



NNPC awards Oando, Sahara, 37 Others 2017 Crude Term Contracts

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NIGERIA: -

The Nigerian National Petroleum Corporation (NNPC) has announced the list of 39 successful bidders for the 2017/2018 crude oil term contracts, which includes 18 Nigerian companies, 11 international traders, five foreign refineries, three National Oil Companies (NOCs), and two NNPC trading arms.

The Group General Manager, Crude Oil Marketing Division (COMD) of the Corporation, Mr. Mele Kyari, who announced the results, according to a statement posted on the corporation's website, said the contract would run for one year effective January 1, 2017 for twelve consecutive circles of crude oil allocation.

According to the statement, all the contracts are for 32,000 barrels per day except for Duke Oil Limited, the oil trading arm of NNPC, which shall be for 90,000 barrels per day.

The 16 Nigerian companies, excluding NNPC subsidiaries that emerged successful, are Oando, Sahara Energy, MRS Oil and Gas, AA Rano, Masters Energy, Eterna Oil, Britannia-U, North West Petroleum, Optima Energy, AMG Petroleum, Setana Energy, Prudent Energy, Arkleen Oil and Gas, Emo Oil, Bono, and Hyde Energy.

International refineries that made the list include Indian refiner, Hindustan Energy, Varo Energy, Sonara Refinery,

Bharat Petroleum and Cepa.

Trafigura, ENOC Trading, BP Trading, Total Trading, UCL Petro Energy, Moco Trading, Levene Energy, Glencore, Litasco Supply and Trading and Heritage Oil are the 11 international traders that were selected.

Term contracts were also awarded to India (Indian Oil Company), China (Sinopec), and South Africa's SacOil based on government-to-government contracts.

NNPC's subsidiaries that made the list included Duke Oil and Carlson/Hyson.

The Group Managing Director of NNPC, Dr. Maikanti Kacalla Baru had said during the bid opening late last year that the corporation would ensure due process, transparency and fairness in the selection process.

"We will ensure transparency and fairness in the process. There is nothing that is hidden," Baru had said.

The corporation also debunked speculations that Nigeria's crude was finding it difficult to get buyers in the international market, stressing that the country's oil grades were still the most sought-after among refiners in Europe and other users in Far East Asian countries.

A total of 224 bids were submitted by companies seeking to lift Nigerian crude grades for the period 2017/2018.

Some of the bidders reportedly included Delma Nigeria Limited, Green and Green Petrochemicals, Forte Oil, Nisen Investment Limited, CMCO Nigeria Limited, Acorn Petroleum, BP Oil International and North Oil and Coral Global.

Others were Calson Bermuda, Glencore Energy Services, Emadeb Energy Services Limited, Tamoil Overseas, Demure Energy Services Limited, Vitol SA, Ankor Oil and Emo oil Petrochemical, among others.

Baru had revealed that the list dropped from the 278 that applied for the contracts in 2015, because the corporation introduced some new criteria that had to be met by bidders.

According to him, refiners and big crude oil lifters were given priority in the process, which he said was to be concluded next month.