Qatar sets perfect example for would-be energy exporters in Mediterranean

THE PENINSULA
DOHA
Wednesday 2 October 2019

It’s because Qatar had made an early bet on liquefied natural gas that helped the country to emerge as the world’s most prolific exporter of LNG, a position it retains to this day. It was good governance that made sure this resource has been very well-managed, a top energy expert said.

Attending a major energy congress in Athens, Roudi Baroudi, a

veteran of the energy business who has helped shape policy for companies, governments, and even entities like the European Union, the World Bank and the United Nations, noted the North Field Expansion Project is a massive undertaking that will grow LNG output from the current 77 million tons per annum to 110 MTPA over the next five years. That will not only increase Qatar's lead over other producers, but also give it the wherewithal to keep diversifying its holdings abroad.

Speaking on the sidelines of the First Annual Eastern Mediterranean Energy Leadership Summit, Baroudi (pictured), currently the CEO of Doha-based Energy and Environment Holding, elaborated on 'how did a tiny country like Qatar become such a giant in the gas business?".

" Once the full extent of the country's natural gas reserves were understood, the government sought out the best advice, then undertook comprehensive studies to understand market conditions and forecasts, define its own needs and capabilities, and identify the best partners. As a result of these analyses, Qatar made an early bet on liquefied natural gas that soon made it the world's most prolific exporter of LNG, a position it retains to this day." He noted that it's not only this domestic megaproject (North Field Expansion) that matters. Qatar Petroleum, for instance, is in talks to secure partners for the establishment of a new LNG distribution terminal on Germany's North Sea Coast. Again, this a mutual benefit proposition from start to finish, with the German side increasing its energy security and the Qataris lining up future revenues by securing access to a crucial market. In addition, QP recently entered a new agreement that books LNG offloading facilities at the Belgian Port of Zeebrugge until 2044.

Other developments paint a similar picture of a wide-ranging strategy that keeps Qatar in its leading position by capitalizing on both its market influence and its financial resources. In July, QP took a 49 percent stake in a joint

venture with Chevron Philips Chemical Co. (51 percent) that will see the partners develop a huge petrochemical complex – including the world's largest ethylene cracker – on the US Gulf Coast, taking advantage of the proximity of America's most productive shale gas regions.

And just a couple of weeks ago, QatarGas made history when one of its massive Q-Flex LNG carriers, the Thumama, became the first vessel of its class to complete an open-water ship-to-ship transfer to a floating storage and regasification unit off Bangladesh's Moheshkhali Terminal. Qatari investments and expertise are also driving exploration activities in several countries around the world. "Qatar is not sitting on its hands. Day in and day out, in all sorts of ways, the country is constantly taking stupendous strides toward bigger and better things to come", he said.

Roudi Baroudi