LPIC signs 4 EPC contracts

SRIP Project Update
Orpic conducts Open Day
DEAR COLLEAGUES

At the onset, I’d like to wish you all a very happy 2016! As many of you know, last year was a very important year for us. We had the EPC signing ceremony for Liwa Plastics Industries Complex (LPIC) and Orpic has been moving steadfastly towards achieving its goals across all functions and departments.

The LPIC signing ceremony is one of the largest projects financed in the downstream oil & gas industry and was awarded to four EPC contractors. This is indeed an important milestone in our history and will enable us to extract maximum value from Oman’s oil & gas resources.

Sohar Refinery Improvement Project (SRIP) has been progressing well and in an exclusive interview with Mr R P Singh, GM – SRIP, he explains the project update and its benefits to our blessed nation.

From the organisation standpoint, our strategic growth projects are doing well and moving forward as scheduled. There are certain challenges that arise but I can confidently say that we are able to either solve or mitigate them keeping in mind all social and environmental impact that we may have on our communities of operation.

We have our regulars with ‘Get to Know’ and ‘Pipeline Updates’, which I am sure you will find read worthy.

So go on… read all you want and let us know what you think.

Regards
Shaima Al Aufi
Manager – Corporate Communications
On December 17, 2015, Orpic (Oman Oil Refineries and Petroleum Industries Company SAOC) celebrated the signing of more than 15 agreements to build, operate and finance the Liwa Plastic Industries Complex.

Present at the signing ceremony of one of Oman’s largest projects financed in the downstream oil & gas industry were Government Ministers, Undersecretaries, Honorable Members of the Council of Oman, Orpic’s Board of Directors, other high-ranking officials and several members of the local community of Sohar and Liwa.

The Formal agreements were signed by His Excellency Sultan bin Salim Al Habsi, the Chairman, CEO of Orpic – Musab Al Mahruqi along with the CEO’s and senior officials of awarded companies. Moreover, more than 20 local and international bank and financial institutions and export credit agency committed to provide USD 3.8 Billion.

Orpic celebrated the signing in the presence of senior managers of leading export Credit Agencies, Banking Institutions and Contractors.

Orpic awarded four contracts for Engineering, Procurement and Contracting (EPC) packages worth USD 4.5 Billion for Liwa Plastics Industries Complex (LPIC) Project to:

- EPC 1 (Steam Cracker and Utilities): CB&I and CTCI Corporation Joint Venture
- EPC 2 (Plastics units): Tecnimont S.p.A
- EPC 3 (NGL Extraction): GS Engineering and Construction and Mitsui & Co. Ltd Joint Venture
- EPC 4 (NGL Pipeline): Punj Lloyd Ltd

The high-profile event, which was held at Muscat Intercontinental Hotel, was celebrated with traditional performances rejoicing Oman and its rich diversity. In his opening speech, His Excellency, Sultan bin Salim Al Habsi, Chairman, Orpic, stated, “This project will enhance the In-Country value of products and will provide the necessary materials to grow a downstream sector in the Sultanate, with a focus on the plastics industry. LPIC will also enhance the contribution of the industrial sector towards domestic production to 9% by 2020 and will create more than 13,000 new employment opportunities for Omanis.”

Musab Al Mahruqi, CEO, Orpic, explained that the successful proponents were selected due to the strength of their technical and financial bids. He said, “Today marks an important milestone in the history for Orpic and LPIC with the signing of the EPC contracts and finance agreements to cover majority of the finance required for this project.

We are confident that once plant commissioning is completed in 2019, LPIC will change Orpic’s product mix by extracting more value from natural gas and crude oil. Being located in Sohar as part of an integrated complex that houses also Sohar Refinery, Aromatics Plant, Polypropylene and Steam Cracker Unit for LPIC, Orpic operations will be one of the most integrated refinery and petrochemical operations in the world and will enable the company to extract the maximum value from Oman’s oil and gas.”

Al Mahruqi further added, “Market support and confidence
What is the current state of Sohar Refinery Improvement Project (SRIP) as it gets near the completion stage in 2016?

SRIP awarded the EPC contract towards the end of 2013 with a very tight completion schedule of 36 months. If we look back at the work done in the last two years, significant progress has been made on the project. Specifically speaking, engineering activities have been completed 100 per cent, procurement is nearing completion (96 per cent) and 60 per cent construction work has also been done. The overall EPC progress stands at 81 per cent and overall SRIP progress is around 83.8 per cent. As we enter the final year of the EPC work, we are on a firm footing to complete the project by the end of this year despite the tight schedule.

