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Industrial Gas Users Association - Southern Africa

Regional Gas Integration as a Catalyst for Namibia's Energy Leadership and Industrial Growth

Jaco Human | IGUA-SA & GasHub

Namibia Oil & Gas Conference & Exhibition 2026

The Central Proposition

- Namibia can move from an emerging upstream player to an anchor of regional gas integration.
- Its resource base and coastal position can connect Namibian supply to Windhoek, Walvis Bay and South African demand centres.
- Regional development, rather than isolated national strategies can unlock scalable, bankable infrastructure and accelerate resource monetisation.
- The West Coast Gas (WCG) initiative provides a practical platform for this regional integration.

The opportunity is bigger than gas supply: it is regional energy resilience, industrialisation and investment.

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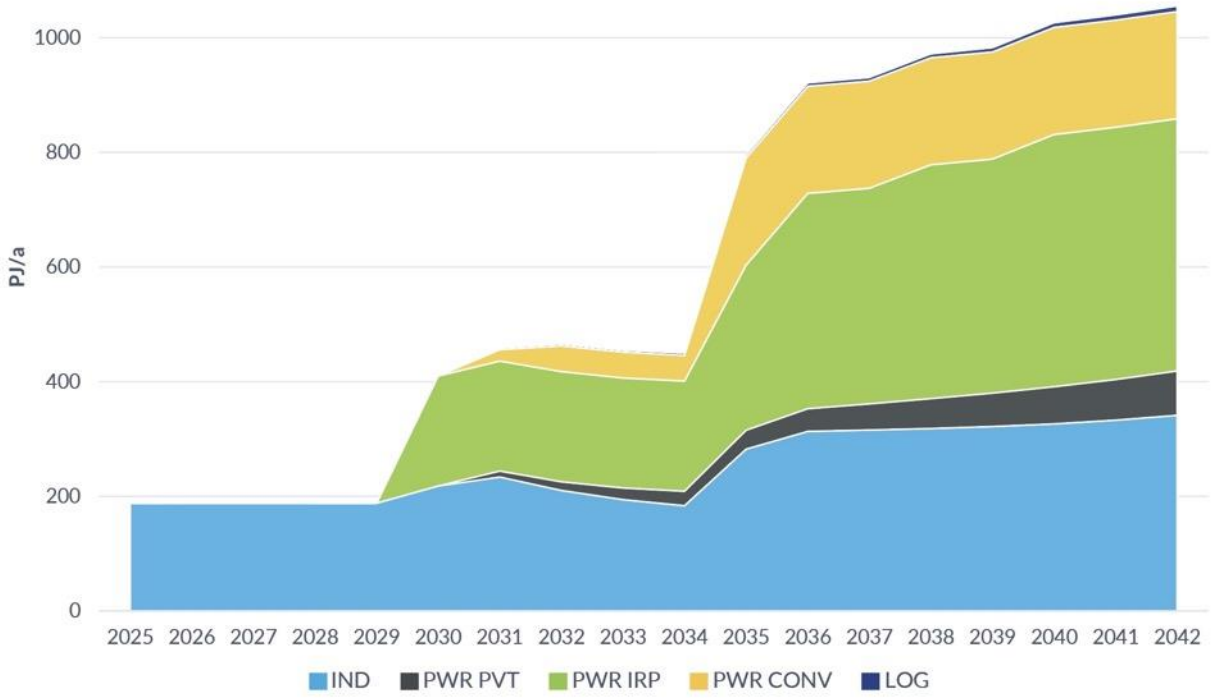
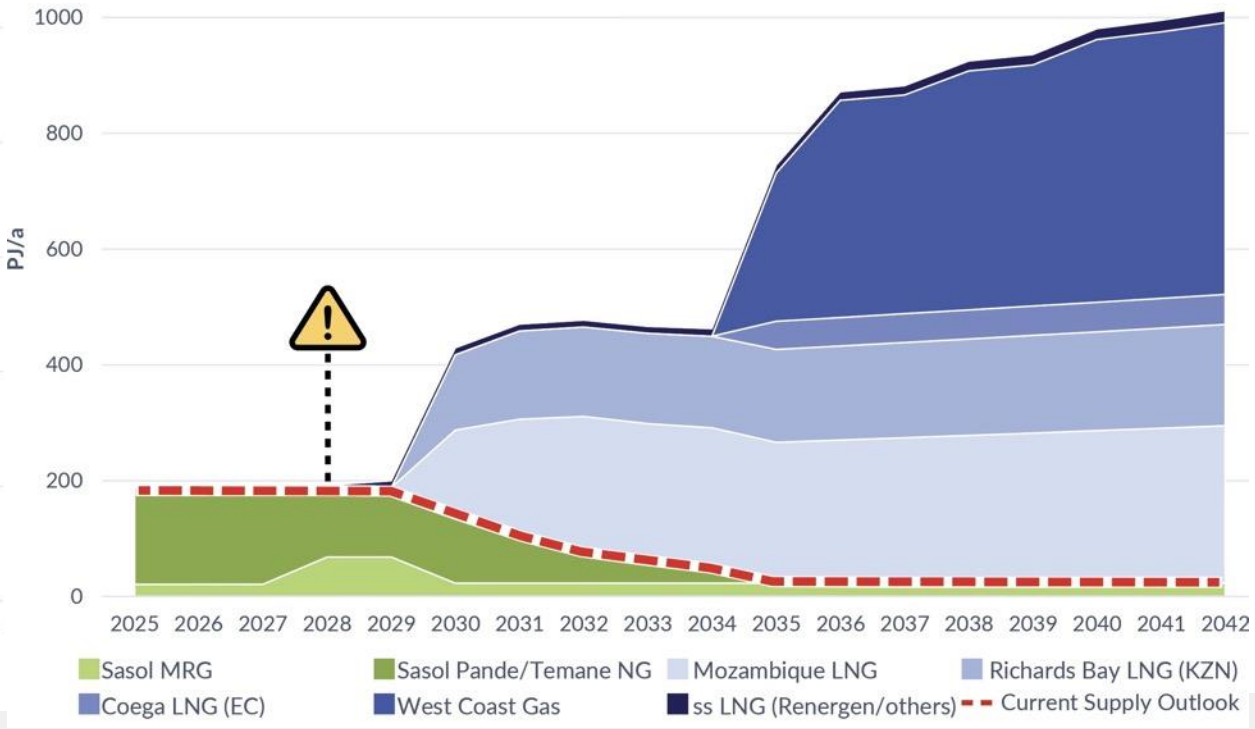
SA gas macro demand and supply

