

bunkerworld

www.bunkerworld.com

May/June 2008

North Africa's bunkering boom

Economic reforms introduced in Libya and Egypt are beginning to draw major investment to the countries' bunker sectors, boosting their Mediterranean presence.

Bunker players on the North African coast of the Mediterranean are preparing for a period of growth.

"North Africa is a very attractive investment destination for many investors," a spokesman for Nour Libya Marine Service Company (NLMSC) told Bunkerworld. "We expect a steady growth for the years to come."

NLMSC has been supplying bunkers offshore from its bunker tanker *Nour 1*. So far, the 3,200 deadweight tonne (dwt) vessel has been deployed north-west of Tripoli, but now NLMSC says it is poised for expansion.

"For the moment, we are focusing on the area off Tripoli," said the spokesman, Naaman El-Bouri, the company's deputy chairman. "Our second area will

be off the Libyan port of Tobruk and we hope to be adding to the fleet in the very near future."

Tank Farm

Two major developments are in prospect, according to El-Bouri.

"We are in final negotiations with a number of international investors to join forces in establishing a storage tank farm in Libya. "This will enable us to better serve the market and to increase our bunker fleet."

The other project, he said, was to begin supplying bunkers in Libyan ports. The aim was to start operations "very soon".

"The recent economic changes taking place in Libya offer NLMSC great potential," claimed El-Bouri. "We expect a large increase in ships and tankers calling at Libya ports in the

near future."

He said that some 70% of West-East shipping traffic passed Libyan shores.

NLMSC sources marine gasoil (MGO) and 120 centistoke (cst) residual product from Libyan refineries and imports other bunker product from the international market. Libyan refineries do not currently produce residual fuel of a higher viscosity than 120 cst. El-Bouri said demand came from container vessels and tankers.

Looking ahead, he saw growing interest in stems of low sulphur product. He said Libya was well placed for the change as residual fuel from Libyan refineries generally had a sulphur content below 1%.

NLMSC was among the first ventures to be set up after the

reforms that allowed foreign companies to invest in Libya. It was founded as a joint venture between Norway-based BA Wahl Invest SA and Libya's Estelab Shipping Agency and RH Shipping Agency. It has been supplying bunkers since 2006. On prices, he said NLMSC aimed to be competitive relative to other locations in the Mediterranean.

Eyes On Egypt

Further east on the North African Mediterranean coast, the Egyptian ports of Alexandria and Port Said are seeing major investments in bunker infrastructure.

Work is progressing on a new bunker and bulk liquids storage terminal in Port Said. The terminal is being built by Mashreq Petroleum, a subsidiary of Taqa, an Egyptian energy company and



**HORIZON
TERMINALS**

Horizon Singapore Terminals Pte Ltd
Tel: +65 6303 8200 Fax: +65 6303 8230
www.horizon-terminals.com

**Focus on the
Mediterranean**

Control of ship emissions:

**Analysis of
amendments to
MARPOL Annex VI and
implications for the
Mediterranean- 3-4**

**Mediterranean
focus: Knowledge
is everything - 5**

**MARPOL Annex VI
revision signals new
low emissions era -
6-8**

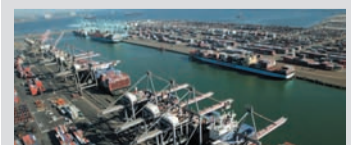
**VIP profile:
Jetoil's
Alexander
Mamidakis
- 9**

Regional news from:



**Europe - 11
Middle
East - 14
Asia - 17
Americas - 19**

**Sustainable shipping
news - 20 - 21**



Alexandria seeing major investment in bunkering.

FOCUS ON THE MEDITERRANEAN

bunker
world

PUBLISHER

Petromedia Ltd.
Gainsborough House
59/60 Thames Street
Windsor
Berkshire SL4 1TX
UK

EDITOR

Guy Wilson-Roberts
Tel: +1 604 692 2552
guy@bunkerworld.com

PUBLICATION MANAGER

Paul Davis
Tel: +1 876 567 6151
paul.davis@bunkerworld.com

BUNKERWORLD
ANNUAL SUBSCRIPTION
RATES:

Magazine: \$95
Full online licence (including
News and Prices): \$2495
'5 user news' online license:
\$1,245

EUROPE & AMERICAS
SALES:

