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[1]

International

Hoegh LNG majority shareholder Leif Hoegh has teamed up with Morgan Stanley [2] to take the company private, ostensibly because current share prices do not reflect its value, as growing numbers of LNG ship owners look to delist from stock exchanges and partner with private funds.

The US EIA made several upward revisions in its latest Short-Term Energy Outlook, including a ~USD 7/barrel increase in its 2021 oil price assumptions [3], citing the OPEC+ supply cuts, but expected that higher prices would also incentivise oil and gas drilling in the US.

Qatar Petroleum and “several leading international LNG players” are teaming up to help develop new medium and large LNG carrier designs [4], the Qatari firm confirmed last week, adding that LNG cargo containment systems have “experienced few improvements over the past decade”.

Saudi Arabia’s hopes of becoming a global hydrogen powerhouse [5] received a boost last week after signing an MOU to collaborate on the production, processing, application and transport of green hydrogen with Germany, as Saudi moves to support its mega green hydrogen project at Neom and Germany aims to secure hydrogen imports.

?Asia Pacific

Japan / Vietnam – SOCEG – a JV between Japanese companies Sojitz and Osaka Gas – has agreed to supply gas [6] to the Vietnamese subsidiary of Japan's Acecook in a move that supports the gasification of Vietnam economy while contributing to Japan's climate targets.

Japan – Tokyo Gas and 14 city gas consumers in Japan have established the Carbon Neutral LNG Buyers Alliance [7], which aims to increase the use of carbon neutral LNG in the world's largest LNG importing nation in a bid to help Japan achieve its climate targets.

Last week marked the tenth anniversary of the Fukushima Daiichi nuclear disaster, but as Tokyo pushes to reach net zero by 2050, public opposition to nuclear power [8] poses a serious problem for the resource scarce country as it scrambles for a carbon-neutral way to meet energy demand.

Philippines – Atlantic Gulf & Pacific Company of Manila has received a green light from the national energy department to develop a 3 mtpa LNG regas terminal [9], adding to a list of planned LNG projects amid expectations of increased gas demand due to fuel switching.

Singapore – A number of companies including Maersk, Sumitomo and Yara have signed an MOU to study establishing a supply chain for green ammonia ship-to-ship bunkering [10] in the Port of Singapore, potentially paving the way for a faster roll-out of ammonia in shipping than previously anticipated.

?Australasia

Australia – Santos has announced that its largest shareholder ENN Group has sold more than a third of its 15% stake [11] in a move cancelling the "strategic relationship" forged by the firms in 2017, with sources suggesting ENN may have been disappointed by "limited" LNG supplies.

A consortium consisting of Australia's AGL and a number of large Japanese firms have announced that a pilot project producing hydrogen from brown coal [12] in Victoria had entered operations, paving the way for the first shipment of hydrogen to Japan later this year.

New Zealand – Siemens Gamesa will supply 41 wind turbines to Meridian Energy [13] for the country's second largest wind farm as part of an ongoing national energy transition away from fossil fuels as a number of E&P companies have surrendered drilling permits.

?Europe

UK – Gazprom has entered the low carbon LNG game after delivering Europe's first ever carbon neutral LNG cargo to Shell [14] at the UK's Dragon LNG terminal, with the full life-cycle emissions for the supply being offset using nature-based carbon credits.

Norway-based Mowi – one of the largest seafood companies in the world – has bought 200 tonnes of "green LNG" on the Powerzeek Energy Platform [15] for commissioning and training at its LNG regas and bunkering terminal on the Isle of Skye in the northwest coast of Scotland.

EU – European carbon prices set a new record [16] last week, with the December 2021 benchmark rising to EUR 41.85/tonne on ICE Futures, driven by a wave of speculative interest underpinned by a belief that the EU will tighten ETS rules this summer.

RWE has reportedly been ditched by insurance giant AXA over its exposure to coal [17], a move that illustrates how coal-fired power producers are increasingly being challenged by the climate policies of

financial institutions.

Italy – Eni has established a new JV with compatriot sovereign wealth fund CDP Equity to develop renewable power projects in Italy [18] over the next five years in a tie-up that will support both Eni's and Italy's climate goals.

Spain – Repsol has become the latest firm to join the low carbon LNG club after the Spanish company completed the first LNG bunkering with carbon emissions offsetting [19], with the firm reportedly paying for the offsets that do not cover production and transport of LNG.

?North Africa

Egypt – Cairn Energy has launched a bid with Egyptian E&P firm Cheiron to buy Shell's oil and gas assets in the Western Desert [20] in a deal worth up to USD 926 million that would mark Cairn's entry into Egypt as the company tries to expand its asset base.

?North America

Mexico – President Andrés Manuel López Obrador's plans to reshape the country's electricity sector [21] by giving the state-owned power company priority grid access, hit their first major hurdle last week after a court blocked the controversial reforms a day after they passed into law.

US – LNG company NextDecade has extended EPC agreements with Bechtel [22] for the first three trains at its planned Rio Grande LNG project in Texas until July 2022, as the company steps up efforts to negotiate LNG supply contracts with potential customers.

Chevron has set out plans to reduce its carbon footprint and reap higher returns [23] on its investments, by cutting upstream emissions and investing billions in new technologies like geothermal power and CCS to maintain its position as "a top quartile oil and gas producer in terms of carbon intensity."

?South Asia

Pakistan – Eni plans to exit the country [24] after agreeing to sell its shares in its Pakistani ventures in line with a strategy to dispose of non-core assets as the nation struggles to meet growing gas demand, waning production and the slow startup of LNG imports.



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