LNG Unlimited

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LNG sector in for a patchy 2026 - Reuters

In the LNG sector last year, a 25% surge in purchases by European countries was a key highlight.

This raised hopes among gas sellers that further growth in gas usage in economies, such as Germany, Italy and the UK, will continue this year and beyond, according to a Reuters report.

However, lower imports by three of the five largest LNG buyers — all Asian — raised profit concerns, especially among exporters banking on selling the even greater volumes of LNG expected to hit the market this year.

As 2026 gets underway, Reuters looked at some areas of concern.

Europe — The steep climb in LNG purchases by several European countries in 2025 begged the question whether the region can sustain such a voracious appetite.

On the plus side, Europe's generation of electricity from gas-fired power plants posted its first annual rise last year since before Russia's invasion of Ukraine hit the region's gas flows in 2022.

Total European gas-fired electricity output during January to November was 1,009 TWh, according to think tank Ember, up 3.4% from the same months of 2024 and the first year-on-year increase for that period since 2021.

Further increases in gas-fired power generation will trigger increased LNG import demand, especially in markets with shortages of alternative power sources.

Europe's broader industrial economy, however, remains troubled by weak manufacturing and consumer demand, and output among gas-intensive sectors, such as chemicals and fertilisers remained near historic lows in the top regional producer, Germany.

Until an upturn in consumer and business activity is seen, it's likely that Europe's overall demand for natural gas may remain patchy, which could cap any further increases in LNG import interest over the near term.

Another question for LNG exporters is whether Europe's LNG purchases last year were artificially inflated, as several countries attempted to narrow their trade gaps with the US during trade talks with the Trump administration.

European imports of LNG from the US last year jumped by almost 60% from 2024 levels, data from commodities intelligence firm Kpler showed.

This huge jump — well above the increase in Europe's total LNG imports — suggested the region may have been trying to curry favour with President Donald Trump, as European and US policymakers discussed trade deals.

With international focus now turning more to geopolitical concerns — such as the US interest in acquiring Greenland — it is possible that this year European countries may prove less keen to please President Trump.

Asian demand

Asia - LNG exporters also have questions about Asia's demand, which accounted for around 64% of all LNG imports last year, according to Kpler.

Total shipments to Asian buyers last year were just over 613 mill cu m, marking a nearly 5% fall from 2024.

While such a volume slip was not much of a concern through 2025, given the steep growth in sales to Europe, LNG exporters will become anxious if Asia's overall appetite remains weak this year and Europe's buying spree also slows.

The top two overall LNG importers — China and Japan — registered import cuts of 15% and 2%, respectively, in 2025.

This import dip by such critical markets will remain a cause for concern in 2026, especially if China's economy remains sluggish and trade relations with the US and other markets remain frosty.

Rapidly expanding renewables power generation in China and steadily recovering Japanese nuclear power generation are further causes for concern, as those power sources squeeze gas out of generation mixes.

Indian LNG purchases — the fourth largest importer — also dropped by 7% last year, yet another source of worry among LNG exporters who had hoped that the country would be on a steady growth trajectory.

Higher global gas prices have resulted in a steady decline in Indian gas-fired electricity generation thus far this decade, bringing a sharp slowdown in spending on gas distribution and storage infrastructure.

Bullish forecasters argued that the steady swell in planned LNG exports will drive global prices lower and reignite demand for the fuel in fast-growing but cost-sensitive economies like India, Pakistan and Bangladesh.

They may be right. However, with benchmark natural gas prices near three-year highs and rising in the US — the top global gas producer — it may be hard for LNG exporters to drive sale prices lower in the near term, Reuters said.

That may leave LNG exporters focusing on already established markets this year, struggling in Europe to grow sales much from last year's levels and hampered in Asia by patchy demand, as China's economy struggles for growth. ■

UNLIMITED AGENDA

Asian spot LNG prices firm

Asian spot LNG prices rose last week on the back of a colder weather outlook, which resulted in demand returning, lifting price levels to their highest levels in six weeks.

The average LNG price for March delivery into northeast Asia was estimated at $10.10 per MMBtu, up by 6% from $9.50 per MMBtu recorded in the previous week. Industry sources said this was the highest level since 5th December.

