

Tanzania, Uganda sign gas pipeline deal

Tanzania and Uganda have signed an agreement for the construction a natural gas pipeline. The multimillion dollar deal was signed at the end of a three-day Joint Permanent Commission Summit held in Kampala, led by Tanzania's Foreign Minister Augustine Mahiga and Uganda's Minister for Energy Irene Muloni.



Photo: *Premium Times*

The summit was preceded by a series of meetings that involved permanent secretaries and other senior officials.

The deal was a culmination of work that began during the first Tanzania-Uganda meeting held in April last year in Arusha, in which the two agreed on a number of memoranda and co-operation frameworks.

The pipeline comes just 15 months after Dar es Salaam and Kampala agreed in May 2017, to construct a crude oil pipeline from Hoima in Uganda, to Chongoleani in Tanga.

The project led by French oil multinational Total as the main contactor was launched in Tanga by Presidents John Magufuli of Tanzania and Yoweri Museveni of Uganda.

First trans-border pipeline

This will be the first trans-border gas pipeline in East Africa since the extraction of natural gas commenced in 2004 at the Songosongo Island in Tanzania's southern region of Lindi.

Tanzania Petroleum Development Corporation set August 24, 2018, as the deadline for submission of tender documents for the consultancy services for feasibility studies.

TPDC managing director Kapuulya Musomba said he was confident the pipeline construction would be successful given the expertise and experience gained through the construction and servicing of two pipelines -- the 532km Mtwara-Dar es Salaam one and the crude oil pipeline that is underway.

He said that apart from carrying natural gas to Uganda, the pipeline will distribute the product along the route.

"About 10 to 15 Tanzania regions will benefit from the pipeline that will also serve as a catalyst for oil and gas exploration," Musomba said.

Tanzania has a confirmed natural gas recoverable reserve of 57.5 trillion cubic feet.

The gas to be transmitted is meant for power generation for industrial and domestic use. A half of Tanzania's power generation depends on natural gas plants generate 684.66MW, those using diesel 125.429MW and hydro 561.843MW.

Uganda plans to set up a mega project to extract iron ore, a key raw material for the production of iron and steel.

During his visit to Tanzania on August 9, 2018, Museveni underscored the need for improving production of iron, which is required for infrastructure projects, such as the standard gauge railways in Kenya and Tanzania.

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