



Petrofac 

UK-Algeria Trade & Investment Forum, 10 December 2014

Petrofac in Algeria

Introduction to Petrofac

- **Petrofac is a leading European service provider to the international oil and gas industry**, with over 18,000 employees across the world
- **33 years' experience and a track record of several hundred projects** across our key markets of the Middle East, Africa, CIS, Asia Pacific and UK Continental Shelf
- **Our capabilities span the oil and gas value chain**; subsurface, asset management, field development, engineering, construction, operations, maintenance and training
- We provide these services as standalone offerings **but can also integrate them under aligned commercial models to support asset development and operation**

Petrofac's history in Algeria

Continuous presence in Algeria for the last 18 years – combined value of all our projects to date is \$7.5 billion

2014-Reggane North Development Project EPPCS, US\$1bn

2014 E & P services to In Amenas plant train 3

2013 - Separation and Inlet Boosting Facilities – Alrar, \$700m



2009 - El Merk Field CPF for Groupment Berkine/ Sonatrach Anadarko Association, US\$2.2bn

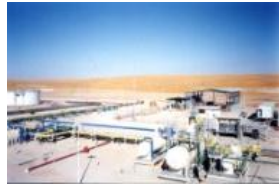


2010 - Hassi Messaoud Training Centre opens



2012 - Expansion of Algiers Engineering office

2000 – desalters Hassi Berkine South oil field stage 2 project



1997- Tifernine oil field development



2002 - ARCO El-Djazair Rhourde El Baguel



2011- ISG Southern Fields Development project US\$1.2 billion

2004 - In Amenas Gathering System for In BP/Statoil



2008 - In Salah Gas Compression Project for Sonatrach / BP / Statoil, US\$665m



1997- Petrofac Algeria established



2000 – Ohanet gas project for BHP Petroleum Limited

Petrofac

Our current operations



EI Merk Field CPF – Value: \$2.2bn



In Salah Development – Value: \$1.2bn



Al-rar Gas Field, recent contract – Value: \$700m



Reggane, recent contract – Value: \$1bn

Developing local capability

- Local delivery is a key part of our strategy in Algeria
- Deliver a high level of local content in our projects
- Expansion of local engineering office in 2012. Currently 50 increasing to 200
- Hassi Messaoud Training Centre opened December 2010; 739 young Algerians trained in 5 specialist trade areas between Dec 2010 and Feb 2014 – circa \$20m
- \$1.25million spent on upgrading existing In Salah training centre
- Current discussions with Groupement Reggane to establish training center at Alrar for operation of gas & oil facility
- Good relationships with local supply chain and construction companies affiliated with Sonatrach and Sonelgaz (e.g. ENGTP, ENGCB, SARPI, Etterkib, Inerga)



Algeria Challenges and Opportunities

Challenges

- Building an attractive and stable fiscal environment;
- Streamlining regulatory and commercial processes;
- Requirement for continued improvement of local capability;
- Exaggerated perception of security risk

Opportunities

- Rich and abundant conventional oil and gas resources;
- Huge potential upside in unconventional and renewable energy;
- Close proximity to energy consuming markets in Europe;
- Strongly developing supply chain and capabilities;

If we work together in partnership on these challenges we can unlock great opportunities!