

INTERVIEW

Being a Refiner Is Now a Condition for Purchasing Crude Oil from Producing Countries,

Roger Tamraz, advisor to the board of directors of **Netoil**, tells **AOG**

- ▶ The **Petit-Couronne** refinery in France will require investments of over **\$1.1 billion** to ensure its long-term profitability and comply with environmental standards.
- ▶ The **Libyans** have neglected their refineries in Europe, but we are ready to cooperate with them in order to take over this refinery.

(Following is the text of an interview with Mr. Roger Tamraz, advisor to the board of directors of **Net Oil Enterprises Inc. – Netoil Inc.** – whose Chairman is Mr. Matthew Steckel. Mr. Tamraz was the previous Chairman of the Board. Based in Dubai and registered in Panama, Netoil has submitted a bid for the purchase of the **Petit-Couronne** refinery, which is located near Rouen, in north-western France, and was owned by **Petroplus** before the company encountered grave difficulties that led it to file for bankruptcy – AOG, 16 Nov., 2012. In this interview with **AOG**, Mr. Tamraz explains the reasons for Netoil's bid for the French refinery, in which several other organizations, including the **Libyan Investment Authority**, have shown an interest).



Arab Oil and Gas: *Why is Netoil interested in the French/European refining market and in the refinery in **Petit-Couronne** in particular? This industry is facing a severe crisis in Europe.*

■ **Roger Tamraz:** Netoil is interested to acquire the **Petit-Couronne** refinery which supplies the Paris area because being a refiner is now a condition to buy crude from the producing countries and trade it worldwide; and, because 160,000 barrels per day is about 10% of the French market.

AOG: *What are your main strong points as far as this project is concerned?*

■ **R.T.:** Our main strong points are that we built Tamoil in Europe which has three refineries with a refining capacity of 255,000 b/d and 3,000 service stations; that we have signed a memorandum of understanding with **Hyundai** for the upgrade of the **Petit-Couronne** refinery

which is the oldest refinery in France; and that we have a letter of intent from **BP** to supply to the refinery **120,000 b/d** during three years and a processing agreement with **Ascon**.

PGA: *You recently announced agreements with Hyundai and BP for this project. What would be the respective roles of Netoil and of these two companies?*

■ **R.T.:** We have signed a memorandum of understanding with Hyundai which will lead a consortium of South Korean and French companies and will facilitate the financing of the upgrade of the refinery and will do the required work. There is an immediate capex requirement of **\$468 million** just to stay even, and a further **\$650 million** in additional equipment (a hydrocracker and related hydrogen supply) immediately following the first wave, in order to maintain long-term profitability margins and meet pollution regulations. Regarding BP, as I said, we have a letter of intent from them for the supply of 120,000 b/d during three years.

**BP could supply 120,000 b/d
of crude to the Petit-Couronne
refinery during three years**

> Roger Tamraz

Advisor to the Board of Directors of Net Oil Enterprises Inc. (Netoil Inc.)

Roger Tamraz has been a venture-capital banker and investor since the 1960s and is very well known in international economic, financial and political circles. His negotiating skills and business acumen, as well as his involvement in some resounding bankruptcies and his hot-blooded reputation, have put him under the media spotlight on several occasions and sometimes brought him to the attention of the police and the justice system in France and Lebanon.

He has created several companies over many years, including **Tamoil**, which took control of several oil refineries and distribution networks in Europe before being taken over by the Libyan company **Oilinvest**. In May 2004 Roger Tamraz, Matthew Steckel and Said Mehraik founded **Net Oil Enterprises Inc.** (Netoil Inc.), in which Mr. Tamraz has a 10% interest. He used to be Chairman of the Board of Netoil and now advises the present board of directors. Netoil and the companies that preceded it invested in various sectors of activity, especially energy, refining, petrochemicals, finance, mining, hotels, real estate, air transport and communications. In addition, Mr. Tamraz has been involved in the management of enterprises such as **Intra Investment Company, Bank of the Commonwealth, Middle East Airlines, Chantiers Navals de La Ciotat**, and many more.

Born in Cairo to Lebanese parents and holding both Lebanese and American nationality, Roger Tamraz has not confined his activities to business and finance. His closeness to Near Eastern and Middle Eastern countries, the Caspian Sea region and Central Asia, as well as to western countries, including at certain times the White House when Bill Clinton was President of the United States, and the many networks to which he belongs, have led Roger Tamraz directly or indirectly to play a role at the frontiers of economy, diplomacy and politics. In 1988 he was appointed Governor of the **Banque du Liban**, the Lebanese central bank, but his appointment was not ratified by the government of the day. His close relations with the Clinton administration attracted the attention of the United States Senate at one point in the late 1990s, since he was accused of having sought to influence American policy in the Caspian and Central Asia region to further his interests in the oil and gas industry there.

PGA: *Several other companies or entities are potentially interested in the Petit-Couronne refinery including the **Libyan Investment Authority**. You know well their interest in European refining because of Tamoil. How do you assess the competition and your probability of success for this project?*

■ **R.T.:** The Libyans have closed the refinery of Tamoil in Italy and have not upgraded the refinery of Tamoil in Switzerland which has stopped it during a few months. It is now operating at half of its capacity. We, however, are ready to cooperate with them and be partners with them.

PGA: *Are you searching for other investment opportunities in the refining sector in France and in Europe or will you mostly focus on growth areas, including the Middle East?*

■ **R.T.:** We are not searching for other investment opportunities in the refining sector in France and in Europe. Our main project is the liquefaction of natural gas from the Middle East and Central Asia for export, mainly to South Asia and East Asia.

**Netoil's main project
is to export LNG
to South Asia and East Asia**