"The weather outlook across northeast Asia and Europe has turned colder week-on-week, tightening market fundamentals and driving a rebound in spot LNG prices," said Kesher Sumeet, Energy Aspects' senior LNG analyst.

He added that there was a rise in Asian spot tenders last week, with Japan's Kansai and Tohoku Electric seeking one cargo each for February/March delivery, ahead of a forecast cold snap in northeast Asia later this month.

"Weather forecast shows northeast Asia heating degree days (HDDs) exceeding the 10-year average from 21st January, peaking at 26.8% above normal on 23rd January.

"Combined with the early January cold snap, this could push average January northeast Asia HDDs above the 10-year benchmark, unlike November and December, when HDDs were below average," Sumeet said.

HDDs estimate demand to heat homes and businesses by measuring the number of degrees a day's average temperature is below 65 deg F, or 18 deg C.

In Europe, SP Global Energy assessed its daily Northwest Europe LNG Marker (NWM) price benchmark for cargoes delivered in February on an ex-ship (DES) basis at $10.73 per MMBtu on 15th January.

Discount

This represented a $0.585 per MMBtu discount to the TTF price hub, as colder weather returned across Europe and storage withdrawals pushed prices higher over the week.

"European delivered prices have risen sharply this (last) week for the first quarter, supported by forecasts for colder weather at the end of the month across Europe," said Martin Senior, head of Argus' LNG pricing.

"The market is eyeing the near full depletion of underground stocks in some northwest European countries because of the colder weather, which has pushed prices a lot higher relative to Asia," he said.

Meanwhile, hedge funds ramped up long buying in TTF futures in response to rapid storage withdrawals and plunging temperatures, said independent gas analyst, Seb Kennedy.

Commercial operators pivoted into new short positions as suppliers and storage operators adjusted their hedges in a tightening winter gas market, he added.

As for LNGC freight rates, Atlantic levels fell for a seventh consecutive week to $26,250 per day, while Pacific rates eased to $41,250 per day, according to Spark Commodities analyst, Qasim Afghan.

The US front-month arbitrage to northeast Asia via the Cape of Good Hope closed out further last week, strongly pointing to Europe, driven by a recent fall in the JKM/TTF spread as the JKM failed to match the recent TTF rally, Afghan added. ■

ADNOC to supply LNG to Hindustan Petroleum

ADNOC Gas has signed a sales and purchase agreement (SPA) with India's Hindustan Petroleum Corp (HPCL) for the supply of 500,000 tonnes per annum of LNG, valued at between $2.5 - $3 bill over a period of 10 years.

The agreement was announced during a visit to India by President HH Sheikh Mohamed bin Zayed Al Nahyan, where he met with the Indian Prime Minister, Narendra Modi.

Fatema Al Nuaimi, ADNOC Gas CEO, said: "We are pleased to sign this long-term LNG supply agreement with Hindustan Petroleum Corp, which reflects the strong and growing energy partnership between the UAE and India.

"This agreement underscores ADNOC Gas' commitment to delivering reliable LNG to meet global demand, while supporting India's ambition to increase natural gas to 15% of its energy mix by 2030," she said.

This agreement firms up a previously signed heads of agreement (HoA) between the two companies into a long-term SPA and and calls for the export of 0.5 mill tonnes per annum of LNG.

The UAE -based energy company claimed that this agreement represented a further step in strengthening the strategic partnership between the UAE and India, while reinforcing ADNOC Gas' role as a reliable and trusted supplier of LNG to Asia's fast growing markets.

HPCL's SPA brings the total value of contracts being supported and operated by ADNOC Gas to over $20 bill, while India is now the UAE's largest customer and a very important part of ADNOC Gas' LNG strategy going forward.

By 2029, ADNOC Gas will be supplying 15.6 mill tonnes per annum of LNG, of which, 3.2 mill tonnes is contracted to Indian energy companies, including HPCL.

The HPCL LNG will be supplied from ADNOC Gas' Das Island liquefaction facility, which has a production capacity of up to 6 mill tonnes per annum and ranks among the world's longest operating LNG plants.

Since starting operations, Das Island has delivered more than 3,500 LNG cargoes worldwide.

