

First private 1,000mmcf/d LNG terminal set to start in 2018

By our correspondent

ISLAMABAD: The first private sector Liquefied Natural Gas (LNG) terminal, having a capacity of 1,000 million cubic feet per day (mmcf/d) gas, is expected to be completed by 2018, an official announcement said on Thursday.

"When completed, this project will account for around 10 percent of the primary energy supplies of the country and will be equivalent of 20 percent of the current domestic natural gas production," Ministry of Finance said in a statement issued here.

"The terminal will be able to re-gasify up to 750 mmcf/d gas per day as base-load."

According to the statement, these details were discussed in a high-level meeting, which was chaired by Minister for Finance Ishaq Dar and attended by the se-

nior representatives of the multinational consortium, ministers of water, power, and petroleum, and officials from concerned departments.

Opening the meeting on a commendatory note, the finance minister said the government of Pakistan welcomes and appreciates the efforts of the consortium.

"The participation of leading multinational energy companies in this project is yet another demonstration of the international investors' confidence in Pakistan's economic turnaround and the investor-friendly policies of the present government," he said.

Moving forward, Dar drew the meeting's attention to a recent PricewaterhouseCoopers (PwC) report that projects Pakistan to become the 20th largest economy by 2030 and the 16th largest economy by 2050.

"Pakistan has achieved macroeconomic stability within three years, contrary to predictions from various quarters that Pakistan would default on its obligations by 2014 and would need six years to attain macroeconomic stability," Dar added.

Highlighting the economic achievements of the country, the finance minister told the meeting the foreign exchange reserves recently hit an all-time high providing five months of import cover, while the GDP growth was 4.7 percent in FY 2016 –an eight year high.

"Furthermore, the government is actively working on projects to add over 10,000 MW of electricity to the system in the short term, and a further 15,000 MW beyond 2018," Dar continued adding this fiscal year the government is out to achieve higher,

sustainable, inclusive economic development, and a GDP growth of over 5 percent.

Minister for Petroleum and Natural Resources Shahid Khaqan Abbasi, in his briefing, observed this project is a totally private-to-private venture, with no government financing or off-take guarantee, which makes it first of its kind in Pakistan.

"The LNG Supply Agreements relating to project have also been executed without the involvement of the government of Pakistan," Abbasi said.

Expressing their views, Khawaja Asif, Minister for Water and Power, noted this project augurs well for the gas supply needs of the power sector, while Miftah Ismail, chairman Board of Investment (BOI) and Sui Southern Gas Company (SSGC), of-

fered full cooperation to the consortium for successful implementation of the project.

Speaking on the occasion, the consortium officials reaffirmed the fact the project entails zero burden on Pakistan.

"The incumbent regime's policies being well-disposed towards investors are worthy of praise. It would have been very difficult to envisage a project of this nature in Pakistan a few years ago," the statement quoted the consortium executives as saying.

Chairman and CEO of Global Energy Infrastructure Limited (GEIL), with which the consortium is partnering on the project, also participated in the meeting.

The consortium comprises leading multinational energy companies including Qatar Petroleum, ExxonMobil, Total, Mitsubishi Corp, and Hoegh LNG.