

Republic of Suriname

The Republic of Suriname, with its capital city Paramaribo, is located just north of the Amazon delta on the northeast coast of South America. It is bordered in the north by the Atlantic Ocean, in the west by Guyana, in the east by French Guiana, and in the south by Brazil. For the most part, Suriname is covered by tropical rain forest and is thinly inhabited. The population is a rich ethnic blend of approximately 500,000 inhabitants. Although the official language is Dutch, English is widely understood and spoken. Suriname is a parliamentary democracy and has an elected President heading the Government.

The country's rich mining history as one of the major bauxite and alumina producers in the world spans more than 90 years, with the Alcoa and BHP-Billiton as operators.

The sedimentary basin, including the offshore economic zone, covers approximately 155,000 square kilometers/38,000,000 acres. The systematic search for petroleum began in the early sixties, but petroleum development took a leap after 1980 with the set up of Staatsolie, and production sharing service contract models were introduced for the participation of private oil companies in petroleum activities.



Company Facts

Official name:	Staatsolie Maatschappij Suriname N.V.
Established on:	December 13, 1980
Shareholder:	Republic of Suriname
Board of Executive Directors:	M.C.H. Waaldijk – Managing Director I.E. Kortram – Finance Director B.F. Nuboer – Director Refining & Marketing B.W. Dwarkasing – Deputy Director Exploration & Petroleum Contracts G.P. Sairras – Deputy Director Production & Development
Deputy Directors:	655
Employees:	Exploration, drilling, production, refining, marketing, sales, transport, generation of electricity and steam
Commercial Activities:	Promotion, contracting and monitoring activities of other oil companies on behalf of the State
Institutional Activities:	Oil fields: Tambaredjo and Calcutta
Oil fields:	Name of the crude: Saramacca Crude (low in sulfur and metal contents)
Name of the crude:	Staatsolie Refinery: Grass roots oil refinery operational since 1997
Staatsolie Refinery:	Processing capacity: 7,000 barrels crude per day
Processing capacity:	Refinery products: Diesel, fuel oil and asphalt bitumen
Refinery products:	Markets: Suriname and the Caribbean
Markets:	Financial performance 2007: Gross turnover: US\$ 355 million Net profit: US\$ 225 million ROE: 54% Dividend: US\$ 110 million Contribution to Government budget: US\$... million

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STAATSOLIE

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Company Profile

Staatsolie Maatschappij Suriname N.V.





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Staatsolie Maatschappij Suriname N.V. - State Oil Company Suriname N.V. was founded on December 13, 1980 as a limited liability company under Surinamese Law. The Republic of Suriname is the sole shareholder.

What We Do

During the past 27 years Staatsolie has developed from a grass-roots operation into an integrated oil company, contributing significantly to the Surinamese economy. Today, Staatsolie explores for, produces and refines crude oil. The various petroleum products are sold in Suriname and the region. Since 2006 the company owns and operates a 14 Mega Watt power plant. Besides its own onshore operations, Staatsolie as agent for the State, actively promotes the hydrocarbon potential of Suriname, and monitors petroleum agreements on behalf of the State.

Exploration & Production

Staatsolie's petroleum operations began onshore in the Saramacca District, 55 kilometers west from the capital Paramaribo. The company's crude production at year-end 2007 totaled 5.4 million barrels from the Tambaredjo and Calcutta oil fields. The majority of the production comes from the Tambaredjo field, which was brought into production in 1982. In the neighboring Calcutta field full-scale production activities started in March 2006. Staatsolie's exploration strategy is driven by its objective to increase onshore crude production to 16,000 barrels oil per day in 2012.

In the plan period 2007 – 2010 onshore exploration will focus in areas outside Tambaredjo and Calcutta. Exploration of coastal areas outside the current fields will be stepped up.

Refining & Marketing

A 55 km pipeline - built in 1992 - brings the crude from the oil fields of Saramacca to the refinery at Tout Lui Faut. Staatsolie's refinery has a processing capacity of 7,000 barrels per day and produces diesel, different grades of fuel oil and asphalt bitumen. Most of these petroleum products find their way to the local market, and the surplus is exported to the Caribbean. Another marketing activity is ship-bunkering of local and foreign customers.

Power

Staatsolie also supplies power to Suriname. Since July 2006 a 14 Mega Watt co-generation power plant was taken into production. The Tout Lui Faut refinery uses the steam that the power plant generates and the electricity is sold to the local power company for further distribution to its clients.

Agent for the State

In 2000, the United States Geological Survey (USGS) concluded that the Suriname-Guyana sedimentary basin contains 15 billion barrels of undiscovered oil. This information attracted oil companies to Suriname. The increased exploration activities onshore as well as offshore revealed new play concepts and prospects. In 2008, after more than 20 years since the last wild cat was drilled offshore, new exploration wells will be drilled offshore Suriname.

With new technology and better understanding of the Guyana Basin, Suriname is on the eve of becoming an important oil province. Offshore production sharing contracts are in place with Repsol YPF, Noble Energy, Maersk Oil, Teikoku, and Murphy Oil.

Onshore, Staatsolie signed production sharing contracts for the Coronie Block and the Uitkijk Block with Paradise Oil Company N.V. and its joint venture partner Tullow Oil. Paradise Oil is a 100% subsidiary of Staatsolie.

Business Principles Vision and Strategy

According to its 2020 vision, Staatsolie wants to take the lead in the sustainable development of Suriname's energy industry, become a player in the region with a global identity, significantly contributing to the Surinamese society.

Key strategic goals derived from Staatsolie Vision 2020 are:

- Diverse the downstream product portfolio;
- Double the refinery throughput to 15,000 barrels per day by 2012 and produce high quality products for the local market.
- Increase and stabilize onshore production at 16,000 barrels oil per day.
- Find new reserves onshore to support a production level of 16,000 barrels oil per day.
- Improve the education and expertise of its staff.
- Further develop into a business unit organization in accordance with industry standards.

Our People

Staatsolie firmly believes that people are central to its successes and as a result, human resource development is a vital aspect of our business. Regular training and development programs have resulted in a pool of knowledgeable and dedicated petroleum professionals mastering the entire process of exploration, development, production, refining and marketing.

Quality

Staatsolie's downstream operation at Tout Lui Faut has been ISO 9001:2000 certified since December 2003. In February 2006 Staatsolie was company-wide ISO 9001:2000 certified by Det Norske Veritas (DNV).

Health, Safety & Environment

Staatsolie gives high priority to a healthy work environment. In line with this, procedures for preventing accidents and protecting the environment, which adhere to international standards, have been implemented. An integrated HSE Policy, which also applies to contractors, steadily improves occupational health and safety performance and monitors the environmental effects of Staatsolie's operations.

Corporate Social Responsibility

Staatsolie demonstrates its corporate citizenship by contributing to a wide range of community projects. Donations are made to projects involving senior citizens, children, persons with a handicap, sports, road safety, education and the environment. In 2007 donations amounted to US\$ 2 million. The largest donation in 2007 was the construction and design of a building for the Faculty of Graduate Studies and Research. Staatsolie will also support research and study programs conducted at this faculty.