Currently, as stated earlier, we have achieved 60 per cent of the construction progress with the help of about 12,000 workforce comprising 10,000 direct and 2,000 engineering, supervisory and office staff. While working on the project, all of us are committed to one mission – zero harm to people, virtually zero change order and completing the project on time. We are proud of achieving 18.3 million man hours without LTI on this project and we endeavour to maintain the safety standards at par with the best projects in the world. This year we are all geared up to complete the project within budget and as per the schedule.

Once operational, how is it expected to add to the production capacity and portfolio of Orpic?

This project is very unique and has five key objectives. Once completed, we will be able to resolve a number of technical problems in the existing refinery still using existing feed to RFCC as per specifications; producing additional products mainly – gasoline, HSD, ATF for consumption within the country; providing major portion of feed stock for the existing Aromatics Plant; providing almost 100 per cent feed stock to the Polypropylene Plant; and providing bitumen to take care of the country's requirements. After implementation, the production will increase – Polypropylene from 798mt/pd to 1246 mt/pd; LPG from 779 mt/pd to 1504 mt/pd; Gasoline from 5309 mt/pd to 7130 mt/pd; Jet fuel (A1) from 1133 mt/pd to 2239 mt/pd; and Gas oil from 4098 mt/pd to 9859 mt/pd.

With the completion of Sohar Refinery Improvement Project (SRIP) by end of 2016, Orpic will take its place as one of the most complex and highly integrated manufacturing operations in the region and be able to refine crude oil of a much greater range of quality. RP Singh, General Manager – Sohar Refinery Improvement Project (SRIP), Orpic updates on the progress made so far on the project.

How the project has contributed on the In-Country Value (ICV) front?

As far as ICV is concerned, we have done well on various fronts. In the beginning of the project, we had fixed the ICV target of achieving local procurement and contracting of value of USD420 million. But we have exceeded the target by a wide margin. We have achieved the ICV value of USD572 million, almost 36 per cent more than the original target.
To give you an example of the and efforts to mobilize. workers which took a lot of time personnel and about 10,000 supervisors, safety officers, quality had to mobilize 2,000 engineers, available in the Sultanate. We number of skilled resources were started the project, a limited and technical manpower in a had a major challenge of getting combined and committed efforts. We have faced in the execution of the project?

What kinds of challenges you have faced in the execution of the project?

The execution of a project of this nature and scale in a span of three years is never an easy task. We have had our share of challenges but we managed to overcome them with our combined and committed efforts. During the execution phase, we had a major challenge of getting qualified engineers, supervisors and technical manpower in a short span of time. When we started the project, a limited number of skilled resources were available in the Sultanate. We had to mobilize 2,000 engineers, supervisors, safety officers, quality personnel and about 10,000 workers which took a lot of time and efforts to mobilize.

To give you an example of the complexities involved in the task, for welding pipeline, we engaged all the workshops available in the country. Thanks to the dedication of our team, the engineering and procurement parts have been completed. On the construction front, we had to put in a lot of effort to maintain the desired rate of progress.

What are going to be the benefits of SRIP to the nation in terms of social development and economic diversification?

As stated earlier, SRIP is unique, which in addition to providing a decent rate of return, solves a number of problems in the existing plants. After completion, we will utilize the existing assets to their full potential. The project is likely to create about 500 direct jobs, provide opportunities to existing staff to enhance their career, train new and existing employees in new technology areas which at present don’t exist such as Hydrocracker, Delayed Coker, etc.

It will also provide business opportunities during the construction and operational phase of the plant and pave way for further downstream industries like steam cracker. Most of our products will get consumed within the country. I must state that the LPG produced in Sohar will go to Liwa Plastics Industrial Complex which is going to drive diversification of the economy.

SRIP is likely to add about $500 million to Orpic’s EBITDA and make the company financially sound further. This will allow Orpic to further undertake various downstream projects. After completion, the refinery will be one of the most complex refineries in the world. We will also be able to provide cleaner fuel to the country.

On the training front, we had originally planned to train 100 employees. But again we have exceeded the target. We have already trained 271 employees. We plan to start the plant with more than 80 per cent Omaniization. Most of these employees have been recruited, trained and we plan to start the operations immediately when the facility is ready.

Sohar Refinery Improvement Project (SRIP)

SRIP is a multibillion dollar capital investment for Orpic. It is being delivered in response to the need to upgrade Orpic’s refining capability in order to further maximize the value of Omani crude oil. SRIP adds the following new units, improving Sohar Refinery’s ability to process heavier Omani crude oil:

- Crude Distillation Unit (CDU)
- Vacuum Distillation Unit (VDU)
- Delayed Coker Unit (DCU)
- Hydrocracker Unit (HCU) with integrated Diesel Hydrotreater Unit (HTU)
- Isomerization Unit
- Sulphur Block
- Bitumen Blowing Unit

When SRIP comes on stream, current production of fuels, naphtha and propylene will be raised by 70 per cent. From a fuels perspective, this increase will meet the needs of continually growing fuel consumption in the country, which has increased by 10 per cent annually over the past five years. SRIP will also ensure the ability to meet the increasing demand for all and refined products, supporting the economic development of the Sultanate.

