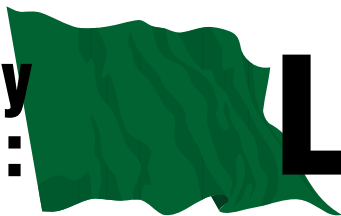


Country Profile:



Libya

Bunkerspot speaks to Naaman El Bouri of Nour Libya Marine Services Co about new developments in the Libyan bunker market

'Looking further into the future, the Libyan market could open up to even more liberalisation, as there has been talk of privatising Brega'

Could the Libyan bunker market be set for a renaissance? For many years, it has been one of the industry's backwaters – a market with few players and only limited sales volumes. However, the arrival of a new supplier seems to be breathing new life into the marine fuels sector.

Libya's oil industry is dominated by the state-owned **National Oil Corp. (NOC)**, which replaced the **Libyan General Petroleum Corp. (LIPETCO)** in 1970. In the following year, all oil distribution and marketing companies were brought together under the umbrella of a new NOC subsidiary, **Brega Petroleum Marketing Co.**

Brega's remit includes the marketing and supply of bunker fuel. The company charters barges and road tank wagons (rtws) from its sister companies and also provides ex-pipe bunkering facilities.

The country's principal ports include Tripoli, Tobruk, and Benghazi as well as the key container and cargo ports, Misratah and Al Khoms.

Brega supplies locally-sourced intermediate fuel oil and marine gasoil (mgo). Although the fuel oil is generally marketed as 120 centistoke (cst) product, it is actually a very light Libyan crude with a viscosity of around 90 cst.

Brega works with a number of international bunker traders which have Libyan connections.

New offshore operation

For many years, this was about all that needed to be said about Libyan bunkering. However, the Libyan bunker market is gradually opening up to commercial opportunities. In early 2005, a new offshore bunker delivery operation, **Nour Libya Marine Services Co.**, was among the first ventures to be set up under Libya's 'Law 5', which enables foreign companies to invest in Libya.

A joint venture between Oslo-based **BA Wahl Invest SA** and Libya's **Estelab Shipping Agency** and **RH Shipping Agency**, the company acquired its first barge, the 3,500 metric tonne (mt) capacity *Nour 1*, in October 2005 and started bunkering in 2006 (see *Bunkerspot*, October/November 2006, page 12).

The company's Deputy Chairman, Naaman M. El-Bouri, told *Bunkerspot* that the *Nour 1*, which is located some 150 kilometres (km) northwest of Tripoli, has onboard blending facilities (using equipment supplied by **CBI Engineering**) and a pumping rate of 300–400 mt an hour.

El Bouri said that the company imports 380 cst, so it can blend a full range of intermediate fuel oils (ifos) to suit its customers' needs.

Nour Libya Marine Services also supplies marine gasoil (mgo).

At present, the company sells on average about 35,000–40,000 mt a month of bunker fuels to a variety of vessels, but mostly to container ships.

Among the shipping companies said to have used the Libyan service are **Seatrade, Green Reefers, Bergesen, Total, General Maritime** and **Teekay**. Now that gas, crude oil and refined products will again be freely exported from Libya, deliveries to liquefied petroleum gas (LPG), crude and products tankers are expected to increase.

Cruise lines are also calling more frequently at Libyan ports, and at Tripoli in particular. Potentially, this could generate a significant increase in demand – and Nour Libya Marine Services is ramping up its operations in expectation of more sales.

In the first quarter of 2007, the company plans to extend its operation further, launching a second barge which will be located offshore Tobruk.

El Bouri also informed *Bunkerspot* that the authorities granted Nour Libya Marine Services the right to supply in Libya's ports alongside Brega – in addition to its offshore activities.

Looking further into the future, the Libyan market could open up to even more liberalisation, as there has been talk of privatising Brega.

With some 2,000 km of coastline, a strategic position on the southern edge of the Mediterranean, five large refineries and copious amounts of indigenous low sulphur crude oil, Libya offers significant potential as a bunkering centre. Nour Libya Marine Services seems to be leading the way in showing how that potential can be realised – but will others follow, and can Libya regain the sort of shipping and bunkering activities that it generated in the 1970s?

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