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## Senegal's RGS unveils \$595M three-segment gas pipeline plan at African Energy Week

Saga deep read · 18 October 2026 · Score 66

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Senegal's state-controlled pipeline operator, Réseau Gazier du Sénégal (RGS), is seeking approximately €530 million (\$595.5 million) from international financial partners to construct 255 kilometres of new domestic gas pipelines, with the initiative formally presented at African Energy Week in Cape Town in October 2026. The project, led by RGS Managing Director Pape Momar Lo, confirms the previously reported timeline of a 2027 construction start and 2029 commercial operations target. The total budget includes €25 million earmarked for community compensation along the construction corridors — a detail not previously available — bringing the all-in cost closer to \$2.47 million per kilometre when factoring in that social expenditure.

The network is divided into three distinct pipeline segments with defined capacities and price tags now on record. The Green Segment, a 110-kilometre line estimated at €220 million (\$247 million), will carry surplus gas from the Greater Tortue Ahmeyim (GTA) offshore LNG project into the broader network at a capacity of 300 million standard cubic feet per day. The Blue Segment, 100 kilometres at €180 million (\$202 million), is designed to transmit 713 million standard cubic feet daily to six power plants and six industrial facilities. The Orange Segment covers 45 kilometres at €130 million (\$146 million), serving six industrial sites and one power plant at 300 million standard cubic feet per day. Beyond GTA, the expanded network is intended to eventually draw gas from the Yakaar-Teranga and Sangomar fields, reinforcing the system's long-term supply base.

Critically, this planned expansion builds upon an already-active predecessor project: a €275 million (\$309 million), 85-kilometre northern pipeline — launched in September 2026 — connecting the GTA gas hub to a 250-megawatt power plant in Gandon. Lo confirmed that construction on that northern segment is currently 25.8% complete, meaning Senegal's domestic gas infrastructure programme is no longer entirely pre-construction. That segment is already generating real engineering and logistical activity on the ground, and the performance and contractor ecosystem around it will likely influence procurement decisions for the larger three-segment expansion.

To attract investors into the \$595 million programme, RGS is offering a renewable 15-year concession structured around a tariff model projected to deliver a 20% internal rate of return. The presentation of a defined IRR target and concession structure at a major industry event signals that the project is advancing in its investment readiness, even if financial close has not yet been reached. The backdrop of widespread power outages in Senegal in September 2026 adds urgency to the government's case for accelerating domestic gas-to-power infrastructure, strengthening the political and commercial rationale for lender and investor engagement.

For Norwegian service companies, the maturation of this programme — from a broadly described financing need to a segmented project with defined capacities, costs, and a formal investor pitch — opens more specific market entry points. The Green Segment's function as a high-pressure offshore-to-onshore transfer line, the Blue Segment's complexity in serving twelve off-take points, and the Orange Segment's industrial focus each carry distinct instrumentation, metering, and integrity-management requirements. The active northern pipeline, now 25.8% complete, provides an immediate reference point: identifying which EPC and subcontractors are already on-site on that segment should be a priority, as those relationships are likely to carry forward into the expansion phases.

## Why this matters to partners and clients of Saga

The formal presentation of segment-level cost and capacity data at African Energy Week, combined with a defined 15-year concession and 20% IRR pitch, marks a meaningful step toward investability — Norwegian companies should now map their capabilities against specific segment requirements rather than the programme as a whole. The active northern pipeline at 25.8% completion is the most immediate entry point: identifying current EPC and subcontractor activity on that segment is a priority, as those relationships will likely influence procurement on the larger \$595 million expansion. DFI engagement and positioning with potential EPC leads ahead of formal tendering remains the recommended posture.

### PARTNER ANGLES

- **EPC lead contractor:** The northern 85-kilometre pipeline is already under construction at 25.8% completion — identifying who holds that EPC contract is the fastest route to understanding the likely procurement chain for the three-segment expansion.
- **Development finance institution:** RGS has now publicly pitched a 15-year concession with a 20% IRR target; DFIs active in West African energy infrastructure are likely being approached directly and are a key relationship for Norwegian suppliers seeking early project intelligence.
- **Senegalese government / RGS:** Pape Momar Lo's public role as programme champion at African Energy Week makes RGS management the appropriate direct engagement target for Norwegian companies seeking to position capabilities ahead of formal tendering.
- **Industrial offtakers (Blue and Orange segments):** The Blue and Orange segments serve a combined thirteen industrial and power-plant offtake points — metering, flow assurance, and control system suppliers should identify who those customers are, as offtaker-side specification influence is possible before EPC contracts are awarded.

[Original source: Ecofin Agency →](#)

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## **Saga Advisory**

General: [info@saga-advisory.com](mailto:info@saga-advisory.com) · [saga-advisory.com](https://saga-advisory.com)

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