Within the company’s operations, the level of integration will be raised significantly with the feedback needs of the company’s Aromatics and Polypropylene Plants being met from Sohar. With the increased supply of naphtha, Orpic will be able to reduce naphtha purchases from 75 per cent of its total requirement to 25 per cent.

The expanded product range will mean that Orpic, for the first time, will be able to produce bitumen, which is primarily used to manufacture asphalt. This will have a flow-on effect on increased demand in the Sultanate for infrastructure projects. With SRIP, the Sohar Refinery will add 82,000 barrels per day (bpd) to its existing capacity of 116,000 bpd – taking the total capacity to 198,000 bpd. This indicates a 70 percent growth in fuel production.

SRIP will take its place as one of the most complex and highly integrated manufacturing operations in the region, and due to the current Residue Fluid Catalytic Cracker (RFCC) unit, and the additional five new units such as the Hydrocracker and Delayed Coker, it will be able to refine crude oil of a much greater range of quality. The new additions will also enable the refinery to further increase utilisation of each barrel of Omani crude.

A key outcome of SRIP will be the guarantee that the Sultanate’s increasing demand for fuel will be met. Orpic awarded the engineering, procurement and construction (EPC) contract to a joint venture of Daelim of South Korea and UK based Petrofac, and signed a contract for supply of the long lead equipment required for the project with four internationally reputed suppliers, all of which have long experience in implementing such projects.
Fast-forward years and Dr. Gabor is heading up Orpic’s Supply Chain Management (SCM). As General Manager of the function, he is responsible for the departments of: Planning and Optimization; Scheduling and Logistics; Market Intelligence; and Back Office and Polymer Marketing (recently transferred to a new Polymer Marketing Function).

He is also a Member of the Executive Team and Orpic Logistics Company Board, which is responsible for the delivery of the Muscat Sohar Product Pipeline (MSPP). “SCM is Orpic’s primary profit center, therefore we have full responsibility for the Gross Margin Orpic generated. The 60 plus employees in my team work hard to deliver our objectives. It’s hectic, but worthwhile.”

In an average week, Dr. Gabor moves between Orpic’s Sohar and Muscat sites, meets the external stakeholders and attends various management meetings for his function and Orpic’s management. He believes that his function is responsible for setting the pace for other functions and departments within Orpic. “SCM was the first function to be integrated our attitude and activities have the greatest financial impact on our operations. We are currently facing a market with multiple challenges, including fluctuating margins, and double digit growth in domestic fuel consumption. Therefore, our team has to be diligent in identifying opportunities and ensuring we are in a good position to act on them.

For example, as the hydrocarbon value chain needs to be adjusted all the time, due to the rapidly changing market environment, opportunities are continually arising. Recently, an octane booster project was completed in our Mina Al Fahal Refinery and as a result, more than USD 70 Mn was delivered as a profit improvement initiative.”

Dr. Gabor boasts around 20 years senior management experience at Orpic and is a strong advocate of the company’s ambition to be part of the ambitious integration underway, and multibillion dollar strategic growth projects.

Dr. Gabor Kenessey
Dr. Gabor joined Orpic in 2010 – excited about the opportunity to be part of the ambitious integration underway, and multibillion dollar strategic growth projects.

- Favorite thing to do when not working:
  Cooking with my wife and spending time with my dog.

- Book currently reading:
  The Naked and The Dead, by Norman Mailer.
experience in the fields of hydrocarbon value chain optimization, logistics, production planning and scheduling. His expertise in optimizing and managing wholesale downstream commercial activity has been valuable to Orpic, at a time when the company is entering into the petroleum products and petrochemical market.

A scientist at heart, Dr. Gabor is resourceful, purposeful, persistent, and a critical thinker – blending his passion for problem solving with creative thinking. His thirst for education is evident; having achieved a long list of qualifications including a Bachelor of Chemical Engineering, Master of Biochemical Engineering, Ph.D. in Chemistry and Candidate of Chemical Science. “As a seasoned professional, I see a big part of my role as grooming Orpic’s younger generation to become mature, experienced industry experts, so that in time, they too can mentor new graduates as they join the Orpic family. I truly believe that building on knowledge, through the generations, is critical to Orpic’s local and international success, given Orpic is a relatively newer entrant to the oil and gas sector.”

While the current goal of the SCM team is to manage the hydrocarbon value chain and generate the highest Gross Margin possible, with Orpic’s growth projects on track for commissioning over the next three years, Dr. Gabor’s goal is to see SCM successfully managing a hydrocarbon value chain worth several billion dollars and millions of tons of hydrocarbon feedstock and products – while generating multibillion dollar Gross Margins for Orpic and Oman.

