O ECONÓMICO (MOÇAMBIQUE) · MOZAMBIQUE · LNG

ExxonMobil funds $10m Mozambique domestic gas studies

Saga deep read · 19 November 2026 · Score 83

ExxonMobil has committed USD 10 million to finance feasibility studies examining how gas from the Rovuma LNG project could be used within Mozambique's domestic market. The funding follows a memorandum of understanding signed in November 2025 between ExxonMobil and Empresa Nacional de Hidrocarbonetos (ENH), Mozambique's national oil company, to investigate alternatives for in-country gas utilisation.

Rovuma LNG has identified a potential allocation of 650 million cubic feet of gas per day for the domestic market. However, the studies will need to establish whether offtake projects are economically viable, as realisation of any investment will depend on three critical conditions: the economic viability of individual projects, the availability of transport and distribution infrastructure capable of moving gas from the Rovuma Basin to end users, and the existence of industrial consumers with sufficient scale to absorb the resource.

The MoU-backed study programme places ExxonMobil and ENH at the centre of shaping Mozambique's domestic gas policy at a pivotal moment. Rovuma LNG has faced prolonged delays linked to the security situation in Cabo Delgado province, and progress on the export project has been slow. A structured feasibility process for domestic gas use signals that stakeholders are actively planning for the eventual commercialisation of the resource, even as the timeline for first LNG exports remains uncertain.

Feasibility studies of this scope typically examine gas-to-power generation, compressed natural gas for transport, industrial feedstock applications such as fertiliser production, and potential small-scale LNG or piped gas distribution networks. The studies will need to map demand centres, assess infrastructure gaps across Mozambique's underdeveloped gas transport network, and model tariff structures that can attract the industrial anchor consumers required to justify capital expenditure. The USD 10 million envelope suggests a substantive multi-workstream programme rather than a preliminary scoping exercise.

The outcome of the studies will shape which infrastructure packages — pipelines, compression stations, gas processing facilities, power plant connections — are ultimately put forward for investment. Decisions taken during this feasibility phase will define the technical specifications and procurement scope of any subsequent domestic gas infrastructure programme in Mozambique.

Why this matters to partners and clients of Saga

This is a pre-feasibility MoU phase; Norwegian service companies should monitor study outcomes rather than pursue procurement outreach now. Pipeline, gas processing, and compression specialists should track which infrastructure corridors the studies recommend, as these will define future tender scopes. LNG and power-generation service firms with Mozambique presence should engage ENH and ExxonMobil at the relationship level to position ahead of any project-structuring phase that follows study completion.

PARTNER ANGLES

- **Pipeline:** Study outcomes will likely identify gas transmission corridor requirements from Rovuma to demand centres — monitor for pipeline infrastructure tenders.
- **LNG:** Small-scale LNG distribution could feature among domestic utilisation options studied; track study conclusions for modular liquefaction or regasification scope.
- **Subsea/FPSO:** Domestic gas tie-in infrastructure from offshore Rovuma fields may be scoped if nearshore industrial demand is confirmed; monitor for any offshore-to-shore connector work.

- **Service:** Compression, metering, and gas processing equipment suppliers should begin mapping ENH and ExxonMobil study teams for early engagement ahead of infrastructure design phases.
- **Drilling:** Domestic gas demand confirmation could accelerate Rovuma development well programmes; monitor FID signals for any associated drilling campaign scope.

Original source: O Económico (Moçambique) →

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