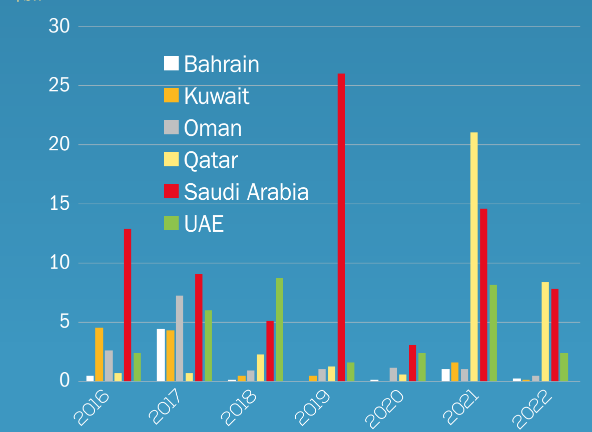
MARKET SNAPSHOT:
GCC OIL AND GAS MEGAPROJECTS

The oil, gas and petrochemicals market is the second-largest sector historically in the GCC, with more than $280bn-worth of contracts awarded in the region in the past decade

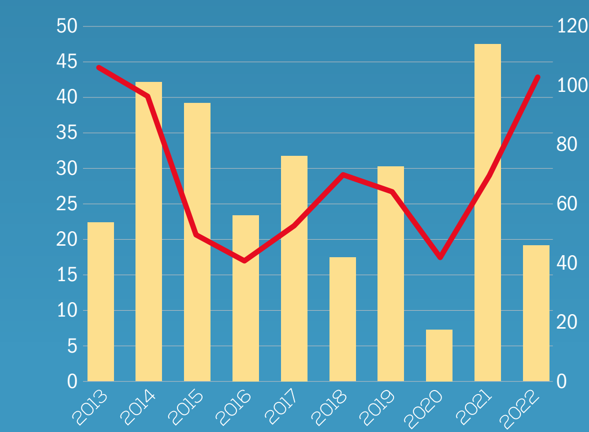
THE SECTOR'S HISTORICAL PERFORMANCE

Saudi Arabia, the UAE and Qatar have dominated spending over the past five years, although spending in each is highly cyclical. Kuwait invested more than $40bn in 2013 and 2014, but has spent little since, while Bahrain and Oman are smaller markets. The right-hand chart shows that the market is not necessarily correlated with the oil price

Value of GCC oil, gas and petrochemical contracts awarded by year



Value of GCC oil, gas and petrochemical contracts awarded vs oil price



MEGAPROJECTS HAVE A TOTAL CAPEX OF MORE THAN $1bn

More than 40 oil, gas and petrochemical megaprojects in the GCC are in the early stages of execution or in planning. Saudi Arabia has half the value of all active oil, gas and chemical megaprojects, followed by Qatar and the UAE

Project	Owner	Country	Sector	Status	Value ($m)
Crude oil gathering centres 33-35	Kuwait Oil Company	Kuwait	Oil	Feed	2,000
Al-Zour petrochemicals complex	Kipic	Kuwait	Chemical	Main contract PQ	10,000
Marsa LNG terminal and Block 10 field development	Marsa LNG	Oman	Oil	Feed	1,000
Bisat oil field development	OQ	Oman	Oil	Execution	1,600
Duqm refinery and petrochemicals complex	OQ8	Oman	Oil	Feed	16,500
Ras Markaz crude oil park	Oman Tank Terminal Company	Oman	Oil	Main contract PQ	1,600
Idd el-Shargi South Dome expansion	Qatar Energy	Qatar	Oil	Study	6,000
Idd el-Shargi North Dome	Qatar Energy	Qatar	Oil	Execution	3,000
North Field LNG expansion	Qatargas	Qatar	Gas	Execution	1,000
North Field production sustainability	Qatargas	Qatar	Gas	Execution	43,000
Ras Laffan petrochemicals complex	Chevron Phillips Chemical/ Qatar Energy	Qatar	Chemical	Execution	11,000
Hawiyah Unayzah gas reservoir storage project	Saudi Aramco	Saudi Arabia	Gas	Execution	9,000
Berri Field development project	Saudi Aramco	Saudi Arabia	Oil	Execution	6,000
Commercialisation of Jafurah unconventional resources	Saudi Aramco	Saudi Arabia	Gas	Execution	8,000
Hawiyah gas plant expansion and Haradh gas compression plants	Saudi Aramco	Saudi Arabia	Gas	Execution	6,600
Marjan offshore oil field expansion	Saudi Aramco	Saudi Arabia	Oil	Execution	2,300
Safaniya Field increment	Saudi Aramco	Saudi Arabia	Oil	Bid evaluation	21,000
Shedgum and Uthmaniya gas compression programme	Saudi Aramco	Saudi Arabia	Oil	Execution	3,000
Amiral complex	Satorp	Saudi Arabia	Chemical	Bid evaluation	4,500
Yanbu crude oil to chemicals	Saudi Aramco/Sabic	Saudi Arabia	Chemical	Study	25,000
Umm Shaif gas cap condensate development: phase 1	Adnoc/Total/PetroChina/Eni	UAE	Gas	Bid evaluation	1,800

