

Ladies and gentlemen,

First of all, we salute the 10th conference of producers and consumers of the Liquefied Natural Gas (LNG), co-organized by the Asia and Pacific Energy Research Centre.

I would like to extend my greetings to this great audience, made up of important political and economic decision-making figures from all over the world, scientists and engineers who are dedicated to the development and innovation of the gas industry, my greetings go as well as to all those who are involved in LNG business as producers or consumers.

The Ministry of Energy and Water of the Republic of Angola is in this case on the side of LNG consumers due to its responsibilities for the generation, transmission and distribution of electricity.

Angola has a high potential for the production of natural gas, with proven reserves of 270 billion m<sup>3</sup>. Angola also has considerable reserves of associated natural gas, part of which are being used by the Angola LNG project located in Soyo.

The Angola LNG project also produces liquefied petroleum gas (LPG) - from the gases associated from oil exploration.

The Government's present strategy on access to electricity is part of the political objective of providing universal access to quality, modern, efficient and development, hence, promoting energy services.

This strategy aims to contribute to the sustainable development of the Angolan economy, improving the living conditions of the population, particularly those who do not yet have access to the public power supply service.

Despite the low costs of electricity generation associated to large hydropower plants that are concentrated in the rivers of higher flow, particularly in the Kwanza River Basin and the Northern System, combined with hydrological variability and unpredictability, there is the need to build long power transmission corridors with high financial costs.

On the other hand, it is not possible to supply the entire extent of the country with electricity produced in this way, through the power lines; there is then a need to maintain some diesel and gas thermal generation to maintain the stability of power supply and ensure generation in years of lower rainfall as a result of the effects of climate changes.

At this moment, our energy matrix is as follows:

Water production: 63%, Diesel: 22.5%, LNG: 14% and Hybrid: 0.5%

Taking into account the high costs of diesel production in terms of diesel price and the maintenance costs of the equipment in addition to the pollution of the atmosphere and the greenhouse effects caused by CO<sub>2</sub> emissions, there is every advantage in gradually reducing the use of diesel through the conversion of diesel to LNG.

The elimination of the Government subsidy for power generation has reinforced the need to replace Diesel with clean and cheaper power supply, especially photovoltaic and LNG, by this way contributing significantly to the reduction of electricity production costs and, therefore, accelerate the expansion of electrification at the same time increase the rate of access to electricity in peri urban as well as in rural areas.

On the other hand, the requirements for a healthier and cleaner environment applied in all industrialized as well as in non-industrialized countries forces us to adopt solutions for clean energy generation. We have no right to subtract ourselves from the Energy Transition process.

Let us conclude by encouraging all those who are dedicated to development and innovation in the field of LNG to continue to work with dynamism and effort taking into account the important role played by LNG ; its availability at low price and the reduced costs for its production are very important, taking particular attention to the solutions for its safe transportation and storage.

I wish success to the works of this 10<sup>th</sup> LNG Producers and Consumers Conference.