

Australia's Woodside signs Taiwan LNG deal worth up to 45 bln aud

02.29.08, 2:23 AM ET

SYDNEY (XFN-ASIA) - Australia's Woodside signed a preliminary agreement to supply liquefied natural gas (LNG) to Taiwan potentially worth 45 bln aud over 20 years, Trade Minister Simon Crean said.

Crean said the deal with Taiwan's state-run CPC Corporation could equal the largest trade deal in Australian history, an LNG supply contract with China signed in 2003.

He said the agreement, first mooted in November, was for 2-3 mln tonnes a year of LNG from Woodside's planned Browse development in Western Australia for 15-20 years, commencing between 2013 and 2015.

'The LNG supply agreement has the potential to bring revenues in the order of 35-45 bln aud into Australia, equal to the largest-ever single trade deal in Australia's history,' Crean said in a statement.

'The future for Australia's energy sector is an exciting one. We have a reputation as a secure and reliable supplier of clean energy on competitive, market terms.

Demand for LNG imports from the major markets of North Asia is expected to increase from over 90 mln tonnes in 2006 to 140 mln tonnes by 2020.'

Crean said Taiwan was Australia's eighth largest merchandise export market, worth 5.9 bln aud last year, with major exports including coal, copper, iron ore and aluminum.