

# Oil fueling Sudan's solid development

A leading petroleum producer, the African nation is investing rich returns in its future

Sudan's oil and gas industry — the country's leading source of export earnings and employment — is now a magnet for foreign investors in upstream and downstream processes.

As Sudan's Vice President Sudan Ali Osman Mohamed Taha notes, "Sudan's oil sector is a key generator of revenue and employment."

Since Sino-Sudanese oil cooperation began in 1995, China National Petroleum Corp has led the way in economic aid and mutually beneficial projects.

China's largest oil and gas producer and supplier is now spearheading innovation through its own operations and the Greater Nile Petroleum Operating Co joint venture.

With responsibility for the sustainable development and expansion of the energy industry, Sudan's Ministry of Minerals plays a leading role in building mutually productive partnerships with foreign enterprises.

The ministry focuses on areas where production has yet to start while introducing more advanced technology and equipment at existing sites in order to boost output.

New roads, bridges and a larger power grid have also encouraged international investors to explore resource-rich areas that were previously hard to access. Offshore drilling operations are also increasing.

"We need serious partners who have money to invest and can complete the projects on time," said Omer Mohamed Kheir, secretary-general of the Ministry of Minerals.

"We believe there are still large reserves of oil yet to be discovered — our energy industry has huge potential and Sudan is now the gateway to Africa for Asian companies involved in oil and gas and mining projects that showcase the whole chain of oil exploration, transportation, marketing and refining available in Sudan," Kheir said.

An industry pioneer, Sudanese Petroleum Pipelines Holding Co Ltd (SPPHC) is an award-winning oil and gas transport firm considered one of the pillars of Sudan's petroleum industry.

Established in 1976, as the Petroleum Products Pipelines Corp, the firm is affiliated to the Ministry of Minerals and supports economic growth by pumping oil to local and foreign markets.

As well as operating and maintaining petroleum pipelines within the country, SPPHC's activities include the transportation, storage and export of petroleum raw materials, products and byproducts such as natural gas and liquid gases.

It also provides laboratory analyses of petroleum and hydrocarbon materials using the latest technology and a highly qualified staff.

SPPHC has experience in staff training and exclusively transports gasoline in the country through a number of pipelines it has built. Such support for oil exports and imports is a major contributor to the national economy.

Earlier this year, SPPHC, which has total assets of \$187 million and more than 600 employees, embarked on a major expansion drive with the launch of three new subsidiaries



**Nasr Eldin Ahmed, president of Sudanese Petroleum Pipelines Holding Co Ltd**

— Sudanese Company for Construction and Oil Services, Sudanese Company for Petroleum Products, and SPP-Final International Co — that aim to give it a foothold in neighboring Ethiopia and Eritrea.

SPPHC has a strong commitment to the communities close to its pipelines. Its valuable support extends to the construction of schools, potable water plants and pumps for local inhabitants.

"We are diversifying our activities from the core business and branching out into the control and management of public station port plants," said SPPHC President, Nasr Eldin Ahmed.

"SPPHC has a long and respectable track record when it comes to safety, quality and the protection of the environment," he said. "The company has also been awarded many certificates of appreciation from a number of international companies and firms due to its outstanding performance."

"We are building pipelines to cover other industrial activities such as the ethanol industry, drinking water projects and other industrial facilities. We anticipate a bright future."

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## GNPOC powers Sudan's socioeconomic growth

As the pioneer of oil exploration and production across Africa, Greater Nile Petroleum Operating Company (GNPOC) is the undisputed leader in its field and a key driver of the Sudanese economy.

Founded in 1997, GNPOC has grown into a powerful and profitable corporation that is spearheading innovation in a dynamic, efficient and technology-led industry that is developing at a rapid pace and fuelling Sudan's socioeconomic development.

Currently operating as a joint venture between CNPC of China, Petronas of Malaysia, ONGC of India, and Sudan's Sudapet, GNPOC has achieved many milestones in its short history and is recognized as the benchmark for oil exploration and production in Africa.

In addition, the firm is heavily involved in community development work and social projects that vastly improve the quality of life for people living near its extensive range of modern sites and facilities.

GNPOC currently produces around 155,000 barrels of oil per day from its eight main oil fields at Heglig, Unity, El Toor, El Noor, Toma South, Bamboo, Munga, and Diffra. The oil is then transported through more than 1,500 kilometers of pipeline. A large portion of GNPOC's oil is sent daily to the El Obeid and the Khartoum refineries for use in Sudan, with the remaining portion sent for export through the marine terminal in Port Sudan.

### A leading role in Sudan's development

As the recognized industry experts, GNPOC is strategically positioned to take advantage of Sudan's vast oil and gas reserves and the ambitious organization will play a lead role in the development of Sudan's industrial, commercial, and social landscapes.

"We have a responsibility towards training Sudanese people and are building a Sudanese workforce. We also give priority to local companies as we seek to maximize use of local resources," said GNPOC President, Chen Shudong. "We are like an engine [of growth] for Sudan. We represent four partners and work under a common understanding to develop and promote the local economy."

Community development is another of the oil giant's key priorities with more than a million people a year benefiting from its \$4 million programs.

"We build schools, hospitals, provide agriculture support, and supply clean water," stated Chen. "We maintain good relationships with local people."



**GNPOC is Sudan's premier oil and gas company.**

In the dry season, we send trucks of water to difficult locations."

