

Turkish firm eyes Uganda's oil

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Pet Oil, a Turkish independent petroleum exploration and development company, has officially joined the long list of companies interested in Uganda's petroleum industry.

The firm has already registered a Ugandan subsidiary, Pet Oil Uganda Limited, in preparation for the next round of licensing.

Pet Oil Uganda has established a contact office, hired Makanga Munonya as its publicist, and named Chris Mubiru of Kalenge, Bwanika, Ssawa and Company Advocates the legal advisors.

Dr M Ali Ak, the general manager of Pet Oil, told journalists at Serena hotel last week that the company was eagerly waiting for government to lift a moratorium on licensing.

"We are making ourselves ready for the next round of competitive bidding. We have been reading through the new oil law [Petroleum (Exploration, Production and Development Act, 2013). It is contemporary, a very modern law," he said.

Pet Oil's entry into Uganda's oil and gas sector follows President Museveni's visit to Turkey early this year, where he lured Turkish companies to come and invest in Uganda's oil industry. While in Turkey, President Museveni met officials of Pet Holdings, owners of Pet Oil.

The president met Pet Oil founder and chairman, Prof Dr Guntekin Koksai, Commercial Manager Cuneyt Sapcioglu and General Manager Dr Ali M Ak.

"We [Pet Oil] have decided to enter the East African region through Uganda. The company has come with a mission to transfer knowledge in the oil and energy sector to Uganda using its strong exploration and production background," Ali said.

Established in 1990 in Turkey, the company enjoys exploration and development rights in countries like Kazakhstan, Azerbaijan, Bulgaria, Romania, Iraq, and Turkey. But Uganda would be its first operation in Africa.

"Pet Oil is targeting to grow mainly outside Turkey and to become an international player in areas of oil and gas exploration and production and relevant service sectors as well," Ali said.

Pet Oil is now one of more than 100 oil companies that have queued up for the next round of licensing in Uganda's oil industry.

In 2007, government suspended licensing, following the discovery of commercial oil, pending establishment of a new robust institutional and legal framework. The new petroleum law, was signed into law by Museveni in April. What is now remaining are the regulations and establishment of the new institutions like the Petroleum Authority of Uganda and the National Oil Company, among others.

Ali says Pet Oil will bring a wealth of experience from across the world.

"It will contribute to the training of Ugandans and offering employment to many Ugandans and assist the country to attain its local objectives for long-term sustainability," he says.

According to Makanga Munonya, Pet Oil is expected to bid for more than one block.

Another Turkish firm, Turkish Petroleum Corporation (TPAO), a state-owned oil company, has also expressed interest in coming to Uganda. TPAO has already operated in Libya, Morocco, and Tunisia.

Already, the Turkish firm Kolin Construction Company is building the 92-kilometre road between Hoima and Kaiso-Tonya, which will connect to the oil fields to the refinery.