Eni, QatarEnergy JV Bids in Lebanon's Offshore Oil and Gas Auction**

A coalition of Total Energies, Eni, and Qatar Energy applied for the second licensing round to bid on oil and gas blocks 8 and 10 in Lebanese waters, just an hour before the deadline on Monday, Lebanon's energy ministry said. The consortium is the same one that last month began drilling an exploratory well in Lebanon's Block 9, one of the blocks falling alongside the newly delineated maritime border between Lebanon and Israel. The deadline to bid on Blocks 8 and 10 had already been extended several times in recent years. **2<sup>nd</sup> October 2023**

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