South Africa Gas Demand



South Africa Gas Supply



SA Gas Demand

- SA is pivoting towards a gas energy dependent energy mix – less coal, more gas, more RE
- Demand to grow with the onset of LNG and West Coast Gas
- From ~180PJ/a (2025) to ~450PJ/a (2033) to ~1050 PJ/a (2040)
- LNG will bridge SA towards the onset of domestic gas, and plateau afterward
- **SA cannot sustain full demand at LNG economics; therefore domestic gas is an imperative**

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West Coast Gas dynamics

West Coast Gas (WCG) has the potential to industrialise the Southern African economy through improved access to gas and cheaper power

Key Risks

- There is no clear infrastructure plan or public investment framework for gas development in South Africa
- LNG is more expensive; over-reliance on LNG may limit gas demand and economic growth

Key Opportunities

- ✓ **~$6–8/GJ (WCG) vs ~$12/GJ (LNG) creates up to $4.2bn/year economic benefit** (from 2033)
- ✓ Lower-cost gas supports re-industrialisation and petrochemical growth
- ✓ Enables regional economic development across key demand corridors
- ✓ Supports sector growth in power, mining, steel and industrial sectors:

  Northen Cape (power, mining)
  Western Cape (steel, industrial, power, mining)
  Gauteng (power, smelters, industrial, petro-chemical)
  Mpumalanga (steel, industrial, mining, petro-chemical)

Key assumptions: The monetisation and investment case of WCG include a focus on upstream and midstream pricing, with an upstream gas price hypothesis of $3–6/GJ and a midstream of ≤$3/GJ. Pipeline CAPEX is assumed at USD 75,000 per inch/km, with O&M at 2% of CAPEX over a 25-year analysis period. Upstream development costs recovered through the gas price (~$3-6/GJ).

