

Business Opportunities in the Oil and Gas Industry

In-Country Value

5 June 2014, Sultanate of Oman



الفرص الاستثمارية في
قطاع النفط والغاز

القيمة المحلية المضافة

5 يونيو 2014، سلطنة عمان



Opportunity: Promote SME development on engineering design for the manufacturing industry

June 5th , 2014

Presented by:

أوربك
Orpic



Meeting agenda



1. Purpose of this workshop
2. Context and background
3. Scope of the opportunity
4. Industry Data
5. ICV creation through the opportunity
6. Specifications
7. Q&A session



Purpose of this workshop

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- To share the scope of one of the priority opportunities with the business community
- To register interest of the business community
- To set an initial dialogue between the oil and gas industry and business community
- To exchange ICV development best practices
- This workshop is NOT an contractual commitment with any business entity

Next steps

- Business community to register interest by reaching the presenter or the PMO
- Oil and gas industry to reach registered parties for follow-up dialogue and implementation

More information on the ICV blueprint or on other opportunities could be found in the brochure and catalogue distributed today or by visiting www.incountrypvalueoman.net



Context and Background

In Orpic, the day to day business requires frequent modifications in Plants. Moreover , many Capital projects are planned and executed for Profit, Environment & Reliability improvement. Also, technical studies & troubleshooting is required for the business running.

The above requires Engineering inputs , design and support in all the stages.

The Engineering HUB can be part of the following :

- Engineering Services contracts (call off basis) to plants support, modifications, troubleshooting and other services.
- FEED studies of plants modifications & capital projects.
- Engineering Study for technical support of plants.
- Being a part of EPC contracts.
- Being a part of EPCC call off contract.
- Procedures and Standards development
- Documentation and As-built drawings.
- Site services on man-hour basis .



Scope of the opportunity

Category: Engineering Design & Services

Opportunity

Promote SME development on engineering design for the manufacturing industry

- **Engineering Services contracts (call off basis):** SME can be part of this as stand alone or joint venture with international firm. It is call off services on reimbursable basis.
- **FEED studies of plants modifications & capital projects :** To execute FEED in all discipline to develop packages for construction.
- **Engineering Study for technical support of plants.** To execute detailed engineering for new projects and plant modifications.
- **Being a part of EPC contracts.** Many projects are awarded in Orpic as EPC basis
- **Being a part of EPCC call off contract.** This is a reimbursable basis contract for Engineering , Procurement , construction and commissioning. SME can be part of this.



Scope of the opportunity

Category: Engineering Design & Services

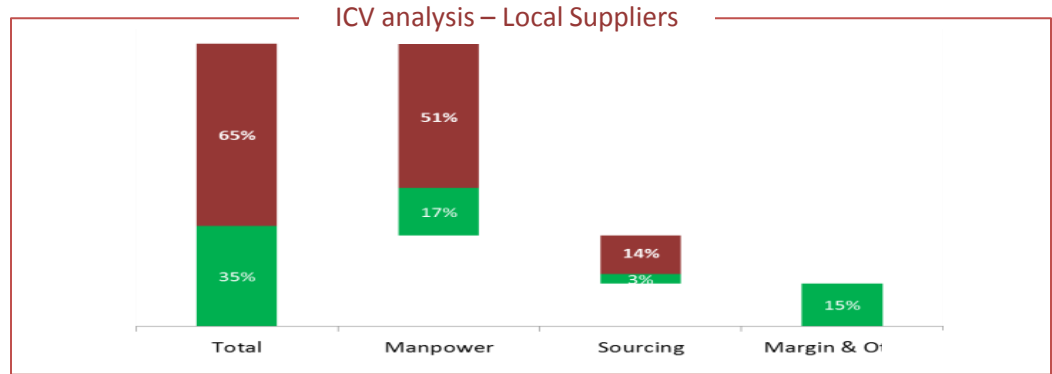
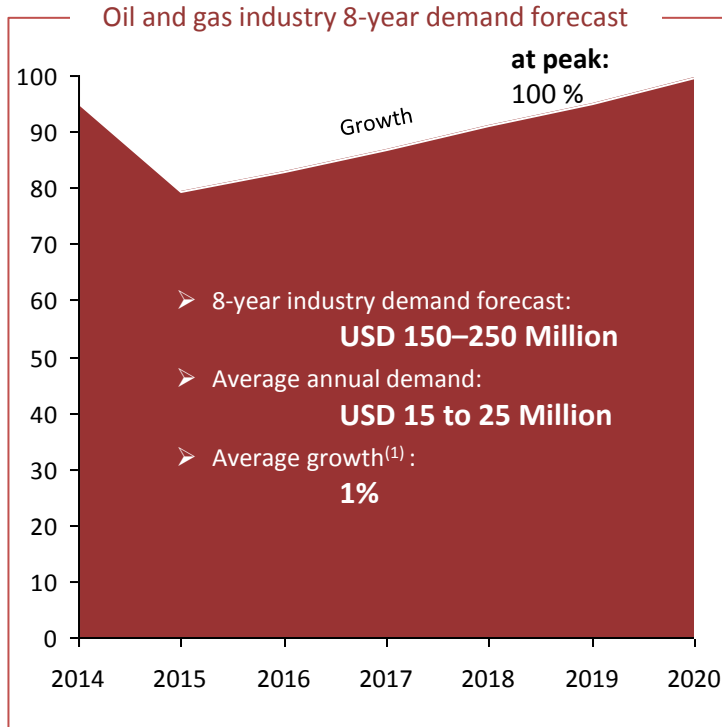
Opportunity