“Without our growth projects, Orpic’s operating characteristics are already in the top quartile, when compared to regional/international companies. To achieve our goals, in terms of both functional and corporate goals, we need to further advance ourselves, both individually and as a group, to stay in the top quartile and become one of the industry’s highest-ranking performers. With openness and transparency, agility and responsiveness, and importantly, professionalism, Orpic will propel forward while we strive to optimize profit and keep a close eye on our domestic supply.”

Dr. Gabor recently worked closely with the Sohar Refinery Improvement Project team on finalizing the design of the new Plant. And with his proven track record in the field of process and cost efficiency improvement, Dr. Gabor also plays a key role in the development of business strategy and business design.

“The SCM function translates the potential value created by Orpic’s operation, while refining the crude oil and other feedstock, to valuable finished products into real monetary value by purchasing the feedstock and selling the products, i.e. realizing gross margin.”

“I am focused on identifying ways to optimize this margin, while at the same time contributing to any other function, department or project, where I can add value through my experience and expertise. I have a conscientious mentality, so I find it satisfying and rewarding to make a tangible contribution to the success of the company and the people I work with.”

ORPIC

PEOPLE’S PERSON

Hamoud Seif Al Falahi, Technical Assistant – PR, Administration recently retired after serving Orpic for 29 years. Sangeeta Sundaresan caught up with him to know more about life here at Orpic. Read on…

“It was an extremely emotional moment for me,” says Hamoud Seif Al Falahi, Technical Assistant – PR, Administration as he recounts his last working day at Orpic and rightfully so. He began his career at Orpic in 1986, a few years after the company had been formed and has been with Orpic ever since.

He joined Orpic as a Typist in the Public Relations department (which handled visa procedures for expatriate employees). At the time, Orpic was at the threshold of taking off as a major player in the petrochemicals industry in Oman and work was busy. He fondly remembers, “The company was relatively new however the employees were committed and dedicated. Orpic has always been an organization that has recruited and retained the best-in-class talent, so we knew from the very beginning that this was a great company to work for.”

As the company grew so did he – not just professionally but also among his peers. He was well respected and liked by everyone. He says, “What I am today is because of my team and the constant motivation. They supported me in every manner possible and this made work easy and enjoyable.”

Said Al Sharji, Team leader – Facilities Management, Administration Services Muscat, under whom Hamoud worked till he retired says, “Hamoud has been instrumental in our department’s success. He was not just hardworking but honest and committed to his work. He was definitely a role for the new generation of employees and was often seeing mentoring them. This has translated into a positive impact within the department. Although we are sad that he is leaving and will miss his work ethic, we wish him all the best in all his future endeavors.”

Ask him what he intends to do post retirement and he says, “Rest, relax and spend time with my grandchildren.” And we second that thought!
How long have you worked at Orpic, and why did you choose Orpic? I joined Orpic in October 2014. I chose Orpic because it is one of Oman’s largest and rapidly growing businesses in the Middle East oil industry.

Describe a typical day in your role? My role puts me at the center of all our project activities, which gives an interesting perspective into how a lot of different things run and operate. Usually, I have a weekly meeting with my direct leader to learn about his priorities for the week so that the rest of the week is well organized and I can effectively exceed our management expectations.

How many functions / departments / projects / people are you responsible for? Currently I’m responsible for 1 employee and I offer my full support to the LPI Team.

What sort of characteristics makes for a good ‘Orpic person’? An Orpic person according to me should possess the following:  
- Care about the company  
- Possess self-confidence  
- Is committed to excellence  
- A trustworthy and team player  
- Has good time management skills

What has been the biggest change and/or challenge you’ve seen since joining Orpic? LPIC is the biggest challenge for Orpic, it is Oman’s largest downstream project to date. The project is due to be completed in 2019 and it will firmly place Oman in the international petrochemicals marketplace, reinforcing Orpic’s position as a significant player.

Where do you see your greatest impact / contribution / influence? I can see my greatest impact when I get things done efficiently, accurately and in a timely manner.

In terms of your role, departments, projects etc, what differentiates them from others in Orpic? A leadership example, a teamwork example and experience on the job.

How would you define personal success and how would you define Orpic’s success? Orpic’s success: Through integrating and embracing the new projects and doubling company profit.

Fast forward five years. What do you hope to see for your team and Orpic? We will have commissioned the plant (LPIC) which will transform Orpic’s product mix and business model, double company profit, create new business opportunities, generate significant employment opportunities and support the development of a downstream plastics industry in Oman. This will be a great achievement for LPI Team, Orpic and Oman in general.

