

Argentina set to become exporter of LNG with floating platform deal



Argentina will soon join the ranks of nations exporting liquefied natural gas and benefit from surging global demand for the fuel. YPF SA, the state-run oil and gas producer, has signed a 10-year contract with Belgium's Exmar NV to deploy a barge-based floating LNG, or FLNG, unit to produce and export the fuel. Exmar shares soared as much as 16%, the most in eight years. The deal helps Argentina tap a boom in domestic shale gas production and turn one of Latin America's biggest LNG importers into an exporter. The initial plan is to ship 500,000 tonnes of LNG per year, feeding the fastest growing fossil-fuel market led by demand from China. The barge will start operations in the second quarter of 2019 and produce as many as eight cargoes per year from the Vaca Muerta source at the Neuquen Basin, according to Exmar. "We are now able to add value to the resources extracted from Vaca Muerta, and take full advantage of the seasonal opportunity with Asian markets and our unique location to serve demand centres," said

Miguel Gutierrez, president of YPF. Argentina follows the path of other nations, such as Egypt, which recently resumed exports after domestic output surged. The Tango FLNG, the new name of the vessel currently known as the Caribbean FLNG, will be located in the port of Bahia Blanca.