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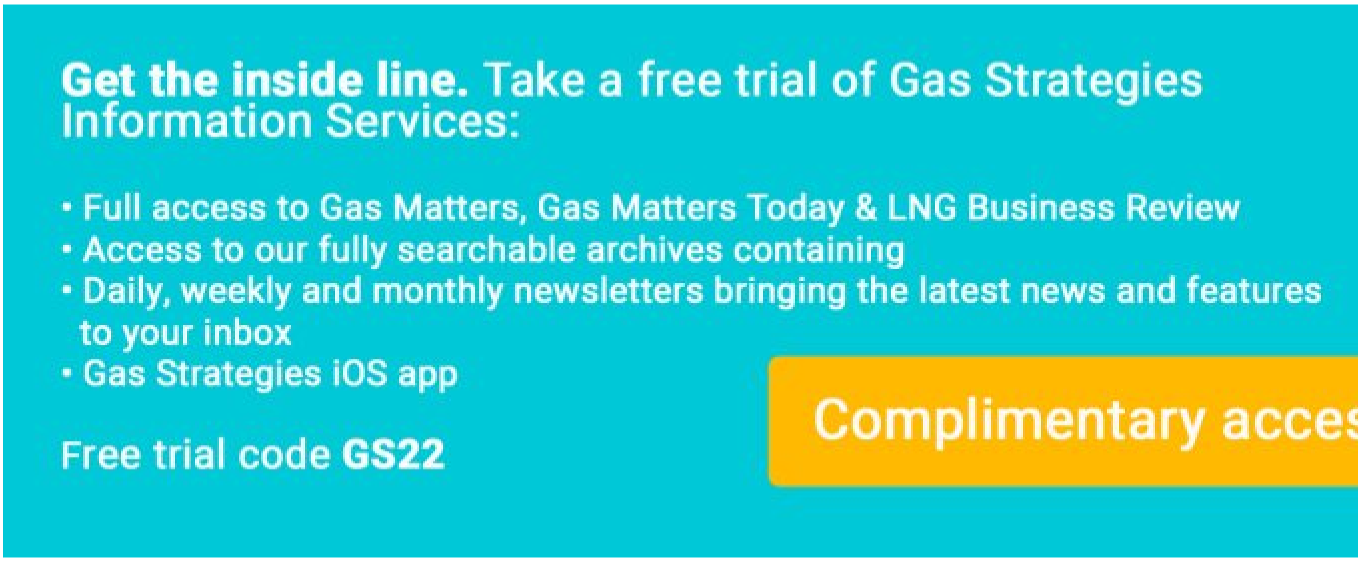

[1]

Africa

Algeria – Italy's Prime Minister Mario Draghi made a state visit to Algeria on Monday [2], where he oversaw Eni sign a gas agreement for an additional 9 Bcm/year of imports from Sonatrach. Separately, EU Vice President Frans Timmermans made a visit to Cairo on Sunday in a bid to secure LNG volumes for Europe. The trips to North Africa come as Europe looks to replace Russian gas volumes, however question marks remain over Egypt's and Algeria's ability to sustain gas production at a level to underpin exports.

Egypt – Eni has signed an agreement with the Egyptian Natural Gas Holding Company (EGAS) on maximising gas production and LNG exports to Europe [3], particularly to Italy. This agreement, together with the one signed for the restart of the Damietta liquefaction plant last year, will provide Eni with LNG cargoes amounting to up to 3 Bcm in 2022, according to the Italian energy major.

UK

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Ineos, the UK's largest shale gas acreage holder, wrote to the UK government with a proposal to develop a shale gas site under the government's watch [4] to prove fracking can be carried out safely. The move marks the latest UK shale player to ratchet up the pressure on the government to lift the country's moratorium on fracking in the name of energy security.

Great Britain could export much higher gas volumes to the European continent [5] than in previous years this summer owing to low storage levels on the continent, National Grid said in its Summer Outlook which covers the period April to September 2022. The Grid said there was a high uncertainty concerning Russian gas supply and that Europe may have to rely on regasified LNG via GB terminals to refill storage.

Europe

Netherlands – Dutch gas network operator Gasunie is teaming up with compatriots HES International and Vopak to launch a green ammonia import terminal in their home market [6]. The trio said that although the target is green ammonia imports, the initial phase of the project may possibly include blue ammonia volumes.

Final closure of the Groningen gas field in the Netherlands is expected in 2023 or 2024 despite growing concerns over security of supply [7]. Total production this gas year is expected to be 4.5 Bcm/year, based on average temperatures, which is expected to be the last ordinary gas year for the field.

Germany – Hanseatic Energy Hub (HEH) has secured the land needed for its proposed Stade LNG terminal [8] after US chemicals firm Dow agreed to take a minority stake in the project. Dow's entry means that HEH has secured land at the US firm's industrial site in Stade, near Hamburg, to site the proposed 13.3 Bcm/year import terminal.

EU – EU countries imported a combined 80 Bcm of LNG in 2021, which was around 4 Bcm less than the year [9]before despite a sharp rise in imports in Q4'21, according to the EC's most recent gas report. The US was the EU's main LNG supplier in 2021, a trend that looks set to continue, supplying around 22 Bcm, followed by Qatar and Russia which supplied around 16 Bcm each.

Romania – Romania has signalled the possibility of starting LNG imports from Israel via Egypt's liquefaction facilities [10], after the country's Ministry of Energy concluded a working visit to Israel. The announcement comes less than a week after Romania, together with Bulgaria, secured access to Greece's Revithoussa LNG terminal.

Russia & CIS Region

Uzbekistan – Uzbek state-owned gas company Uzbekneftegaz has confirmed that it plans to begin privatization of "at least" 49% of its shares [11], including through an Initial Public Offering (IPO), by the end of this year. The IPO has been discussed for some time, but the timing appears to coincide with a push to increase gas production to meet growing domestic demand and perhaps to increase exports at a time when oil and gas prices are soaring.

North America

US – The long-delayed Mountain Valley Pipeline (MVP) has secured approval from the Federal Energy Regulatory Commission (FERC) [12] to drill under 183 streams and wetlands at 120 locations along ~70 miles of the pipeline route instead of the previously-approved open-cut method. FERC found that boring

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under water bodies would cause less environmental damage than the open-cut method.

The US Energy Information Administration (EIA) has hiked its Henry Hub price forecast for 2022 [13]as it expects US LNG exports to soar even higher than previously expected, with limited production growth and stronger domestic demand also supporting the US natural gas benchmark.

Asia Pacific

South Korea – The incoming government in South Korea is expected to reverse the incumbent's plans to gradually phase out nuclear power [14] and has also signalled it will support investment in new reactors. Nuclear accounts for around 30% of power generation in the country.

China – The country's LNG imports in the first quarter of 2022 fell year-on-year [15] amid soaring LNG prices and lower gas demand due to Covid-related lockdowns. However, questions remain over whether these impacts will have an effect on China's overall LNG import demand and whether pipeline volumes from Russia will play a role in offsetting any shortfall in LNG volumes.

Australasia

Australia – ExxonMobil announced that it is carrying out early front-end engineering design studies (pre-FEED) to determine the potential for a 2 mtpa carbon capture and storage (CCS) facility in the Gippsland Basin [16], offshore the south-east Australian state of Victoria.

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