In your opinion, how does Orpic need to grow / evolve to be internationally competitive and stay there? Orpic needs to attract, employ and develop talented and motivated people and share its core values to all stakeholders.

How do you see Orpic in relation to other oil & gas companies in the region / international markets? Orpic is at a crucial juncture and hardworking.

What has been the biggest change and/or challenge you’ve seen since joining Orpic? The biggest change I have seen is the speedy growth of Orpic and the biggest challenge was for me to cope with the changing situation by the grace of God. I managed to adapt to the change.

Where do you see your greatest impact / contribution / influence? I am responsible for all issues related to MSPP / government departments / PR with contractor etc. along with the new role of inspecting 10” & 18” Pipelines for MSPP.

What sort of characteristics makes for a good ‘Orpic person’? An Orpic ambassador should work for the company, follow all rules and regulations especially those related to safety. He/she should also be sincere and hardworking.

How do you see Orpic in relation to other oil & gas companies in the region / international markets? Orpic stands in a highly esteemed position in the oil and gas sector in the Middle East and we aim to be a leading performer in our sector regionally & internationally.

Favorite thing to do when not at work / working? Spending time with family with activities such as, picnic, sports and watching television.

Favorite book, or book you are currently reading? Holy Quran

Favorite quote / saying? Smooth Seas Don’t Make Skillful Sailors.
Know Your Department

Internal Audit New Style
Making a Valuable Contribution

Michel Kee, Chief of Internal Audit
in conversation with the Corporate Communications team on the new team, new way and focus areas in 2016...

What motivates the function among employees?
I think one of the biggest factors is the fact that they are part of a new team which is on a journey to improve its capabilities and create a business impact. This is encouraging and motivating them to contribute more towards Orpic’s success.

What are the function’s key responsibilities?
The Audit function’s responsibility is to provide - from independent position - insight, assurance and advice on company-wide governance, risk management, internal control and compliance activities as well as oversee the improvement progress.

What has been the function’s biggest challenge so far?
One of the biggest challenge has been the delivery of the 2015 audit plan as the new team came on-board later than anticipated. The other challenge was to act as focal point on the coordination of efforts related to State Audit (having different objective and approach compared to Internal Audit) given their increased attention to Orpic.

What exciting projects does the function have planned for the future?
Every single audit is an exciting project for the team as it requires engagement with different functions and our aim is to contribute to continuous improvement within any function/department.

How many employees are there in your function?
At the moment we have 13 employees. Next, we work with guest auditors.

What are the initiatives the function is working on?
As a function, we work on enhancing the Internal Audit capability (Roadmap ‘Internal Audit to the Next Level’) and with that the development of Omani talents.

What are the key focus area during 2016?
The audit priorities are aligned to the Key business focus areas (RITE) and the key company risks in order to optimize value add from audits done in ‘The Orpic Way’.

Orpic Gold Sponsor of 3rd Oman Plast 2016

Orpic recently sponsored and participated in the ‘3rd Oman Plast 2016’ held at Oman International Exhibition Centre. The exhibition drew large gathering from the international plastics, rubber, chemicals and printing and packaging industry. Held under the patronage of Hilal bin Hamad Al Hasani, CEO, Public Establishment for Industrial Estates (PEIE), the exhibition which had more than 100 exhibitors provided excellent trade and business opportunities to both exhibitors and visitors.

Dr Hilal Al Hinai, GM – Corporate Support Services, Orpic, states, “Orpic believes in supporting initiatives that are unique and provide further value to our business. At the 3rd Oman Plast in Muscat, visitors were introduced to the latest technology and machinery for the production of plastics, rubber, and packaging and petro chemicals. It also offered a platform in which experts from the industry met and exchanged ideas on latest developments. We are happy to have participated in this event.”
External Relations Services received the second batch of School Drivers who participated in the Defensive Driving course, in collaboration with Traffic Safety Institute of Royal Oman Police and the General Directorate of Education in Al Batinah North Governorate. This course aims to instill traffic safety concepts among drivers thereby enabling them to respond to any kind of emergency situation and also to improve school transportation system and ensure safety of students. The course included theoretical aspects and a number of practical exercises such as checking tires, engine, seat belts and traffic line regulations.

**Orpic Regatta**
Orpic organised the second Regatta and a camping festival at Sohar Beach in coordination with General Directorate of Sports Affairs in AL Batinah North under the Auspices of H.E Sheikh Ali bin Ahmed bin Mishary Al Shamsi, Wali of Sohar.

17 boat Owners from the governorate participated in the race. Additionally, accompanying activities were held such as traditional maritime dances performed by local bands and aerobatics show by Sohar Amateur Team and lots of other activities which witnessed a large audience and was perceived positively.

