



Local Content in Mozambique

# Mozambique Landscape

Mozambique can become the world's next great energy superpower with over 150 trillion cubic feet of natural gas reserves in the surrounding Rovuma Basin, Cabo Delgado province



## Natural Gas Reserves

In Mozambique 150-200 Tcf were found since 2010 offshore northern Cabo Delgado, equivalent of 26-36 bn bbl

With total natural gas reserves of 150-200 tcf (trillion cubic feet), Mozambique is now one of the major natural gas basins in the world. As much as \$128 billion capital expenditure will be spent in Mozambique by major oil companies over the next five years.



## Current Production

Mozambique's current natural gas production is operated by Sasol (South Africa) which holds proven reserves of 2.6 trillion cubic feet (TCF)

Mozambique's total output is about 90,000 barrels of oil equivalent per day of natural gas and condensate from the Pande-Temane Project in Inhambane Province, an onshore gas discovery and the country's only generating area thus far.



## Mozambique's Potential

Mozambique is on its way to becoming a top ten liquefied natural gas (LNG) supplier

Demand is expected to increase from 319 MTPA to 632 MTPA (average) from 2018 to 2040, and Mozambique can become one of the top ten suppliers of the LNG to supply this demand.

The country is expected to target countries across the Asia Pacific region including China, Japan, and South Korea, as well as various European countries.

**Local expectation (Government of Mozambique, Civil Society, Local Companies):**

Maximize the expected benefits of the Oil&Gas projects in Mozambique

# Local Content | Key Levers

1

Focus initiatives on specific sectors and areas (Skills, Goods and Services) based on expected demand

- Target specific transversal competencies
- Identify Goods & Services to be provided by local companies (ring fence)

2

Create the necessary conditions to close existing gaps (financing and capacity building)

- Financing lines for SMES development (certifications, business scale-up, etc)
- Scholarships
- Infrastructure and materials required for the learning process
- Coaching and Mentoring

3

Unlock key market bottlenecks, focusing on identified Value Chains

Example:

- Invest in transport and logistics (roads, bridges and ports)
- Promote local industry (incentives, etc)
- Promote local suppliers internally, regionally and internationally
- Partnership development with companies in value chains, both local and international

4

Create coordination mechanisms of the various key stakeholders and define a National Roadmap

- (i) Create coordination forums to define expected demand and specific requirements (skills profiles, specific requirements for goods and services, etc)
- (ii) Create a dedicated team to coordinate the Local Content

In today's changing global economy, **businesses need trusted advisors.**

**THANK YOU!**

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