

Government pledges support for Mozambique gas projects

South Africa has reiterated its commitment to support the Mozambique government in developing its emerging gas market.



Nomalungelo Gina, deputy minister, trade, industry and competition

“As we all know, Mozambique’s new growth opportunity is anchored on the large natural gas reserves and the associate liquefied natural gas project in the Cabo Delgado province,” Trade, Industry and Competition Deputy Minister, Nomalungelo Gina, said during a South Africa and Mozambique virtual trade and investment seminar entitled, *Developing Afrocentric Solutions and Forging Partnership in Response to Covid-19’ theme..*

The Development Bank of Southern Africa (DBSA) is also ramping up investment in an infrastructure project in Mozambique particularly in the energy sector. The South African public and private sectors are actively involved in supporting the country in this “very important venture” through the \$120m investment by the bank, Gina told delegates.

Meanwhile, Standard Bank is one of the leading financial services providers involved in the financing of up to \$485m and \$900m ECIC guarantee.

“Similarly, Rand Merchant Bank provided the largest funding commitment by an African bank.”

Also, DBSA is assisting ENH, a Mozambican government-owned holding company responsible for the research,

exploration, production, refining, transportation, storage, and marketing of hydrocarbons and its derivatives, to develop at length to monetise its natural gas and to become a hub for the Southern African Development Community (SADC) region.

"We reiterate our commitment to assist the government and people of Mozambique to leverage the opportunity to capitalise in this mega project and advance a 'made in Mozambique, made in Africa' agenda to increase the supply of locally made goods and services into these projects," Gina said.

Covid-19

Gina said these investments are crucial as countries battle with the aftermath of Covid-19.

"This is one area that we've all seen the need to make sure that we produce locally, we have our mega projects locally, so that we don't depend on other countries to make sure that we survive as countries.

"I believe as African countries this is one opportunity we can grab with both hands," she added.

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