**Celebrating the 45th National Day with the Community**
External Relations Services celebrated the 45th National Day with the neighbouring community by distributing 13000 items (Scarfs, badges and Flags) to more than 20 Schools in addition to entities and locals to share and celebrate with them this happy moment.

**Career Guidance Program**
External Relations Services organised two workshops in cooperation with the General Directorate of Education in North Al Batinah Governorate as a part of department community school programs. It targets 300 students and 100 supervisors. The objective of this workshop is to guide students to the best specialisation that suits their desire and abilities. Also, to familiarize career guidance specialists with the ideal way of guiding students. The two workshops were presented by Dr. Ayoub Al Ayoub, a leading consultant from Kuwait.

**Orpic Employees Participate in Plant a tree Campaign**
Stemming from our Value “We Put Safety & the Environment First”, External Relations Services jointly with Jusoor and Directorate of Agricultural Research in North Al Batinah governorate organised plant a tree campaign on 25th November 2015. 300 Mango, lemon and Seder trees were distributed to 151 Orpic employees at Sohar Site.

**Orpic wins third place in Traffic Safety Competition**
Orpic represented by External Relations Services Secured third place at the 2015 Oman Road Safety Competition for institutions and private sector companies’ category. The award came as a result of the Company’s efforts and commitment towards traffic safety.
Excellence in Process Safety.
recognises that a proactive
maintenance practices.
engineering, operation and
by applying good design,
management programme
for a reliable and robust risk
System and continuously strives
Process Safety” is identified as
achieving Excellence in
process and accelerating the
Change process, a leading
implementation of a number
process and focusing on production targets, Orpic’s corporate
in the field of Process Safety.
he said that besides
production targets, Orpic’s corporate
prime responsibility is to operate safely and reliably.
he said, “Orpic recognizes the inherent risks of our
processes and to deal effectively with such risks is one
of our key strategic priorities. Orpic has implemented
a fit-for-purpose Process Safety Management System
and continuously strives for a reliable and robust risk
management programme by applying good design,
engineering, operation and maintenance practices. The
Orpic management recognizes that a proactive
Process Safety culture is paramount in achieving
Excellence in Process Safety. Hence Orpic’s Process Safety

The appointment was made following a review of Orpic’s
organizational model to ensure it has the necessary
structure and talent in place to capitalize on current and
future opportunities within
Oman. Mohammed Al Kaabi is
an accounting graduate with
over 15 years’ experience in
Investments, Finance, Accounts & Projects. He has held many
positions within the organization during his tenure across various
financial functions. Due to his
proven skills and capabilities in
managing departments and
leading people; as well as
organizing and managing
all account related activities and
managing projects, he has
been appointed as Financial Controller.

On behalf of Orpic management, we would like to
wish Mohammed all the best
in his new role and full success,
knowing that his contribution is key to our current and future
delivery. As Orpic firmly expands
in both size and complexity, the
Talent Board shall continue to
ensure that talented leaders
mobilize their capabilities to the
fullest through stretch exposures,
developmental rotations and
new appointments.

As the prime Corporate
responsibility is to assure the
safety and reliability of our
people and operations; while
paying due care to
the environment and the
communities within which
we operate. Being a process
industry, Orpic recognizes and
deals with the inherent risks of
unwanted high consequence
events.
In order to prevent such events,
“achieving Excellence in Process Safety” is identified as
one of Orpic’s key strategic
pillars. To efficiently manage
process safety risks, Orpic has
implemented a fit-for-purpose Process Safety Management System
and continuously strives
for a reliable and robust risk
management programme by applying good design,
engineering, operation and
maintenance practices. The
Orpic management
recognizes that a proactive
Process Safety culture is
paramount in achieving
Excellence in Process Safety. Hence Orpic’s Process Safety

A number of important
milestones have already been
achieved, such as establishing
a robust Management of
Change process, a leading
Asset Integrity Risk Management
process and accelerating the
implementation of a number
of key Asset Integrity programs
such as Risk Based Inspections
(RBI), Operating Windows
(xOW) and Reliability Centered
Maintenance (RCM).
There is a long way to go on the
journey to achieving effective
Excellence in Process Safety and
being recognized as a prominent
player in Process Safety and
Asset Integrity within the
global Oil & Gas sector.
nevertheless the company has
received numerous
accomplades and independent
assessments that show that its
journey towards this ambitious
target is sound and provides a
solid foundation for significant
progress in the years ahead.
About Orpic:
Orpic is one of Oman’s largest
and most rapidly growing
businesses in the Middle East oil &
gas industry. Orpic’s Refineries,
Aromatics and Polypropylene
Plants provide fuel, chemicals,
plastics and other petroleum
products to Oman and the world.
Owned by the Government of
the Sultanate of Oman and
Oman Oil Company SAOC,
Orpic’s impressive integration
of Refineries and Petrochemical
Plants coupled with its ambitious
growth plans, have cemented its
position as one of the industry’s
most forward-thinking companies.
The company currently employs
around 2,000 employees. To
continue to meet the
energy needs of Oman and
international markets, Orpic is
undertaking three key growth
projects: Muscat Sohar Product
Pipeline (MSPP), Sohar Refinery
Improvement Project (SRIP)
and Lwa Plastics Industries
Complex (LPIC), in line with the
company’s strategy to add
value to oil and gas molecules
produced in Oman.