Over the past three years, ADNOC Gas has secured a series of long-term LNG agreements ranging from 0.4 to 1.2 mill tonnes per annum, with contract durations of up to 14 years. ■

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EU over reliant on US LNG - IEEFA

The EU has strengthened its energy security by cutting gas demand by over 20% between 2021 and 2024 and curbing gas imports from Russia.

However, these initiatives throw up a new vulnerability for the EU. By incentivising imports of US LNG, a potential high-risk new geopolitical dependency has been created, US-based Institute for Energy Economics and Financial Analysis (IEEFA) said.

Following Russia's invasion of Ukraine in 2022, the EU has gradually reduced its reliance on Russian gas, resulting in the bloc's Russian imports (including pipeline gas and LNG) falling by 75% between 2021 and 2025.

Despite this drop, Russia still remains one of the EU's largest gas suppliers.

Last year, the EU agreed to a legally binding, step-by-step ban on both Russian LNG and pipeline gas imports, with a full ban coming in at the end of 2026 and the Autumn of 2027, respectively.

Meanwhile, the EU's other major supplier, Norway has been consistent, averaging around 90 bill cu m annually over the past four years.

The pivot away from Russian gas has increased the EU's dependency on US LNG, which is the most expensive for EU buyers.

EU imports of US LNG rose from 21 bill cu m in 2021 to an estimated 81 bill cu m last year, an almost fourfold increase, meaning that EU members sourced 57% of their LNG from the US in 2025.

Last year, 13 EU countries imported US LNG with The Netherlands, France, Spain, Italy and Germany accounting for 75% of the bloc's US LNG imports.

US trade deal

As part of the trade deal announced between the EU and US in July, 2025, the EU intends to buy $750 bill of US energy by 2028. This effectively ties the EU's energy supply to one source, risking energy security and jeopardising gas reduction plans, IEEFA said.

If EU countries were to spend the same amount on renewables instead, members could install about 546 GW of combined solar and wind capacity, which would boost energy security and could bring down electricity prices.

However, EU countries' dependency on US LNG is set to increase, following the supply deals announced at the Gastech conference in Milan last September and the Partnership for Transatlantic Energy Co-operation (P-TEC) meeting in Athens a month later.

By locking in long-term gas contracts, the EU risks undermining its 'Green Deal' and energy autonomy.

IEEFA put forward a 2030 scenario where all the deals materialise and EU gas demand reduction efforts falter. Under this scenario, the deals could increase EU imports of US LNG to around 115 bill cu m annually by 2030, meaning between 75-80% of the bloc's LNG imports would come from the US.

The EU sourced 27% of its total gas and LNG imports from the US in 2025. New LNG contracts mean this figure could rise to 40% by 2030 under this scenario.

The EU's REPowerEU plan to end its reliance on Russian fossil fuels aims to enhance energy security through diversification, demand reduction and making energy more affordable. An over reliance on US gas contradicts this strategy, IEEFA warned. ■

Lining up for Europe?

NEWS BRIEF

Woodfibre to get another power line

Canadian engineering company, BC Hydro is to build another power line, Woodfibre LNG interconnection project stage 2, to ensure British Columbia's under construction export plant has reliable access to clean and renewable power.

By supplying clean power to industrial customers, this project supports the province's economic growth and climate action goals, helping to limit greenhouse gas (GHG) emissions, the company claimed.

With this new power line, the facility will be fully powered by clean and renewable electricity, creating local jobs and setting a new standard for responsibly produced LNG.

Woodfibre's LNG interconnection project is being built in two stages - construction of stage 1 is already underway, meeting Woodfibre LNG's initial power requirements by connecting the facility to an existing power line, while stage 2 will add the new transmission line constructed within the existing BC Hydro right of way from Cheekye substation through Brackendale to the Woodfibre LNG export facility. ■

MidOcean to join the Argentina LNG party

EIG's LNG developer, MidOcean Energy was said to be in negotiations to join the Argentina LNG consortium, according to sources talking with Bloomberg.

The $29 bill Argentina LNG project, being developed by state owned energy company, YPF, in conjunction with Italy's Eni, will utilise two FLNGs, each of which will have an annual capacity of 12 mill tonnes and will be moored offshore.

