

CENERGYICO PK LTD PAKISTAN'S ENERGY FUTURE



AS THE GLOBAL ENERGY MARKET TRANSFORMS, CNERGYICO IS FORMING A VITAL PART OF THAT TRANSFORMATION IN PAKISTAN.

PAKISTAN'S ENERGY FUTURE

PROJECT MANAGED BY: DEAN BROWN

Cnergyico began as a small oil refining company almost two decades ago, founded by Parvez Abbasi, and his son, the company's current CEO Amir Abbasciy. From the outset, Cnergyico's mission was to meet Pakistan's growing energy needs and reduce its reliance on foreign fuels.

“Back then, the company ran a modest facility that could process up to 18,000 barrels of crude oil each day,” explains Amir Abbasciy, CEO - Cnergyico.

Over time the company ramped up production capabilities, raising its capacity to 36,000 barrels per day. Cnergyico's upward trajectory was such that it successfully commissioned Pakistan's largest refinery in 2015, which was installed near the existing one. With an impressive capacity of 120,000 barrels a day, it placed Cnergyico firmly

at the forefront of the Pakistani oil industry. Today, Cnergyico is one of the nation's leading energy companies, owning and operating the largest oil refining complex with a nameplate capacity of up to 156,000 barrels of crude oil per day. The company also owns a growing network of over 450 retail stations, strategically located throughout Pakistan in all major cities, towns, and highways.

Cnergyico is a uniquely placed company in Pakistan's energy sector. It is the only truly vertically integrated oil refining company. >>



SCOPE LOGISTICS PAKISTAN

(formerly OPECS NAVIGATION PAKISTAN (PVT.) LTD.)

Scope

SCOPE Logistics Pakistan is a global ship operator with core competency in the transportation of the liquid bulk, dry bulk and project cargoes.

SCOPE has always adhered to its fundamental principals i.e. no compromise on quality, efficiency, and commitment to excellence, which subsequently led SCOPE to establish long term relationships with some of the largest and the most reputable ship owners, commodities traders, brokers and the other significant stakeholders of the industry.

As a result, in a very short span of time SCOPE has captured a huge chunk of market share for crude oil shipments in Pakistan which reflects from the fact that SCOPE delivers over 2.5 million mts of crude annually to Pakistan's largest refinery, Cnergyico PK Limited .

www.scope.com.pk

Bahria Complex II, 5th Floor M.T. Khan Road.
Karachi, Pakistan



At the heart of Cnergyico's operations lies an oil refining complex that can process more crude oil than any other plant in the country—roughly 37% of Pakistan's entire oil refining capacity. Its coastal position brings other advantages as well.

Because Cnergyico's oil refining complex is situated in a coastal area, it was able to deploy the Single Point Mooring (SPM) – the first of its kind in the country. That allowed the company to procure crude oil directly from suppliers to feed its refineries. The SPM is capable of handling even some of the biggest oil vessels, called the VLCCs (Very Large Crude Carriers), that can't berth at other local ports.

Cnergyico occupies a crucial point in the fuel market, selling fuels directly to commuters through its network of retail outlets while also supplying fuel to other energy companies and businesses.

Cnergyico is the only oil refiner in Pakistan that can procure crude oil directly to its facilities, refine it, and then sell petroleum products, all by using its own assets. This vertical integration has led to more efficient and cost-effective operations and allowed Cnergyico to capture economies of scale, synergies, and attractive margins.

A DYNAMIC MARKET

With this comes great responsibility, as the market enters a challenging period.

The global energy market is a very dynamic space in which numerous factors, including consumer trends, environmental effects, economic boom and bust cycles, geopolitical events such as the ongoing conflict between Russia & Ukraine, and technological advancements drive major shifts. Additionally, the energy sector in Pakistan comes with its own unique set of challenges.

Energy companies in Pakistan not only have to keep pace with technological and scientific breakthroughs but must alter their strategies and products to align with rapidly changing realities. >>

"I BELIEVE CNERGYICO'S ABILITY TO QUICKLY ADAPT TO NEW AND CHANGING ENVIRONMENTS HAS BEEN ONE OF ITS BIGGEST, IF NOT THE BIGGEST, DRIVERS TO SUCCESS."

