



Inauguration of **Giant Zohr** Gas Field

Special Edition
“EGYPS”
2018



Arab Republic of Egypt
Ministry of Petroleum and Mineral Resources

Our for Tomorrow
Vision

Content



Arab Republic of Egypt
Ministry of Petroleum and Mineral Resources

Under the Patronage of H.E.

Eng. Tarek El Molla

Minister of Petroleum
and Mineral Resources

Editors in Chief

Osama Mobarez

Realization office sponsor

Maha Attia

Realization office Leader

Editorial Team

Enas Shabana

Ahmed Helmy

Salma Maarouf

Designed By

Yasmin Naguib

**Interview with H.E. Minister of
Petroleum and Mineral Resources**

Giant ZOHR Gas Field

Project Achievements

Modernization in a Year

Reflections of Project Leaders and Youth



“ We aim to develop a comprehensive strategy to promote Egypt as an Oil & Gas Hub and to enhance the balance of trade ”

Eng. Tarek El Molla

Minister of Petroleum and Mineral Resources





Interview with H.E. Minister of Petroleum and Mineral Resources



H.E. Eng. Tarek El-Molla

Egypt's upstream sector is shining once again after passing through challenging circumstances, by offering attractive returns on development projects and while tackling a backlog of debt that kept international players from investing in Egypt.

"The man reviving Egypt's fortunes in oil and gas sector" that is how Upstream international magazine termed Eng. Tarek El Molla, describing him as making his distinctive mark as oil and gas minister, which made us very keen to take our readers to a journey to discover both sides of this exceptional leader.

First, here is a quick biography on H.E. Eng. Tarek El Molla:

H.E. Eng. Tarek El Molla was appointed as Egypt's 11th Minister of Petroleum and Mineral Resources in 19th of Sep. 2015.

Eng. El Molla has a lifelong commitment in Oil and Gas business and has participated globally and nationally in many strategic projects.

He started his ambitious career at Chevron in 1987, where he held several responsibilities. In 2011, he left his successful journey with the private sector to fully dedicate himself to serve his country joining the Egyptian General Petroleum Corporation (EGPC) as deputy officer for Foreign Trade. He progressed until reaching EGPC chief executive officer. All his outstanding achievements contributed to the country and through his career, he was able to lead the petroleum sector.

Eng. Tarek El Molla graduated in 1986 from Cairo University with a Bachelor degree in Mechanical Engineering. He was born in June 1962. He lives in Cairo with his wife and he is a loving father of three children "a son and two daughters"

Q.1: Being appointed in 2013 as EGPC Chief Officer and then in 19 Sep. 2015 you were entitled to be the Egyptian Minister of Petroleum, describe to us the challenges the oil and gas sector was facing during this period of time?

Over the last five years, Egypt has witnessed considerable changes, not only politically but also in many different areas. These changes along with accumulations from previous years have posed some serious challenges. These have all translated in economic difficulties increasing budget deficit and public debt.

The Oil and Gas sector faced a number of challenges. Fuel subsidies have resulted in an excessive and irrational energy demand and high-energy intensity. From an economic point of view, energy subsidies represent a huge financial and fiscal burden on State budget crowding out government expenditure on social, health, education and human development.

Another major challenge is the current energy mix, which remains highly dependent on oil and gas. Along with gas shortages, and bottlenecks in key petroleum products like LPG, and so gasoline.

Q.2: Despite of all the mentioned challenges, what motivated you to keep moving forward?

If you take a deep look at our history, you will notice that whenever Egyptians go through hard times they rise up and become even stronger, and for me I will never hesitate to serve my country under any circumstances. I am actually proud to be the oil and gas minister during this phase. Being appointed as a Minister has reaffirmed my motivation to contribute to my country.

Q.3: After two great revolutions, the Egyptian people had high aspirations, which our courageous Egyptian government worked hard to meet, with a firm strategy “Egypt 2030 vision”, what bearing does the energy industry play to achieve the Egyptian aspirations and the government vision?

Our oil and gas industry is pivotal to the country’s development, as it is the main source of energy with high potential to generate foreign currency. Therefore, our sector’s strategy, to continue as an engine of economic growth for our country, to increase refining capacity and to become a regional energy hub is all geared towards achieving the 2030 vision of Egypt – as a competitive, balanced and diversified economy.





Q.4: In 2016, the oil and gas sector implemented the modernization project in order to maximize its potential by 2021 with 7 pillars, what is the reason behind launching this project? How much of your time is dedicated to Mod. Issues?