YPF was also thought to be considering bringing in a third unit.

The sources said that MidOcean might withdraw from the project, as discussions were in the early stages.

A financial commitment has been made by Saudi Arabia's energy giant, Aramco to MidOcean.

Argentine President, Javier Milei met with MidOcean officials in Buenos Aires recently, his office confirmed. However, no details of the discussion were disclosed.

MidOcean stated, "We were pleased to meet with President Milei to discuss opportunities in Argentina's energy sector, as part of our regular assessment of business development opportunities globally, and we look forward to continued engagement."

The energy company is trying to grow its investment portfolio, and it holds stakes in gas exporting facilities in Canada, Peru, and Australia.

Last November, XRG, the foreign investment arm of Abu Dhabi National Oil Co (ADNOC), agreed to become an equity partner in Argentina LNG. However, a legally binding agreement has not been signed thus far.

Argentina LNG is involved in helping to turn the country's giant Vaca Muerta shale formation into a global supplier of oil and gas. ■

Egypt's 2025 LNG imports hit record high

Once a major exporter, Egypt imported a record volume of LNG last year, which highlighted its growing energy needs, as the country faced a domestic gas production decline and less reliable supply from Israel.

In 2025, Egypt imported 9.01 mill tonnes of LNG, equivalent to 129 cargoes, data from Platts, part of S&P Global Energy, showed.

Some 90.9% of the cargoes emanated from the US.

Throughout 2025, Egypt relied on the US, Equatorial Guinea, Norway, Trinidad, Spain, Mexico and Mauritania/Senegal for its imports.

The last six months of the year saw the most imports. For example, in 3Q25, 3.36 mill tonnes, or 49 cargoes were handled, while 3.28 mill tonnes, or 46 LNGCs arrived in 4Q25.

Due to a lack of upstream investment, for several years, Egypt has suffered a drop in domestic gas production, particularly from the Zohr gas field, which accounts for about a third of the country's output.

This shortage was exacerbated by the conflict between Israel and Hamas, which led to Israel intermittently cutting of pipeline gas to the region.

Previously. a regional gas exporter, Egypt has established itself as a long-term LNG importer, with both Egyptian and Turkish demand propping up the East Mediterranean LNG price, which is at a premium to both Northwest Europe and the West Mediterranean.

'Hoegh Gandria' is to replace 'Hoegh Galleon' at Ain Sokhna

Despite Egypt's burgeoning imports through 2025, the start of 2026 has thus far offered a mixed picture, according to market participants.

"January is the first month where the LNG imports are coming in lower than we expected," one Atlantic-based source said. "I imagine it's on their production coming in higher, as I don't think their power demand has stepped down recently."

However, another Atlantic-based market source said the country had taken in "two or three cargoes more than expected," and that this was "coming from demand [and] seemingly stemming from industry," as the upstream issues had been resolved, due to the production decline having stopped.

"But the cause [of the demand] is a mystery," the source added.

One reason for the heightened demand could be exposure to tensions between Venezuela and the US, another player said.

For the whole of this year, Egypt is due to import 11.14 mill tonnes, a 26.3% increase on 2025's figure.

An expected demand drop in 4Q26 maybe due to QatarEnergy and the Egyptian Natural Gas Holding coming to an agreement for the supply of up to 24 LNG cargoes this summer.

Qatari shipments

Egypt's petroleum ministry said on social media earlier this month that several LNG shipments from Qatar would be delivered to Ain Sokhna and Damietta over the summer period.

However, in a development that will hit Egyptian import capacity, despite demand in the region remaining robust, the FSRU 'Energos Eskimo' left Ain Sokhna on 13th January after bunkering, despite only starting operations last summer.

Looking ahead, an LNG trader said: "For 2026, they [Egypt] will likely need 160 cargoes, so much more than the 120/130 from last year. But there could be some downside when Israel increases the gas supply to Egypt in the second half of the year.

"I heard they are getting another FSRU too, which is currently in Singapore," the source added.

Another trader said: "160 would be the ceiling. They likely do not need that much and then they have this auction in March for 100 cargoes, so it is difficult to see how much LNG they actually need over this year and next year."

