

## **ADNOC Awards \$1.36 Billion Contract For The Construction Of Artificial Islands**

The Abu Dhabi National Oil Company (ADNOC) has awarded a \$1.36 billion contract for the construction of the Ghasha concession artificial islands to the UAE's National Marine Dredging Company (NMDC).

As per the deal, NMDC will construct 10 new artificial islands and two causeways, as well as expand an existing island, Al Ghaf. The project is expected to take 38 months to complete and will provide the infrastructure required to further develop, drill and produce gas from the sour gas fields in the Ghasha Concession. At peak construction, the project is expected to employ over 3,500 people.

The deal will drive substantial In-Country Value back into the UAE's economy through the use of mostly local suppliers, manufacturers and workforce, resulting in a total local spend of nearly \$1 billion—70% of the total spending.

The use of artificial islands will eliminate the need to dredge over 100 locations for wells and provide additional habitats for marine life. The Ghasha Concession consists of the Hail, Ghasha, Dalma, Nasr and Mubarraz offshore sour gas fields.

Recently, ADNOC awarded stakes in the Ghasha Concession to Italy's Eni (25%), Germany's Wintershall (10%) and Austria's OMV (5%). The mega-project is expected to produce over 1.5 billion cubic feet of gas per day when it comes on stream around the middle of the next decade, enough to provide electricity to more than two million homes. In addition, more than 120,000 barrels per day of oil and high-value condensates are expected to be produced.

"This award accelerates the development of the Ghasha Concession mega project, which is an integral part of ADNOC 2030 smart growth strategy" said Dr Sultan Ahmed Al Jaber, UAE Minister of State and ADNOC Group CEO.

He added that the development of the Ghasha Concession mega-project will make a significant contribution to the UAE's objective to become gas self-sufficient and transition to a potential net gas exporter.

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