

Transnet plans tender for new Richards Bay LNG terminal

By [Wendell Roelf](#)

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South Africa's state-owned freight logistics firm Transnet said it will go to the market within weeks for a new liquefied natural gas (LNG) terminal to be built at the east coast Richards Bay port by 2026, Transnet National Ports Authority (TNPA) said on Thursday, 21 April 2022.



Source: Transnet Port Terminals

The push to design, build, finance and operate the LNG terminal comes amid some of the worst electricity outages to hit Africa's most industrialised economy, as the country also tries to reduce emissions from coal-fired power plants that supply most of its electricity needs.

"TNPA is accelerating the implementation of this project to assist with the country's energy needs and ensure that it provides the transition energy required towards SA's decarbonisation," Captain Dennis Mqadi, port manager at Richards Bay said in a statement.

He said TNPA intends approaching the market in the coming weeks with a request for proposal, which will ensure that the project can be "realised" by 2026.

Around 19 companies, including major gas developers and operators of gas infrastructure in America, Asia, Europe and the Middle East expressed interest in participating when the request for information, the first step in a tender process, was

launched in early February.

The project will likely vie with another LNG terminal being developed in neighbouring Mozambique, where South African energy company Gigajoule in partnership with TotalEnergies is eyeing a new \$550m Matola LNG import terminal.

Sasol's Tande and Temane fields in southern Mozambique currently supply the bulk of South Africa's gas needs via the 865 km Rompco pipeline.

According to domestic industry body IGUA's 2021 annual report, South Africa currently faces a gas supply shortfall of some 170 petajoules a year.

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