However, the second Atlantic-based source said imports could be higher than 160 cargoes "given recent trends." ■

Aramco signs long-term LNG supply deal

Saudi Arabian energy giant, Aramco has signed a long-term supply agreement with US Commonwealth LNG for 1 mill tonnes of LNG per year, according to a Reuters report.

Once commissioned, the Cameron, Louisiana based plant will have a nameplate annual LNG capacity of 9.5 mill tonnes.

It was originally due to come online by 2027, but last year it was delayed until 2031.

The developer blamed the delay on the temporary ban on new LNG capacity imposed by the Biden administration. However, once Trump took office, the ban was lifted but too late for Commonwealth, it was claimed.

Last year, rumours were circulating that Aramco was interested in offtake from the Louisiana based project, which will utilise natural gas gas from the Eagle Ford shale basin.

The initial amount was thought to be 2 mill tonnes per annum as part of the Saudi company's aim to develop a significant presence in LNG trading, especially in the US.

Aramco's latest deal was said to be a step closer to hitting the project's contracted volume target of 8 mill tonnes annually, which the developer had set as a condition to make the final investment decision (FID) on the project.

A FID is now expected by the end of the first quarter of this year.

The first phase's construction will cost $11 bill, Commonwealth LNG had also revealed. It will generate annual export revenues of around $3.5 bill.

Aramco said in August last year it wanted to build an LNG capacity portfolio of 20 mill tonnes annually to secure its position on the global market, given bullish forecasts for global gas demand at the time.

By then, Aramco had secured some 4.5 mill tonnes, Reuters said. ■

Texas LNG heads for FID with latest RWE SPA

Glenfarne Group's Texas LNG Brownsville has become close to taking a final investment decision (FID) with the signing of a definitive 20-year sales and purchase agreement (SPA) with RWE Supply & Trading.

With this SPA, amounting to 1 mill tonnes per annum, Glenfarne claimed it had finalised conversion of all of Texas LNG's previously announced heads of agreements (HoA) to fully binding long-term offtake deals to enable a final investment decision (FID) to be taken in a couple of months.

The RWE SPA will result in about 13 cargoes of LNG and 1.4 bill cu m per year of natural gas.

Under the terms of the agreement, deliveries can be made to RWE's locations in Europe and worldwide.

"We welcome RWE, one of the world's most versatile energy companies, as an offtake partner for Texas LNG and look forward to helping them fulfill the needs of their customers with clean, competitive energy," said Vlad Bluzer, Partner at Glenfarne Group and Co-President Texas LNG.

"With the completion of offtake negotiations, Glenfarne is now focusing on finalising the financing process, as we advance toward a final investment decision (FID) in early 2026," he said.

Jacob Meins, CCO Origination at RWE Supply & Trading, added: "I am pleased to welcome Glenfarne as a strong partner in our LNG supply.

"This partnership strengthens our international LNG portfolio and supports Europe's security of supply," he said.

Electric drive motors will be utilised for LNG production, making this project one of the world's lowest-emitting LNG terminals.

In addition, the RWE agreement provides a framework to monitor, report and verify greenhouse gas emissions (GHG) from the well head to LNG loading to document how LNG cargoes produced from the Texas LNG terminal support the reduction of GHG emissions across the LNG value chain, Glenfarne revealed.

Kiewit is leading Texas LNG's engineering, procurement, and construction (EPC) at the Brownsville site under a lumpsum turnkey deal.

Magnolia problems

Meanwhile, another of Glenfarne's projects, Magnolia LNG, is to be rescheduled.

Glenfarne has asked the US Federal Energy Regulatory Commission (FERC) for an extension to the timeline of its proposed LNG export terminal.

Blaming the previous Biden Administration for the delay, the company is now believed to be seeking a deadline of 2031 for FERC's sanctioning.

If approved, Magnolia LNG will be built near Lake Charles, Louisiana and consist of four LNG production trains of 2.2 mill tonnes per annum each.

The site is crossed by Kinder Morgan's Louisiana Gas Pipeline, which has interconnections with other gas pipelines across the US.