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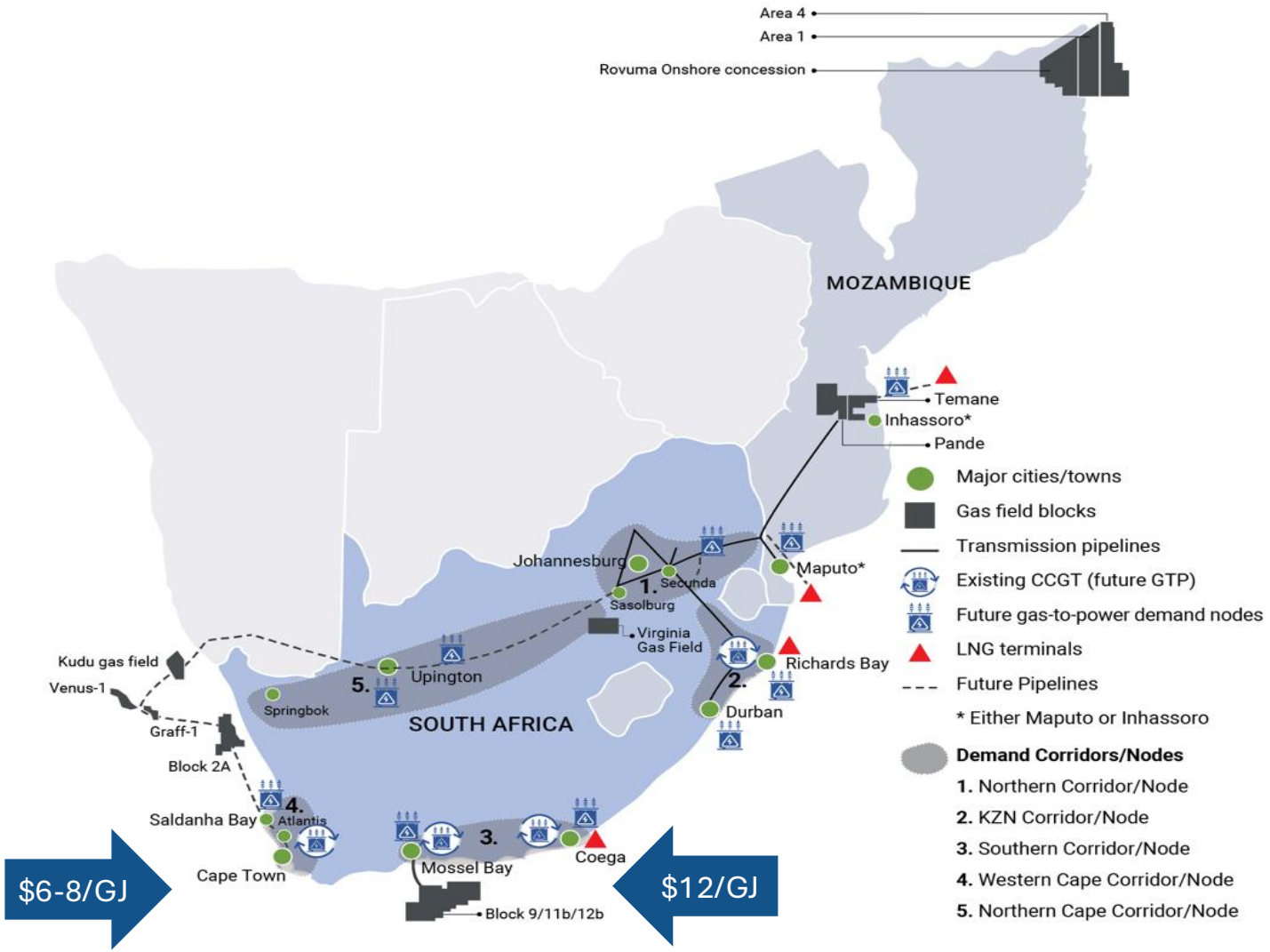
The West Coast Gas Solution

- Pipeline Concept & Routing Options
- Key Nodes & Flows: Overland / Sub Sea
- SA Gas Supply - Supply Mix by 2042

The WCG PFS imperative – an SA perspective



South Africa has two supply options but demand is spread across key corridors. WCG is needed to connect them.