As one of Sudan's largest and most successful companies, GNPOC is setting the standard for other international investors to follow as the country opens up to foreign direct investment from China and beyond.

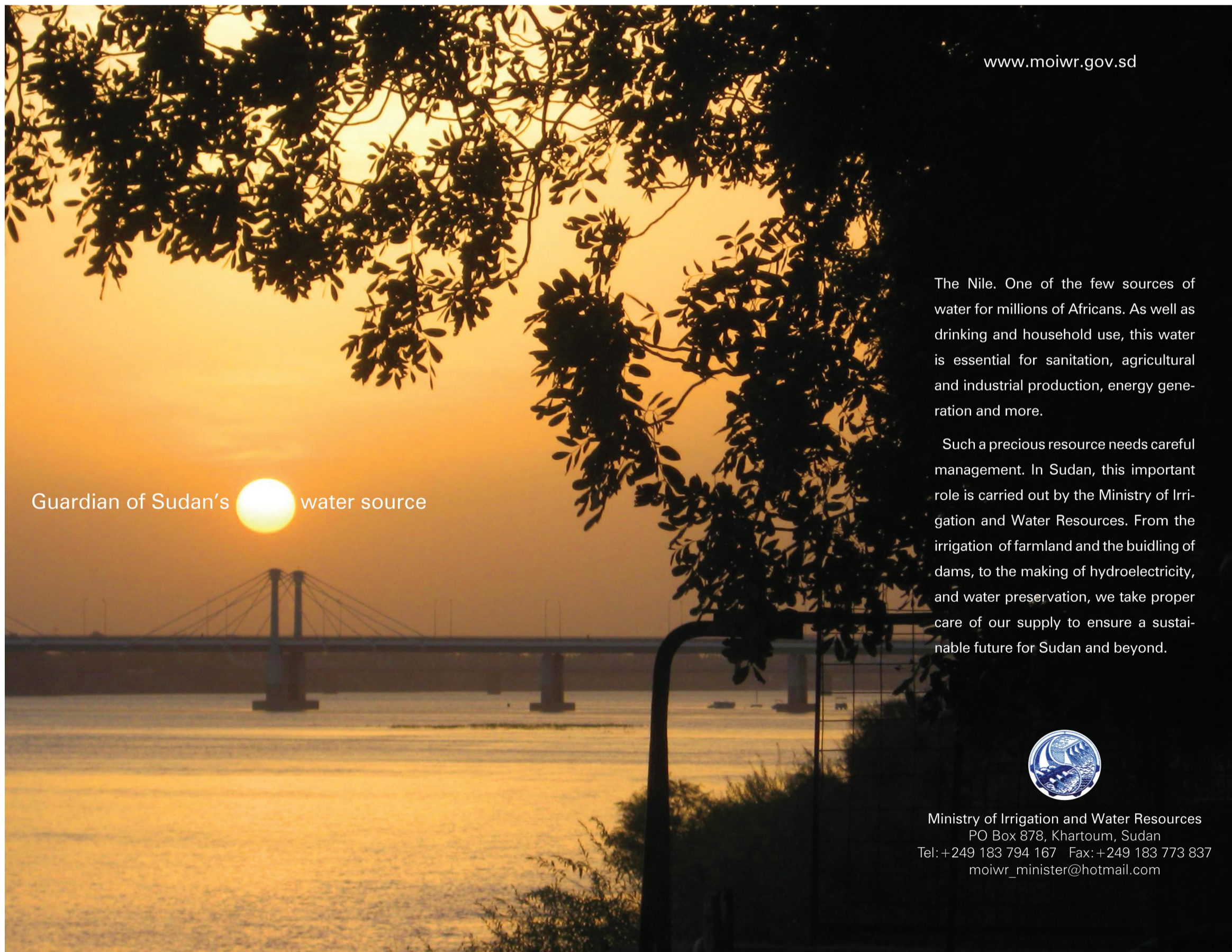
"We are a major employer in the country and make extensive efforts in terms of building the local capacity," said Bacho Pulong, general manager of E&P Division. "Through Sudapet's sister companies like Hagleig, Al Saweer, Al Sabir, Centroid and African Drilling, the industry is being developed and run by local people. Our relations with them indirectly grow the country and we are promoting the Sudanese energy sector."

Both the government and private enterprise are committed to the sustainable development of this sector, with recent changes to gas extraction legislation making it easier for firms to access natural gas reserves. "The government, which like everyone in Sudan had been focused on the oil sector, is now concentrating on utilizing and developing the gas sector," stated Pradeep Kumar Jain, general manager - Pipeline Division.

Meanwhile, Chen Xinrong, general manager of administration and services, highlighted the importance of GNPOC's works in terms of revenue generation for the government projects. "Our operations have contributed a lot to the government's revenues," he said. "GNPOC is the premier company in Sudan and as a joint venture we share the risks and benefits and have lots of common interests, values and understandings of the markets."

### Greater Nile Petroleum Operating Company (GNPOC)

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Guardian of Sudan's water source

The Nile. One of the few sources of water for millions of Africans. As well as drinking and household use, this water is essential for sanitation, agricultural and industrial production, energy generation and more.

Such a precious resource needs careful management. In Sudan, this important role is carried out by the Ministry of Irrigation and Water Resources. From the irrigation of farmland and the building of dams, to the making of hydroelectricity, and water preservation, we take proper care of our supply to ensure a sustainable future for Sudan and beyond.



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