

AID-FOR-TRADE CASE STORY

NORWAY

A new chapter in the development of Mozambique's oil and gas sector

The 'Pande' gas field in Mozambique is a new and important chapter in the development of Mozambique's oil and gas sector. Norway has contributed actively through strategic support over several years.

The Pande -field has had a long and turbulent history since Gulf Oil first discovered the field in 1961. In 1967 the Temane-field was discovered a few kilometres from Pande. The commercial production of gas began in 2004 in Pande and 2010 in Temane. Both gas fields are on land, approximately 600 km north of Maputo.



Norwegian development cooperation in the form of high quality technical assistance has been an important part of this development.

The fact that SASOL entered as a partner at a critical juncture was decisive and allowed for a quick development. Important support was also provided by various Norwegian centres of expertise as well as the World Bank.



REGIONAL COOPERATION

In addition to the activities in Mozambique, Norway also contributed to an important development in South Africa which played a large part in the commercial development of the Pande and Temane fields. The development of South Africa's gas policy and related legal framework was supported by Norway. Norway also contributed to the development of a treaty between South Africa and Mozambique which facilitated the signing of a trade agreement that allowed for the construction of the 865 km long pipeline from Pande and Temane to SASOLs site in South Afrika as well as a smaller pipeline to industrial areas west of Maputo.

Due to the pipeline, smaller gas fields close to Pande and Temane may also be exploited. The positive development in Mozambique's oil and gas sector is set to continue.

The total cost of developing Pande has been 191 million USD. The field itself will provide further gas reserves which will yield approximately 70 billion Sm³ extractable gas, which is the equivalent of 440 million barrels of oil.