Supply

- East Coast – Imported LNG
- West Coast – Indigenous natural gas

Demand

5 unique demand corridors/nodes

1. Northern (Gauteng & Mpumalanga) corridor/node
2. KZN corridor/node
3. Southern (Eastern Cape) corridor/node
4. Western Cape corridor/node
5. Northern Cape corridor/node

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SA Gas Supply - Supply Mix by 2042

SOUTH AFRICA	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Sasol MRG	21	21	21	68	68	23	23	23	23	23	23	23	23	23	23	23	23	23
Sasol Pande/Temane NG	167	167	167	120	120	120	84	59	41	29								
Mozambique LNG (KZN)						23	24	24	25	25	26	26	27	27	28	29	29	30
Mozambique LNG (GP & MPU)						121	176	205	210	214	218	221	224	228	231	235	238	242
Mozambique LNG						144	199	229	234	239	243	247	251	255	259	263	268	272
Richards Bay LNG (KZN)						130	152	154	156	158	160	162	164	167	169	171	173	175
Coega LNG (EC)											49	49	50	50	51	51	52	52
West Coast Gas (WC)											39	109	111	113	114	116	118	120
West Coast Gas (NC)											32	80	80	112	112	144	144	144
West Coast Gas (GP)											185	186	187	188	190	194	198	205
West Coast Gas											256	375	378	413	417	454	460	469
ss LNG (Renergen/others)	1	2	3	4	12	12	12	12	12	13	14	15	16	17	18	19	20	21
11b/12b NG											64	64	64	64	64	64	64	64
Gas availability	**189**	**190**	**191**	**192**	**200**	**430**	**470**	**477**	**467**	**463**	**809**	**936**	**946**	**989**	**1000**	**1045**	**1059**	**1076**

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Potential pipeline routing options

LEGEND

WCG Line 1 – Lüderitz to Sasolburg	1 526km
WCG Line 2A – Sishen to Saldanha (Overland)	811k m
WCG Line 2B – Sishen to Saldanha (Sub-sea)	circa 750 km
WCG Line 3 – Saldanha to Atlantis	90km
WCG Line 4 – Keetmanshoop to Windhoek	486km
WCG Line 5 – Windhoek to Walvis Bay	396km

*either 2A or 2B

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Potential pipeline routing – overland

	PJ / a
Landfall @ Elizabeth Bay	**455**
Windhoek / Walvis Bay	75
WC / Atlantis	100
Northern Cape (IPP)	80
Sasolburg	200

No Sub Sea Routes	Starting Value	Off Take
Landfall @ Elizabeth Bay	455	
Keetmanshoop Intersection	455	
Windhoek		25
Walvis Bay		50
Sishen Intersection	380	
IPP Node at Sishen		80
WC / Atlantis		100
Sasolburg	**200**	

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Potential pipeline routing – sub sea

	PJ / a
Landfall @ Elizabeth Bay	**355**
Windhoek / Walvis Bay	75
Northern Cape (IPP)	80
Sasolburg	200

Sub Sea to WC / Atlantis	Starting Value	Off Take
Landfall @ Elizabeth Bay	355	
Keetmanshoop Intersection	355	
Windhoek		25
Walvis Bay		50
Sishen Intersection	280	
IPP Node at Sishen		80
Sasolburg	**200**	
Sub Sea to W/C Atlantis	**100**	

Who Needs to Collaborate Now?

Collaboration is required across Government, Treasury, and Industry to address South Africa's gas crisis. The following main stakeholders must work together to secure the future gas stability and economic resilience

	**Intra Presidency and Government Endorsement** Strengthened bilateral agreements and shared infrastructure with Namibia will improve affordability, enhance energy security, and deepen regional integration. The Governments play a critical role in mobilising the national gas response. A bilateral Gas Task Team is required to lead and coordinate actions across energy, Treasury, and Trade portfolios.
	**Upstream/downstream sectors & DFI's to lead feasibility** Upstream operators, Industry and DFI's to lead structured feasibility study.
	**Finance and Investment Partners (National Treasury, SOEs, Private Sector and Financial Institutions)** **Future** fiscal and investment coordination is essential. A public private risk-sharing framework with guarantees, viability- gap funding, and blended-finance instructments is needed to unlock private capital and ensure project bankability.
	**Industry (i.e. GasHub) and Governments to Aggregate Demand** Continue to strengthen collective procurement by developing aggregation opportunities, like GasHub, to help secure long-term LNG and gas supply contracts to boost investment confidence.

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A regional gas opportunity requires

regional collaboration

Namibia has the opportunity to anchor a new Southern African gas corridor , linking resource monetisation with industrial growth, energy resilience and investment.

IGUA-SA and GasHub stand ready to support the partnerships, demand aggregation and project development required to move from concept to implementation.

THANK YOU

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