David Post
Tel: +44 (0)1753 272 250
Fax: +44 (0)1753 272 251
sales@bunkerworld.com
Petromedia Ltd
Gainsborough House
59/60 Thames Street
Windsor, Berkshire SL4 1TX
United Kingdom

ASIA SALES:

Daryl Ng
Tel: +65 6324 0920
Fax: +65 6327 8743
sales@bunkerworld.com
Petromedia Pte Ltd.
91B Tanjong Pagar Road
Singapore, 088512

PRODUCTION

Vivian Chee
Tel: +44 (0)20 8995 5540
chee@btconnect.com

No part of this publication may be reproduced or stored in any form by any mechanical, electronic, photocopying, recording or other means without the prior written consent of the publisher. Whilst the information and articles in Bunkerworld are published in good faith and every effort is made to check accuracy, readers should verify facts and statements direct with official sources before acting on them as the publisher can accept no responsibility in this respect. Any opinions expressed in this magazine should not be construed as those of the publisher.



Suez Canal shipping traffic will feed regional growth.

the biggest private equity company in the region.

It announced the plans for the new facility at the Bunkerworld conference in Athens in May a year ago. Mashreq said its target, once operations become established, is to supply up to five million metric tonnes (mt) of marine fuel a year. The company wants the facility to be in operation by 2010.

Most of the product will come from outside Egypt, in particular from the Black Sea. In the past, the state-owned Egyptian General Petroleum Corporation (EGPC) has been almost the sole provider of product to the bunker market.

The new Mashreq terminal will be close to the Maersk container terminal on the eastern side of Port Said. A source at Mashreq told Bunkerworld the terminal would have 150,000 cubic meters of capacity dedicated to bunker products. The plan is to have four delivery barges of between 3,000 and 6,000 dwt with four berths for loading.

New Opportunities

"The project has a unique location, situated at the northern entrance of the Suez Canal, the busiest maritime route in the world," a Mashreq spokesman told Bunkerworld. "It is within the Port Said perimeter and can serve a huge volume of shipping."

He said the location was a natural attraction for logistics operations, being "near a concentrated

high-volume traffic route as well as ships docking in the port."

"Mashreq will open new marketing opportunities in the Mediterranean and in the region," he said.

Work on the project has been moving ahead and is in advance of schedule. The basic contract for the shore protect work has been concluded. Dredging work, being undertaken by the Suez Canal

bring bunker prices down throughout the region. Port Said currently sells around 300,000 mt of bunker fuel a year, but the size of the market has been restricted by a lack of product availability.

The relaxation of import restrictions has also opened the way for an expansion of bunkering operations in the Egyptian port of Alexandria.

Macoil International SA

Alexandria's bunker market for almost two years and, at the beginning of this year, expanded its operations into Port Said. It has its own storage facilities in both ports. Chris Antoniadis, Trade and Project Manager, has told Bunkerworld that Macoil wants to develop Alexandria as a bunkering centre.

The company claims it is the only trader in Egypt that imports

"The recent economic changes taking place in Libya offer NLMSC great potential...We expect a large increase in ships and tankers calling at Libya ports in the near future."

- Naaman El-Bouri, deputy chairman, Nour Libya Marine Service Company

Authority, is in progress.

The venture became possible after the Egyptian authorities relaxed import restrictions. Dr. Tamer Abubakr, Managing Director of Mashreq, has said the company aims to bunker some of the 9,000 ships that currently head south through the Canal each year, as well as some of the 3,000 ships that visit Port Said's container and cargo terminals.

He predicted that Egypt would become an energy hub and that the development could

announced in May that it had deployed its own double-hulled bunkering vessel, the *Vemaoil XV*. The company described it as another step in its development as an independent bunker supplier in Egypt.

Greece-based Macoil said the 13,225 dwt bunkering vessel has been licensed by Egyptian authorities and would initially deliver in Alexandria, El Dekheila, Abu Qir and Sidi-Kerir areas.

Macoil has been active in

cargoes for its bunker market operations independently. Macoil also makes deliveries in Egypt using barges owned by Egypt's bunkering companies Societe Cooperative Des Petroles (Copetrole) and Misr Petroleum.

Antoniadis said the *Vemaoil XV* would increase Macoil's competitiveness.

"We are focusing and investing a lot in this country," he said. ■

Nick Jameson