The Modernization program is an integral part of the reforms taking place in Egypt, the oil and gas sector was compelled to act in a proactive way with a primary goal to develop a modern and efficient sector. The program's vision is to re-affirm the sector's core values, including safety, innovation, ethics, transparency and efficiency. Modernization will unlock the sector's full value chain potential as an engine of sustainable growth and development for Egypt, by achieving financial sufficiency, the sector will become a leading regional Oil and Gas hub as well as a role model for the future of modernized Egypt. This comprehensive effort is centered around seven pillars which aim to have:

A growing sector, with investment flowing with a new sector structure and clear separation of roles.

An efficient sector where all employees find a place for productive work.

A downstream sector that follows a deliberate expansion strategy with new projects, partners and investments and significantly improved energy efficiency to support phasing out of subsidies .

An Oil & Gas sector that is rapidly expanding because of energy availability, providing an increasing number of attractive employment for future generations .

An established Oil & Gas hub with new East Med pipeline and broader ecosystem of local suppliers .

A single ERP system that supports financial transparency and next generation operations.

For me I am almost involved in all modernizations issues such as steering committees & programs meetings. I dedicate almost 20% of my time to the modernization project.

Q.5: 2017 was a game changer for Egypt Oil and Gas sector, tell us the most important records of that year?

Actually for the past couple of years the sector has been writing a new success story by signing 70 new upstream oil agreements since mid - 2014 with major international companies, with minimum expenditure commitment of US\$ 14.9 billion and a minimum of 300 wells to be drilled. As well as increased investments in upstream activities with committed investments of \$30



billion during the next 3-4 years.

We began realizing our hard work in a number of achievements, such as BP's West Nile Delta project, Atoll, and Zohr gas field, all these resulted in a positive perspective for a new age of economic and political stability in the region, and the opportunity for major investments.

Zohr is indeed a success story on all different levels. It is the largest natural gas discovery in the Mediterranean, as well as being one of the largest gas discoveries in the world.

Zohr field is a game changer and a success story to be followed, representing a record time; from concession awarding to discovery, from discovery to signing of development lease, and from discovery to planned first gas.

I can confidently reassure you that Zohr is not the end but just the beginning. Egyps 2017 was definitely a significant event ,the first ever Egypt Petroleum Show - EGYPS2017 - conference, which saw over 10,000 attendees, reflecting Egypt's rising significance as a strategic regional player



Q.6: The Modernization Initiative sets a clear path for Egypt to confidently compete for a new ambitious position in the global market as a Regional Oil & Gas Hub, when do you think we can achieve this goal?

The development of a comprehensive strategy to establish Egypt as a regional oil & gas hub aims to improve the oil and gas trade balance. Egypt enjoys a strategic location and possesses significant expandable infrastructure and facilities including LNG plants, refineries, crude pipelines, tank storage farms, terminals and jetties and reliable transportation grids. Increasing competition across the supply chains and moving to an integrated value chain view will capitalize on this potential.

A governmental committee has been formed to facilitate and direct the evolution of this hub. I am very confident that Egypt will soon be a gas hub for the whole region.