The plant has been designed to handle LNGCs to export the liquefied gas, plus LNGCs and barges for use domestically with the possibility of an LNG bunkering facility included, plus truck loading facilities. ■

Glenfarne's Vlad Bluzer

Türkiye to benefit from US LNG ramp up

The US aims to double its LNG export capacity in the coming years, with Türkiye among the countries set to benefit, according to US Energy Association (USEA) President, Mark Menezes.

"Our friends and allies around the world, including Türkiye, will have abundant, affordable natural gas in the coming years," he told Turkish state-run Anadolu Agency (AA).

Menezes, a former US deputy secretary of energy, said US LNG exports will celebrate their 10th year next month and export volumes have grown steadily since the first shipment in February, 2016, shipping natural gas to 48 countries since the start.

"The US already leads the world in natural gas production and LNG exports. We will double this capacity in the coming years," Menezes said.

Menezes also said that global natural gas demand remained high, with the US playing a key role in ensuring supply security and price stabilisation.

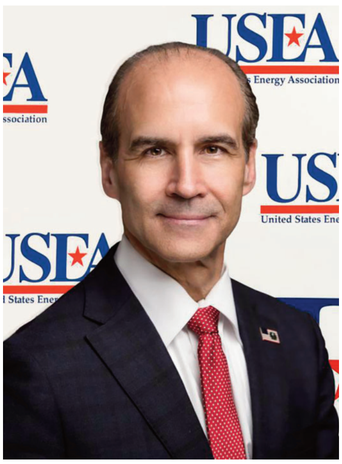
He emphasised that areas of partnership between the US and Türkiye are not limited to LNG and nuclear energy. "It is important that the US and Türkiye remain strong allies in terms of global security goals.

"Türkiye and the US have a very long relationship. I think it is important to recognise the role the US can play in ensuring Türkiye has energy abundance.

"The rapid expansion of data centres, due to artificial intelligence proliferation has increased energy demand," Menezes said. "This need will be met by natural gas and renewable energy sources in the short term and nuclear energy in the long term.

"The US is working to offer these technologies at affordable costs.

"LNG export growth will continue alongside increased use of renewable energy and battery technologies," Menezes said, explaining that geothermal energy, small modular reactors and fusion energy will also feature on the energy agenda. ■



Mark Menezes, President US Energy Association

NEWS BRIEF

L&T wins large onshore tank order

Indian based engineering company, Larsen & Toubro's (L&T) hydrocarbon onshore business has won a large order from state-owned Petronet LNG.

The project, to be delivered on a lumpsum turnkey basis, comprises engineering, procurement, construction and commissioning (EPCC) of an LNG/ethane double-wall storage tank with a capacity of 170,000 cu m and a propane double-wall storage tank with a capacity of 140,000 cu m at the Dahej petrochemical complex in Gujarat.

The scope also includes ethane and propane handling and despatch facilities to support the plant.

This project is part of India's first petrochemical complex integrating cold energy utilisation from an LNG terminal and is expected to contribute towards bridging the domestic polypropylene demand-supply gap, L&T said. ■

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Woodside's Scarborough project moves ahead

Woodside Energy has announced a major milestone in its Scarborough Energy project with the arrival of the FPU.

The 70,000 tonne unit arrived under tow from China at the Scarborough field, 375 km off the coast of Karratha, Western Australia and once hooked up will process gas from the Scarborough Field.

Woodside's acting CEO, Liz Westcott, said the project was now more than 91% complete.

"Having the FPU, an integral component of the Scarborough Energy project, safely in the field is a momentous way to begin 2026.

"Its successful arrival is a further demonstration of the Woodside, McDermott and subcontractor teams' collaboration and commitment to safe delivery of the project.

"At the start of 2025, the FPU hull and topsides were being constructed in separate yards. Since then, they have been integrated into a single unit and delivered into Australian waters, with work on securing the mooring lines underway.

"Our focus now shifts to the hook-up and commissioning phase in preparation for production, and ultimately, first LNG cargo which is on track for the second half of this year," she said.

The Scarborough FPU, one of the largest semi-submersibles built thus far, was described as the centrepiece of the Scarborough joint venture's upstream development.

Meanwhile, Woodside Energy Trading Singapore has signed a sale and purchase agreement (SPA) with Japanese utility JERA to supply three LNG cargoes of around 0.2 mill tonnes per year for five years during Japan's peak winter period, commencing in 2027.

