

Time is running out for Africa to profit from its gas, IEA says

Africa must act quickly to profit from its vast reserves of natural gas that the world will only want until it can shift towards lower carbon technology, the International Energy Agency said on Monday, 20 June.

By Noah Browning 20 Jun 2022



Source: Christian Duschinger © 123RF.com

In its *Africa Energy outlook for 2022*, published this week, the IEA said Africa could be in a position by the end of the decade to export some 30 billion cubic metres (bcm) to Europe, which is currently hungry for gas because it is trying to reduce its reliance on Russia.

The group of 31 mostly industrialised countries said in a ground-breaking outlook in 2021 that achieving a UN goal of net-zero emissions by mid-century meant that from this year, no investment in new fossil fuel was necessary.



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Limited time to earn hydrocarbon revenues

Executive director Fatih Birol told Reuters in an interview that Africa's development of gas did not contradict that. The continent, he added, has borne the brunt of climate change even though it has emitted just a tiny fraction of the emissions caused by the developed world and it has limited time to earn hydrocarbon revenues.

"If we make a list of the top 500 things we need to do to be in line with our climate targets, what Africa does with its gas does not make that list," Birol said.

"New long lead time gas projects risk failing to recover their upfront costs if the world is successful in bringing down gas demand in line with reaching net-zero emissions by mid-century," the IEA said in its report.

If all of Africa's gas discoveries turned into production, Birol said that could provide an additional 90 bcm per year by 2030, around two-thirds for domestic needs, and the rest for export.

To reduce new developments and emissions, the IEA said flaring less methane could provide a third of new output.



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Demand is robust

Oil- and gas-producing regions, such as Africa, have bristled at the idea that avoiding climate change may mean keeping resources in the ground. They say demand is robust and developed states have enjoyed a centuries-long headstart from hydrocarbons.

While a fifth of the world's population lives in Africa, the continent has accounted for less than 3% of the world's energy-related carbon dioxide emissions so far and has the lowest emissions per capita of any region on Earth, the IEA said.

Renewables, including solar power, wind, hydropower and geothermal energy, can make up four-fifths of the continent's power generation capacity by the end of the decade, the IEA said.

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