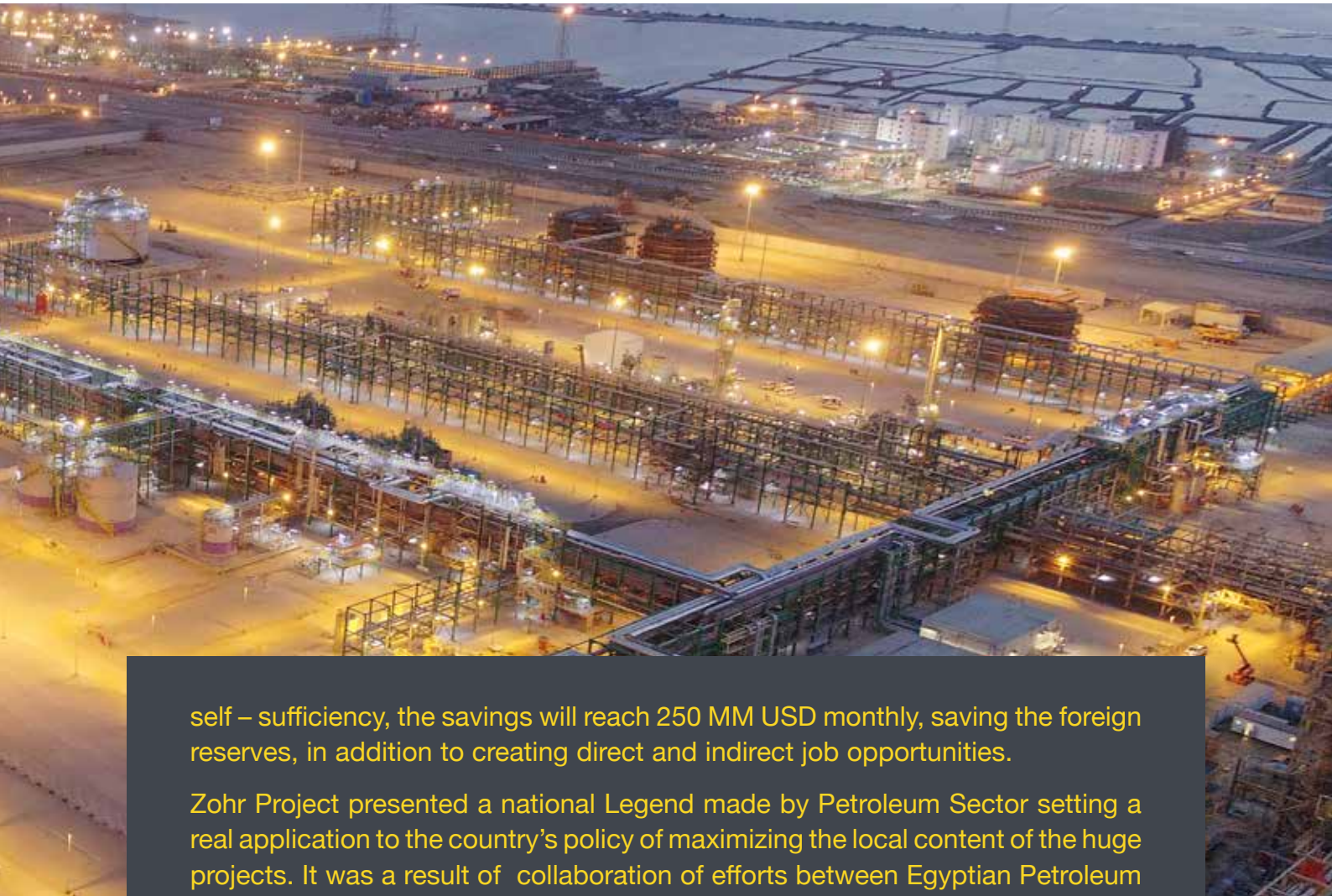
Giant ZOHR Gas Field

Over the petroleum sector's history a lot of achievements were realized, yet on the 31st of January 2018, a new success story was achieved to be embedded in the Egyptian and international history through the inauguration of the Giant Zohr field by H.E. President Abdel Fattah Al Sisi, which is considered the largest Gas discovery in Egypt and the Mediterranean, representing a huge asset to Egyptian gas reserves and production and helping in satisfying the local market demand.

Mr. Claudio Discalzi, Eni's CEO acknowledged in his statement at Zohr inauguration the Huge achievement of the deep water field development in 2 years only, being a new record compared to development of similar fields ranging from 6-8 years.

Zohr project caught the attention of the international Community and experts, where Mr. Discalzi praised the continuous support of the President and the Prime minister, and their vision for this project and its importance to the country. He also appreciated the efforts exerted from the Egyptian companies that took part in the project execution and showed excellent performance as a successful team. He assured that it's just a start and that they are all working on maximizing production from this field as there's a lot to come in the future.

This project has been on top of the agenda for the Petroleum Sector due to its importance to the national economy, which is presented in attracting more investments and clearing the way for exploration in the Mediterranean, especially in the deep water. H.E. the minister of Petroleum stated: "The total Production of Zohr will be directed to the local demand of the different sectors, and the initial phase production (350 MMSCF/D) will help in decreasing the LNG imports by 25%, saving around 60 MM USD monthly, and by the end of 2018 and attaining



self – sufficiency, the savings will reach 250 MM USD monthly, saving the foreign reserves, in addition to creating direct and indirect job opportunities.

Zohr Project presented a national Legend made by Petroleum Sector setting a real application to the country's policy of maximizing the local content of the huge projects. It was a result of collaboration of efforts between Egyptian Petroleum Companies in the engineering design and execution covering manufacturing, installment, and construction, implemented ENPPI, Petrojet & PMS in addition to many private national companies under the umbrella of Petrobel Company Supervising the project.