Orpic strengths its leadership team
with appointment of senior Omani

Orpic (Oman Oil Refineries and
Petroleum Industry Company
SAOC) recently appointed
Mohammed Al Kaabi as
Financial Controller. This
appointment represents Orpic’s
commitment to provide a strong
career path to Omani nationals
working in the oil & gas industry.
The appointment was made
following a review of Orpic’s
organizational model to ensure it has the necessary
structure and talent in place
to capitalize on current and
future opportunities within
Oman. Mohammed Al Kaabi is
an accounting graduate with
over 15 years’ experience in
Investments, Finance, Accounts
Projects. He has held many
positions within the organization
during his tenure across various
financial functions. Due to his
proven skills and capabilities in
managing departments and
leading people; as well as
organizing and managing
all account related activities and
managing projects, he has
been appointed as Financial Controller.

On behalf of Orpic management, we would like to
wish Mohammed all the best
in his new role and full success,
knowing that his contribution is key to our current and future
delivery. As Orpic firmly expands
in both size and complexity, the
Talent Board shall continue to
ensure that talented leaders
mobilize their capabilities to the
fullest through stretch exposures,
developmental rotations and
new appointments.

Orpic recently sponsored and participated in the
‘Global Summit on Process Safety’ organized by CCPS
(Center of Chemical Process Safety) & American
Institute of Chemical Engineers in Kuala Lumpur,
Malaysia. The Global Summit, themed “CCPS Process
Safety Vision 20/20,” drew more than 350 delegates
from more than 75 organizations including oil & gas,
chemical and pharmaceutical sectors. The summit was
inaugurated by YB Dato’ Sri Richard Riot Anak Jaem,
Honorary Minister of Human Resources, Malaysia. The
event proved to be an excellent platform that brought
together experts from around the world to determine a
more sustainable future.
Livio Accattatis, General Manager - Technical Services,
Orpic presented the achievements made by Orpic in
the field of Process Safety. He said that besides
focusing on production targets, Orpic’s corporate
prime responsibility is to operate safely and reliably.
He said, “Orpic recognizes the inherent risks of our
processes and to deal effectively with such risks is one
of our key strategic priorities. Orpic has implemented
a fit-for-purpose Process Safety Management System
and continuously strives for a reliable and robust risk
management programme by applying good design,
engineering, operation and maintenance practices.”
Orpic also participated in the exhibition organized
as part of the summit and showcased its existing and
upcoming projects. The summit not only proved to be
an excellent platform to showcase Orpic presence as
one of the key players in Oil and Gas business and their
achievements in Process Safety, but it also allowed
Orpic employees to interact with and learn from global
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Orpic strengthens its leadership team
with appointment of senior Omani

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Orpic’s 4th Annual Supplier Symposium draws good response

Orpic recently conducted its 4th Annual Supplier Symposium at Majan Hall, Sohar. The event was held under the auspices of H.H. Dr. Fahad bin Al Janada Al-Said, Assistant Secretary General of Innovation Development at The Research Council. This year’s event saw hundreds of national and international suppliers. The successful symposium was attended by senior personnel of Orpic who made presentations on the strategic growth projects that are currently being undertaken by Orpic. With Sohar Refinery Improvement Project (SRIP), and Muscat-Sohar Product Pipeline (MSSPP) already under construction, a number of exciting opportunities were presented to Suppliers. Additionally, with the EPC contracts for Liwa Plastics Industry Complex (LPIC) signed; the project is steadfastly moving on course and scheduled for completion in 2019. This project, which is the largest undertaken so far, will also provide numerous opportunities. Apart from operational updates, other departments also discussed their particular roles and processes, including new ones. The company’s In-Country Value (ICV) Department was formed early in 2014 and has added significant value in sharpening the focus on the level of procurement disbursed locally and nationally, and engagement with Small and Medium-sized Enterprises (SMEs).

The Procurement, Contracts and Inventory Department (PCI) also shared the latest news regarding their procedures and requirements, and how a potential supplier can best serve their own interests in dealings with Orpic through the tendering process. The Joint Supplier Registration System (JSRS) organization spoke on their contribution to the national supplier process, and the importance and benefits of registering on the JSRS. At the heart of the symposium’s activities a panel discussion explored issues on SME support and development, within Orpic’s framework.