Source: MEED Projects

MARJAN FIELD DEVELOPMENT

Through this project, Saudi Aramco aims to increase production of Arabian medium crude oil by 300,000 b/d, process 2.5 billion cf/d of gas, and produce an additional 360,000 b/d of ethane. Of the total 32 packages, 22 packages are under execution and seven projects are in pre-execution. A gas lift package is in the bid evaluation stage.

Location:	Khafji, Eastern Province, Saudi Arabia
Budget:	$21bn
Feed and PMC:	Worley, Wood Group, KBR, Abdulhadi & Al-Moaibed Consulting & Design Engineers
Start/ completion	2019/2025

RUWAIS DERIVATIVES PARK

Taziz, the umbrella client on a world-scale industrial chemicals derivatives complex in Ruwais, is a 60:40 joint venture of Adnoc and Abu Dhabi's industrial holding company ADQ. Comprising three zones, phase one involves constructing production plants to manufacture a number of chemicals at global scale, with opportunities for additional investors and partners to participate.

Location:	Ruwais, Abu Dhabi, UAE
Budget:	$5bn for phase 1
Feed and PMC:	Wood Group, WorleyParsons, SNC Lavalin, Fichtner
Start/ completion	2022/2028

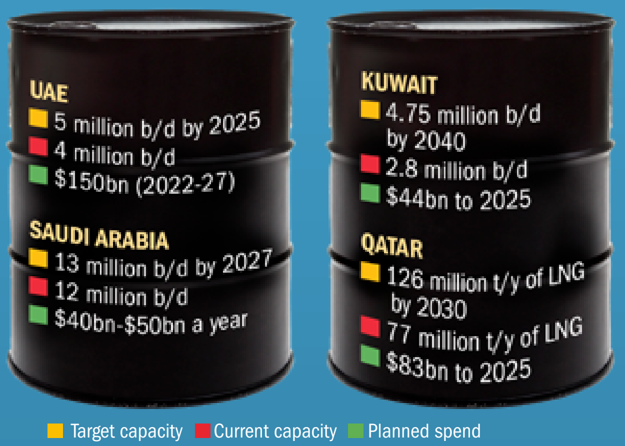
AL-ZOUR PETROCHEMICAL COMPLEX (PRIZe)

Kuwait Integrated Petrochemical Industries Company (Kipic), a subsidiary of Kuwait Petroleum Corporation, plans to develop a facility that will be integrated with the adjacent Al-Zour refinery and will add a gasoline block, an aromatics block, an olefins conversion technology unit, polypropylene units, and associated utility and offsite facilities to the existing site to produce nearly 2.7 million t/y of aromatics and polypropylene.

Location:	Al-Ahmadi governorate, Kuwait
Budget:	$10bn
Feed and PMC:	Wood Group, Rendel, Wood Mackenzie
Start/ completion	2023/2027

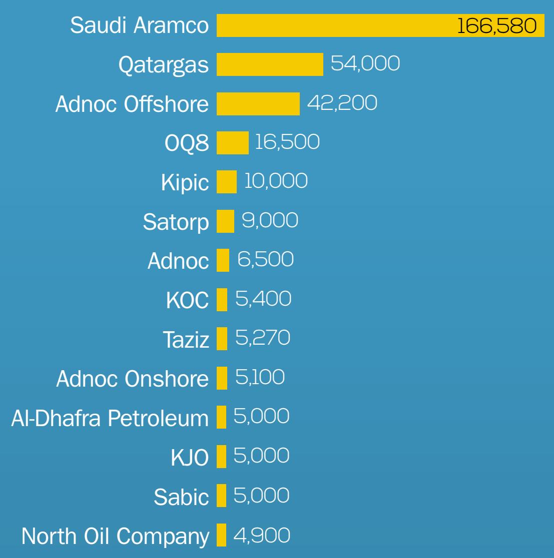
CAPACITY TARGETS

Most GCC states have set production targets to meet growing global demand. In some cases, these are estimated to be the maximum each country could sustain as they seek to maintain supply leadership and pricing influence.



TOP MEGAPROJECT CLIENTS

By active GCC oil, gas and chemical megaprojects ($m)



GCC OIL AND GAS MEGAPROJECTS 2023

- Understand each of the 40-plus GCC oil, gas and petrochemical megaprojects
- Identify new project opportunities with client and procurement details
- Minimise risk, set strategy and recognise challenges

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