Project Achievements

A year has passed with many achievements and healthy competition between the seven program teams to accomplish the ultimate goal of reaching the new modernized oil and gas sector that we are all dreaming of.



The following highlights the main achievements accomplished by the different program teams:

- Developing new system for bid round with enhanced model agreement.
- Developing Upstream Gateway supported by seismic studies including multi-client seismic survey in West Mediterranean as well as Red Sea and emerging GoS Mega Merge fast track Survey.
- Creating an efficient sector structure with clear separation of policy making, operation and regulation roles to enhance the decision making process.
- Drafting and developing a unified sector governance code.
- Selecting sector top leaders & middle management based on a clearly defined succession plan that emphasizes transparency & equal opportunity.
- Maximizing the importance of safety as one of the sector core values through working on both the culture change and capacity building.
- Launching transformation programs in both new and existing JVs to ensure the emphasis on governance, HR system and operation excellence.
- Established a unified comprehensive database for around 245,000 sector employees and generated a methodology to analyze the human capital for each company in the sector.
- Initiating downstream projects to enhance asset utilization & resource integration to reduce imports and generate revenues like Linear Programming software, Production of NPK Fertilizers & LPG Recovery from Fuel Gas of Matrouh Power Station.
- Improving energy efficiency by adopting international measures and policies & focusing on several projects.
- Maintaining oil & gas production despite the natural decline and encouraging collaboration between JVs to achieve operational efficiency & unlock more resources.
- Working on several aspects to help Egypt become an energy hub like strategic cooperation with EU, negotiations with Cyprus as well as several oil & gas infrastructure development projects.
- Launching the sector intranet as an official portal to connect the sector employees under one unified platform.
- Enhancing the decision making process & integrate information by starting Implementation ERP in SOEs and rollout for affiliates.





Modernization in a Year

The Modernization project activities have been actively going on through the past year, with the efforts of the sector's employees who are highly alert to the importance of this project for Egypt and assertive of their quest to achieve the project goals.

And here is a list of activities that were accomplished during the past year:

- Participating in EGYPS 2017 with a dedicated booth that was inaugurated by H.E. President of Egypt.
- Panel discussions in EGYPS strategic conference to promote the project externally.

Execution of ministerial TOWN HALLS to engage with employees and promote the project internally:

- Egyptian General Petroleum Corporation
- Egyptian Natural Gas Holding Company
- Ganoub El Wadi Petroleum Holding Company
- Egyptian Petrochemical Holding Company



- 10 Steering Committee Meetings to follow up on project progress, 11 leaders meetings.
- Series of meetings with global financial institutions to present the project and discuss the opportunities available to finance the programs of the project activities.
- Held meetings with foreign embassies (Norway - England).
- Held meeting with the new ambassadors before leaving to their new posts in different countries of the world.
- Promoting the project in many international conferences (Adipec-OMC) during minister's presentation. And Held a seminar to present the project at the American Chamber of Commerce in Cairo «April 2017» and the French Chamber of Commerce in Cairo «September 2017»
- 12 site visits events by the communication team reaching around 1200 employees in fields and HQs.
- Responding to more than 300 query received and analyzed through online feedback system
- Issuing of 3 newsletters to widespread the project.
- The energy and enthusiasm that have been shown in this project, whether by the team members or leaders, proves that they will exert all efforts to achieve the project goals and vision.





Reflections of Project Leaders and Youth

The Modernization project leaders continue to exert maximum efforts on all levels, in order to achieve the best results in the least time, and to pass their experiences to the youth who will carry on the responsibility and lead the sector. And this harmony is the secret behind the success of this project.

“ The past year has been a game changer for the Egyptian oil and gas sector as we all witnessed major success stories all over the value chain. Moreover, the presence of the partners here in EGYPS confirms this success and the efforts we have made to prove that we are on the right track and that we are getting closer to become oil and gas hub. ”



Eng. Magdy Galal
Program 6 Team Leader

“ I am truly eager to make this modernization happen, I'm confident that it's our only way to sustain our business in a very complex world, People will be at the forefront of strategy and talent management will be a critical component part. ”



Mr. Osama Saadawy
Program 3A Team Leader

“ Human capital is the backbone of any company, in which any improvement or success of any company happens through the human capital. In the modernization project, we are using the most advanced tools and our outstanding professional human capital to achieve prosperity and to become one of the leading sectors in Egypt. We aim to encourage people to work hard to help our sector and our beloved country grow and develop. ”



