PIPELINE TECHNOLOGY JOURNAL · EGYPT · LNG

Eni awards $1.8bn Cronos contracts, Egypt LNG route confirmed

Saga deep read · 02 November 2026 · Score 100

Eni and TotalEnergies have triggered the execution phase of the Cronos field development in Cyprus's Block 6, issuing an estimated $1.8 billion in engineering, procurement, construction, and drilling contracts following a final investment decision reached in July. The most visible award is a $170 million onshore pipeline contract handed to Egyptian state-owned engineering firm Petrojet, which will connect the onshore processing infrastructure of Egypt's Zohr gas field to the Damietta LNG terminal on the Mediterranean coast.

The routing decision is commercially deliberate. Rather than construct new export infrastructure in Cyprus, the Eni–TotalEnergies joint venture — each holding equal shares — will pipe raw Cronos gas to Egypt, process it through existing Zohr-linked facilities, liquefy it at Damietta, and ship it primarily toward European buyers. Energy analysts cited in the source article note that leveraging established Egyptian processing assets should materially reduce capital expenditure and compress the project timeline compared with a greenfield Cyprus export route.

Petrojet's $170 million award reinforces the Egyptian firm's growing role as a regional pipeline contractor. The company previously secured a $273 million pipeline contract in Oman and, according to company leadership, currently holds an order book valued at approximately 246 billion Egyptian pounds. The Cronos pipeline scope is clearly defined as onshore work linking Zohr processing facilities to Damietta — a land-based construction package rather than a subsea intervention.

The project carries strategic weight beyond its commercial structure. Regional conflict in early 2026 has increased supply friction at key maritime chokepoints, including the Strait of Hormuz and Bab El-Mandeb, elevating North African LNG as a preferred alternative supply corridor for European importers seeking to reduce exposure to Middle Eastern export disruptions. The Cyprus-Egypt route is now positioned by industry analysts as a meaningful hedge against those vulnerabilities, giving Damietta renewed throughput relevance after years of underutilisation.

With an FID confirmed and contracts now being issued across engineering, procurement, construction, and drilling workstreams, the Cronos development moves from concept into active field execution. The $1.8 billion contract suite signals multiple procurement windows across disciplines over the coming project phases, with Damietta LNG infrastructure and Zohr-tied processing upgrades likely to generate further supplier and subcontractor demand as the programme matures.

Why this matters to partners and clients of Saga

The confirmed FID and active $1.8 billion contract suite across EPC and drilling workstreams make this an immediate commercial signal for Norwegian service companies — procurement engagement is now appropriate rather than premature. Norwegian subsea, pipeline engineering, and LNG technology firms should map their capabilities against the Cronos offshore development scope in Cyprus Block 6 and the onshore Egyptian infrastructure chain, and identify whether Eni or TotalEnergies procurement portals carry open or forthcoming tenders. Relationship-building with Petrojet as the Egyptian onshore EPC lead is also warranted, given the firm's expanding regional footprint and potential role in future contract packages.



YOUR SAGA CONTACT

Trond Kostveit

Partner, Africa Markets & Energy

PARTNER ANGLES

- **Subsea/FPSO:** Cronos offshore development in Cyprus Block 6 will require subsea production systems and possible tie-back infrastructure; Norwegian subsea integrators should monitor Eni and TotalEnergies tender pipelines now that FID is confirmed.
- **Pipeline:** The onshore Zohr-to-Damietta pipeline is awarded to Petrojet, but future tie-in, integrity, and expansion scopes may open subcontractor slots for Norwegian pipeline engineering and coating specialists.
- **LNG:** Damietta LNG terminal will process Cronos gas for European export, likely requiring process upgrades, safety systems, or capacity expansion work where Norwegian LNG technology suppliers can engage Eni or terminal operator ENI/Union Fenosa Gas.
- **Drilling:** The $1.8 billion contract suite explicitly includes drilling awards for the Cronos field; Norwegian drilling contractors and well services companies should pursue prequalification with Eni Cyprus operations without delay.
- **Service:** Norwegian inspection, maintenance, and integrity management firms can position for long-cycle service contracts across both the Egyptian onshore corridor and the offshore Cronos facilities as production ramp-up approaches.

Original source: Pipeline Technology Journal →

Saga Advisory

Partner contact: trond@saga-advisory.com · General: info@saga-advisory.com · saga-advisory.com

STAVANGER · CAPE TOWN