Promote SME development on engineering design for the manufacturing industry

- **Procedures and Specifications development** Orpic has set of procedures and specifications which need frequent update and development.
- **Documentation and As-built drawings.** To produce as built documentation based on site conditions. This including 3D modelling and other models.
- **Subcontract in Mega Projects : Sohar Refinery Improvement Project (New Refinery)- Liwa Plastic Project (LPP) New Petrochemicals Plant & New Muscat Sohar Pipe Line & Tanks Terminal.** This will open plenty of opportunities for SME in the Engineering side. They may be involved in the detailed Engineering or in EPC sub contractors scope.

Industry demand data

Industry demand data was the main trigger for the development of the opportunity



The volume of the investment :

- EPC call off contract ~ 5MN\$ for 5 years.
- Mega Projects Support ~ 10 Mn\$/ Yr
- Engineering Services contracts (Call off) ~ 0.3 MN\$/ Yr
- Other technical support (FEED , Site support , Studies ..etc)
1 MN\$/ Yr

(1) CAGR: compound annual growth rate



ICV creation through the opportunity

We are expecting that this opportunity would increase ICV by:

Potential job creation related to the opportunity

1555 to 1720 Jobs

Potential ICV related to the opportunity*

Medium Impact

Feasibility of implementation

High

Impact

- Promoting engineering product design can support the development of a stronger manufacturing industry and eliminate dependence on international expertise
- Engineering design enhances research and development culture and increases patent creation in the country
- Use of local craftsman on product development can be developed
- Engineering design for manufacturing industry requires highly skilled human resources

Feasibility

- Infrastructure costs can be reduced by setting an SME support center
- Investment required in software licenses acquisition can be reduced by the provision of a pool of licenses for the investors
- Lack of qualified professionals can be a bottleneck for industry development, which could be resolved through the alignment with local universities and technical schools

Specifications / Standards



SME has to have the following Jobs Profiles :

- Senior Engineers & Engineers (Process, Rotating , Static , Piping , Instrumentation , Civil & Structure , Electrical , Metallurgy).
- CAD & PDS Designers & Draughts men.
- System Administrators
- Documents Controllers
- Technical assistants and administrators.

SME has to work with the following Standards as minimum :

- API ,ASME , ASTM, IEEE , ISO , Oman Standards, BS , AICHE , EIC, NACE, NFPA , TEMA ..etc

Please make use of the additional related information that is available with the four entities



Four booths outside of the workshop rooms:

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Public Authority for SME Development

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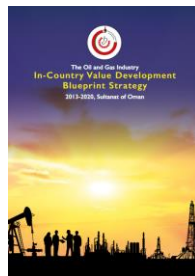


Materials and follow-up

For more information:



Website



Brochure



Catalogue of opportunities

For follow-up:

Register interest by contacting the PMO on: www.incountryvalueoman.net

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in the Oil and Gas Industry

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Thank you for your contribution!

Our mission:

***Developing a competitive and sustainable local supply
market... Together!***