



Newsletter | September 2021 | Issue #21

Key Iraq Events - Gas



TotalEnergies' US\$ 27 B Energy Sector Megadeal

After five months on the signing of the preliminary agreement, Iraq and TotalEnergies finally signed the US\$ 27 B multi-faceted investment deal on September 5, covering four projects: oilfield development, gas capture and treatment, building energy infrastructure and generating solar energy. These include:

- Increasing production capacity at the Ratawi field to 210 kb/d from the current 85 kb/d for a cost of US\$ 3 B

- Building infrastructure to collect and treat associated gas from five oilfields: Ratawi, West Qurna-2, Majnoon, Tuba and Luhais. The gas infrastructure will help capture and process an extra 600 MMscf/d, in line with Iraq's plans to increase gas production to 4 Bcf/d by 2025
- Carrying out a seawater injection project into reservoirs to boost production capacity for a cost of US\$ 3 B
- Developing 1 GW of solar capacity for a cost of US\$ 1 B

Total says the projects represent a total investment of about US\$ 10 B, which is US\$ 3 B above initial expectations. Iraqi officials, however, reported that the whole package will cost US\$ 27 B mentioning that the figure includes "accumulated" capital and operating expenditure. Iraq's Minister of Oil said that the US\$ 9-10 B covers contracts only. The country expects a return of US\$ 95 B at a US\$ 50/bbl oil price, throughout the timeline of the contract.

Get in Touch

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