The LNG will be supplied on a delivered ex-ship (DES) basis to Japan during the northern hemisphere winter months (December to February).

LNG volumes will be sourced from Woodside's global LNG portfolio, leveraging assets, such as Scarborough, North West Shelf, Pluto LNG and LALNG, once operational.

The agreement firms up a heads of agreement (HoA) signed in June, 2025 and follows Woodside's sale in 2024 of a 15.1% non-operating participating interest in the Scarborough Joint Venture to JERA and a loan agreement with JBIC to support the Scarborough Energy project.

This latest SPA with JERA reflects the strong momentum Woodside achieved in 2025, converting multiple HOAs into binding SPAs, the company said.

Woodside also said that it remained focused on building on this momentum in 2026 and beyond, expanding into emerging markets and offering innovative, flexible LNG solutions aligned with customer requirements. ■

NEWS BRIEFS

Qatar's gas spending increased last year

Last year, Qatar recorded a sharp increase in gas sector contract awards.

The total value doubled year-on-year to $12.3 bill, according to a report by local media outlet Zawya.

Total contracts awarded by Qatari interests reached $23.1 bill in 2025, representing a 4% increase from $22.2 bill the year before.

This growth was driven primarily by a surge in gas-related projects, which rose from $6 bill in 2024 to account for more than half of all last year's awards. The gas sector represented 53.2% of total contract values last year.

One of the largest gas contracts awarded, particularly in 4Q25, was a $4 bill engineering, procurement, construction and installation (EPCI) contract for the second phase of the North Field production sustainability project.

Awarded by QatarEnergy LNG, the contract went to a consortium, comprising Saipem and China Offshore Oil Engineering.

In contrast, Qatar's oil sector saw a 6.4% year-on-year decline in contract awards, falling to $6 bill in 2025 from $6.5 bill in 2024.

The report also revealed a significant slowdown in project activity across the Gulf region.

Total contract awards for Gulf Co-operation Council (GCC) members fell 32% year-on-year in 2025 to $213.4 bill, down from $314 bill in 2024.

The decline was driven mainly by weaker project activity in Saudi Arabia and the UAE. Qatar and Kuwait were the only GCC markets to record growth during the year.

'Coral Norte' hits the water

The hull of the 'Coral Norte' FLNG was launched on 16th January at the Geoje Island facility of Samsung Heavy Industries.

'Coral Norte' will be the second FLNG unit to be deployed in the Rovuma Basin waters, offshore Cabo Delgado, north of Mozambique, by developer Eni and will produce gas from the northern part of Coral gas reservoir.

Building on the knowledge and experience gained since 'Coral Sud' began production in 2022, 'Coral Norte' is designed to deliver enhanced efficiency and optimised performances, reducing costs and minimising execution risks with the goal of completing the project on schedule by 2028, Italian energy company, Eni said.

With a 3.6 mill tonnes per annum liquefaction capacity, 'Coral Norte' will double Mozambique's total LNG output to 7 mill tonnes per annum, once commissioned.

Eni has been present in Mozambique since 2006. Between 2011 and 2014, the company discovered vast natural gas resources in the Rovuma Basin, in the Coral, Mamba Complex and Agulha reservoirs, with around 2,400 bill cu m of gas in place. 'Coral Sud' has already delivered more than 135 LNG cargoes. ■

Small-scale plants' growth drives Chinese company

As demand grows for flexible, distributed, and efficient natural gas infrastructure, the technology to enable the liquefaction, processing, and LNG distribution has become increasingly critical.

Among the innovators in this specialist field is China's Hangzhou Lianghuan Technology Co (HLT), which manufactures LNG technology, particularly mini-scale LNG systems and natural gas processing plants.

The growth of smaller-scale applications, such as fueling remote power generation, industrial plants, ships, and heavy-duty transport, has created a market for compact and efficient liquefaction solutions.

Manufacturers must balance technical complexity with operational reliability, often customising designs to suit specific feed gas conditions, output capacities, and site constraints, the company said.

HLT's mini scale LNG systems addresses the need for decentralised, modular liquefaction units. They are designed for capacities typically ranging from 0.5 to 50 tonnes per day, making them suitable for gas fields with limited reserves, isolated communities, mining operations, or transportation fueling stations.