Mrs. Sanaa Al Ashry
Program 3B Team Leader

“ The Oil and Gas modernization program is a pioneer project among all governmental ministries in Egypt. The Modernization Program aims to sustain the competitive advantage of the Sector throughout enhance the performance of the downstream business to cope with the dynamic challenges of the market locally and internationally to maintain sustainable growth for the sector. ”



Dr. Khaled Akl
Program 4A Team Leader

“ This project represents a valuable opportunity to emphasize the importance of IT as an enabler to leverage the sector to achieve more success and also to propel its performance levels into the future. Our team members fulfilled a number of important milestones in full synergy with sector companies to achieve the desired integration. We are all fully motivated to continue our efforts to realize all the program objectives. ”



Eng. El Zahraa Ab El Hagag
Program 7 Team Leader



“ Our main goal is to establish sustainable energy efficiency framework in the petroleum sector to reduce the energy cost and environmental emission. And we have many achievements till now such as establishing dedicated energy efficiency units or committees in all oil and gas companies, and develop energy consumption & energy efficiency database for sector companies. ”



Eng. Ahmed Abd Rabbo
Program 4B Team Leader

The project youth were also keen to share their vision from their hearts and the aspirations that motivates them to work hard in this project. In the next lines, we wanted to get closer to them...

“ My new role in Realization office of the Modernization Project has given me the opportunity to enhance the experience I have gained in the field of upstream project engineering by broadening my perspective and expanding my strategic knowledge of the oil and gas sector as a whole. I am proud to have joined this impactful project and I look forward to its success and its positive impact on the sector and the Egyptian economy, as a whole. ”



Eng. Mohamed Aly
Process & Interface
Management Unit
Realization office

“ I am proud of participating in Modernization, and being a member of human resources program, as I believe that they are the key success factor for any successful organization. I am also happy of the continual support and experience transfer of the Sector top management. ”



Dina Anis
Program 3A Team Member

“ Last year I was privileged with the opportunity to become a member of the Egyptian Oil & Gas Modernization Project. Where I widened my experience, and expanded my network of colleagues throughout this exposure. The modernization project has also given me the chance to communicate and interact with the sector’s top leaders, who made room for new ideas and initiatives to come to live. ”



Eng. Hafez El Shamy
Program 5 Team Member

“ First, I heard about the modernization project through the awareness sessions carried out by the communication team So, I captured the opportunity to to join the team responsible for promoting Egypt to be a regional oil and gas hub for energy trading. And I am confident that we will achieve this goal. ”



Amira Kamal Nagy
Program 6 Team Member

“ Petroleum Sector Modernization Program is a dream that is starting to come true for all young people working in the petroleum sector, due to its effective strategy of integrating the expertise working in the sector with the interaction of young people and utilizing their positive energy to achieve a sustainable sector. ”



Eng. Mahmoud Maher
Program 4B Team Member



“ As one of the young generation, I am proud and ambitious to be a part of this integrated program. Especially with my concern with The People Program “Human Capital” 3B, which I believe that it is the core of change and competitive transformation for our sector. we are the change that we seek. ”



Radwa Saied
Program 3B Team Member

“ It has been a challenging year full of learning and hopes. Being a member of Program 4A, gave me a wider exposure to the whole chain from Refineries, gas processing plants, midstream industry, giving me a wider prospective of the petroleum sector. It was only one year but I had the honor meeting and working with skilled calibers who gave me a hope for a better future for the petroleum sector and hence for the whole country. ”



Eng. Riham Mohamed Aly
Program 4A Team Member

“ Since I joined the Oil & Gas Sector, I had a dream to unleash the power of ICT in the development of our petroleum industry. I got this opportunity being part of Modernization Project, to formulate optimistic visions and coordinate technological potential of the sector to bring tangible results and digitally transform sector entities. I am confidence in the capabilities of the sector to achieve Egypt Strategy 2030. ”



Eng. Tarek Samy
Program 7 Team Member

“ We create our own future by our own beliefs and actions. It is the time for us to work with new spirit of change, targeting to achieve ambitious future for Egypt. Being part of the modernization project was great opportunity to create new Energy & Petroleum era in Egypt with new creative ideas and prospective. ”



Sherif Medhat
Program 1 Team Member



The Oil and Gas sector will continue to write new success stories ...





Contact Us

Ministry of Petroleum and Mineral Resources

📍 1A Ahmed El-Zomor, 8th district, Nasr city, Cairo, Egypt.

☎ +202 - 26706401 / 2 / 3 / 4

🌐 www.petroleum-modernization.org