MINA AL FAHAL REFINERY COMPLETES 1 YEAR WITHOUT LTI

Orpic’s Mina Al Fahal Refinery recently completed a major milestone of completing 1 year of safe and successful operations without Lost Time Injury (LTI). As a leading organization, Orpic places emphasis on safety – be it their people, plant or operations. The company works with a clear target to zero harm across all its operations proactively identifies, analyses and mitigates any impact that may occur across its areas of operations.

Essam Al Sheibany, GM – Operations, Mina Al Fahal, said, “We are extremely happy and proud of this achievement. The operations, maintenance & technical services teams at the Mina Al Fahal Refinery are closely aligned with the HSE rules and practices, so our combined strengths form a formidable barrier in avoiding incidents, in order to assist and emphasize safety, a wide range of tools have been developed over the years: permit to work, internal/external audits, drills/ coaching followed by evaluation, adhering to standard operating procedures, developing process safety awareness & culture to name a few.”

He added, “This could not have been possible without the contribution of all those who have been serving the Mina Al Fahal Refinery both directly & indirectly all these years. We hope to maintain this momentum.”

HR Staffing Services Contract Kick off Meeting

Staffing Services Contract of HR Strategy and Staffing Services recently had a kick off meeting and contract signing ceremony at Crown Plaza Sohar. The vendors who were awarded the contracts included Spencer Ogden – UK, Fircroft – UK, P.T. Binamandari – Indonesia, Orion Group – UK/Oman, Oilfield Workforce – Singapore, and MENA HR – Oman. During the meeting, vendors had the opportunity to understand the Orpic recruitment processes and procedures, payment terms, issues regarding diversity and also better acquaint themselves with the staffing team.

Orpic Trainees Graduation Ceremony

Orpic recently celebrated the graduation of 320 Omani trainees at a gala ceremony in Sohar. These graduates are part of Orpic’s comprehensive training programme which Orpic undertakes on a yearly basis. The event also celebrated the completion of training program for 23 employees which was conducted in the Republic of India. The event was held under the auspices of H.E. Sheikh Abdullah bin Nasser bin Abdullah Al-Bakri, Ministry of Manpower, felicitated employees from different disciplines. Orpic firmly believes in supporting the national In-Country Value programme and hence believes in nurturing and developing young Omans to take on roles in line with the company’s long term strategic growth plan.
Trainee Development Programme

100 trainees from ‘Trainee Development Programme - Batch 4’ have successfully completed their respective training programme. The programme ran for 12 months and was delivered through classroom and on-the-job training. A final written exam was held in January 2016 at the International Maritime College of Oman following which successful candidates will join Orpic across respective operation-plants. We wish all our trainees good luck.

Raysut Depot Revamp Project

The Raysut Depot revamp meeting was recently held in Salalah. The primary purpose of the meeting was to discuss the importance of improving the safety of reception, storage and truck loading operations, aligning the Raysut Depot process with international standards, improving the efficiency of oil jetty to receive bigger vessel capacity and improving the overall quality control of products.

SRIP Project Update

SRIP achieved a major milestone of 12 million man hours without LTI. With the commissioning of permanent power at ICB, SRIP has achieved yet another milestone. The cumulative construction progress is 64.0% and the overall SRIP progress is 84.7%. Out of a total 1230 major equipment, 1146 have been received on site, of which 1058 have been erected. Internal equipment installation has commenced with the first two columns. One of the focus areas is to complete above ground piping.

Orpic Open Day

The annual edition of Orpic Open Day was recently held at Muscat & Sohar. The Open Day not only shared the key achievements of Orpic in 2015 but also highlighted Orpic’s business plan for the next five years. It served as a perfect platform for the senior management to share, engage, respond and clarify the concerns that employees may have.
Reliability Program Workshop

The Reliability Improvement Program along with the Integration and Change Management Department (ICM) undertook an offsite workshop recently to review the 2015 Reliability Program performance as well as agree on key focus areas and improvements for 2016. The workshop included participants from Process Safety & Reliability steering committee and Area Reliability committee (ARCs) along with OMT support function managers. In all, over 50 Orpic employees attended the workshop and were engaged in the review session wherein improvements for ARCs and support functions were devised for 2016 and beyond.

Firefighting Operations Training Program

As a part of our value “We put safety and the environment first”, Orpic organised a training program for supervisors in the General Directorate of Education in Al Batinah North about HSE-related issues, the program was accompanied with a detailed explanation of Firefighting Operations, in the presence of the Manager of the HRD department in the General Directorate and a number of supervisors. This program aimed to increase awareness of the right procedures to follow in an emergency and how to maintain a high level of safety.