Key technological challenges include achieving high energy efficiency in compact footprints, ensuring stable operation with fluctuating gas compositions, and minimising maintenance requirements, HLT said.

Time/cost reduction

By focusing on skid-mounted, prefabricated designs, the manufacturer reduces on-site installation time and cost, offering a practical pathway to monetise stranded or associated gas that would otherwise be flared.

The company's capability in designing and supplying natural gas processing plants also complements its LNG focus.

Before gas can be liquefied, it must often be treated to remove impurities, such as water, carbon dioxide, sulphur compounds, and heavy hydrocarbons.

Processing plants built by HLT incorporate technologies, such as amine sweetening, molecular sieve dehydration, and mercury removal, tailored to meet pipeline specifications or liquefaction feed requirements.

This integrated approach — from gas treatment to liquefaction — enables the company to offer clients a more comprehensive technical package, reducing interface risks and improving overall project coherence, the company claimed.

Regions with distributed gas resources, such as parts of Asia, Africa, and Latin America, are increasingly investing in small-scale LNG to support economic development without relying on large capital-intensive infrastructure.

Similarly, stricter environmental regulations against gas flaring and growing interest in using LNG as a cleaner alternative to diesel in mining and shipping, are driving demand for scalable, deployable solutions.

Industry trends also point toward greater standardisation and automation in LNG plant design.

Manufacturers are incorporating advanced process control systems, remote monitoring capabilities, and predictive maintenance tools to enhance operational safety and uptime.

In addition, the potential integration of renewable energy sources — such as using solar or wind power to supplement the liquefaction process — is being explored to reduce the carbon footprint of small-scale LNG production.

For clients, partnering with a technology manufacturer that covers both processing and liquefaction can streamline project development, from feasibility studies to commissioning.

This ensures consistency in design philosophy, equipment compatibility, and after-sales support, which is particularly valuable for operators with limited in-house technical expertise, HLT stressed. ■

Poland's small scale LNG success

Last year, Polish energy company, ORLEN claimed to have further consolidated its position in small-scale LNG supplies.

Orlen said that it had delivered more than 245,000 tonnes of LNG to customers, sufficient to supply all households in cities with populations of about 200,000 for nearly five years.

The LNG was sourced mainly from Poland's Świnoujście terminal, as well as from the small-scale LNG reloading facility at Lithuania's Klaipėda terminal, plus the company's own production, handling a combined total of 13,000 road tankers last year, ORLEN said.

The gas was supplied by road to private consumers and businesses in areas with limited access to Poland's national gas grid.

Of the total, 192,000 tonnes emanated from the Świnoujście terminal, over 33,000 from Klaipėda, and more than 20,000 tonnes from ORLEN's own Odolanów and Grodzisk Wielkopolski production plants.

"The scale of our LNG deliveries confirms the ORLEN Group's strong position in the domestic market and our growing potential across the Baltic states.

"Liquefied natural gas is essential for ensuring secure and uninterrupted energy supplies, particularly in areas with limited access to gas network infrastructure. It is also a key enabler of the energy transition in Polish industry and transport.

"Thanks to our LNG import contracts and reserved access to reception and reloading infrastructure in Poland and Lithuania, we are well positioned to respond effectively to our customers' natural gas requirements," said Grzegorz Bujnowski, ORLEN's Executive Director for Gas Trading.

Last year, ORLEN fully utilised Świnoujście's LNG reloading capacity, handling almost 11,000 road tankers at the facility.

Since the terminal was commissioned in 2016, nearly 51,000 road tankers have been loaded, corresponding to roughly 1 mill tonnes of LNG, the company added.

Klaipėda's re-loading facility recorded a 32% year-on-year increase in volumes handled, resulting in the delivery of more than 8,000 tonnes of LNG to ORLEN customers.

Since the facility came online in 2020 until the end of last year, nearly 102,000 tonnes of small scale LNG was supplied to customers. ■

> **"Liquefied natural gas is essential for ensuring secure and uninterrupted energy supplies, particularly in areas with limited access to gas network infrastructure"**
>
> *- Grzegorz Bujnowski, Executive Director for Gas Trading,ORLEN*