



CASE STUDY

# LNG Supply & FSRU Contracts Negotiation

FTI Consulting was retained to support an African state-owned energy company which envisaged commissioning a large-scale LNG import infrastructure and LNG supply under a Public-Private Partnership (PPP). FTI Consulting's experts reviewed the proposed PPP deal structure, provided an economic assessment of all contracts envisaged, as well as negotiated on behalf of the public authorities with the private investors.

## SITUATION

An African state-owned energy company had decided to commission a large-scale LNG import infrastructure and supply under a PPP with oil&gas majors, for a combined engagement >\$5 billion.

## OUR ROLE

FTI Consulting reviewed the proposed PPP deal structure, provided an economic assessment of all contracts envisaged, as well as negotiated on behalf of the state-owned company with the private investors. Analyses focused on the risk sharing equilibrium and competitiveness of the solutions supporting the long-term LNG supplies, the onshore gas infrastructure as well as the Floating Storage & Regasification Unit (FSRU). FTI Consulting recommended and negotiated detailed evolutions in the term sheet set-up and draft gas sales contract, to align the project on best practice from benchmarks and an efficient allocation of risks, as well as to cater for the concrete technical requirements of the fast growing downstream market.

## OUR IMPACT



FTI Consulting represented the State entities in negotiations of the draft PPP deal with investors, successfully increasing the competitiveness, the risk sharing and the fit with the national gas needs.

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