“I believe Cnergyico’s ability to quickly adapt to new and changing environments has been one of its essential drivers to success,” Amir Abbasciy points out. “Innovation has always played a central part in our strategic thinking.” The company’s innovative approach to solving complex problems was evident from the deployment of the SPM.

The petroleum industry in Pakistan has been facing the chronic problem of congestion at the country’s ports. Pakistan’s domestic ports have often been overrun by vessels, leading to congestion, which in turn delays product deliveries, disrupting the industry’s supply chain. To circumvent the challenge of congestion at Pakistan’s ports, Cnergyico came up with a novel and cost-effective way to deploy an SPM. In this way, Cnergyico solved one of the biggest problems that energy companies face in Pakistan and was able to maintain a robust supply chain throughout the year.

As well as addressing supply chain issues, Cnergyico is also paving the way for a much larger transition across the global energy market – the dawn of the low-carbon age. As the company moves into the future, it seeks to strengthen its core oil refining and marketing businesses. Cnergyico aims to ramp up the production of more environmentally friendly fuels – primarily petrol and diesel – while cutting down the production of furnace oil. At the same time, the company is looking towards diversification as well. It will bolster its petrochemical production capabilities and explore other avenues across the energy vertical while reducing its carbon emissions.



“WE WILL RAMP UP PRODUCTION OF MORE ENVIRONMENTALLY FRIENDLY FUELS”

A GREENER FUTURE

The global energy industry is undergoing a metamorphosis.

There has been a boom in electric vehicle sales which are now playing a greater role than ever before in the automobile industry. EV adoption will likely continue in the coming years and decades, including in emerging markets like Pakistan. Meanwhile, traditional vehicles have become more efficient in terms of fuel consumption.



The world has already seen the impact that fuel-efficient cars and EVs are making on petrol and diesel demand. At the same time, the LNG market has witnessed tremendous growth, with cleaner burning fuel displacing furnace oil and diesel in many territories.

Individuals, businesses, and governments around the world have become more environmentally conscious than ever before, which is certainly a big step in the right direction. All of this has been impacting fuel demand and subsequently the oil refiners, who are responsible for producing most of these fuels. The industry is now facing extraordinary challenges. Although crude oil and petroleum products will continue to play a big role in the foreseeable future, their growth could slow down. This is why Cnergyico is taking a pragmatic approach by working on a transformational plan and has rebranded to signify how big a shift this is going to be.

Cnergyico seeks to improve the quality of its products, in terms of their impact on the environment. It is in the process of upgrading and modernizing its oil refining complex by installing 19 state-of-the-art plants and equipment. The project – called Upgrade-I – will considerably enhance its oil refining capabilities, making Cnergyico a modern deep-conversion refinery. This will enable Cnergyico to significantly cut down the sulphur content from its fuel production. On top of this, Cnergyico will also increase its oil refining capacity to 200,000 barrels per day.

In doing so, the company will get closer to its goal of reducing Pakistan’s reliance on imported fuels.

This is important, because at the same time as the energy transition is taking place, energy demand continues to grow, along with demand for petrochemical products.

As the income levels around the world rise, especially in emerging markets, people will consume more and more consumer goods which could be the main factor that will push the petrochemical demand higher. For this reason, Cnergyico has laid the groundwork to ramp up its petrochemical production and capitalize on this positive trend. It is, however, also looking at avenues beyond fuel production space as part of its diversification strategy.

As well as meeting that demand, Cnergyico is keen to give back to Pakistan, and CSR projects have been an integral part of its operations since the company’s inception. Recently the company has developed solar-powered RO plants in the villages near its refining complex in Balochistan to provide clean drinking water to thousands of people.

Cnergyico has been fostering the region by bringing investment and employment opportunities to the people of the local communities for both skilled and unskilled labour.

Cnergyico has also gotten behind some of Pakistan’s largest afforestation campaigns to cut down carbon emissions. Meanwhile, its strict observation of environmental rules and regulations has led to its SPM and offshore pipeline becoming home to a growing coral reef.

This underwater structure is an exceptional phenomenon and houses an extremely diverse group of marine species, which is highlighted proudly by the oil refiner.

Cnergyico is proving to be a rare phenomenon itself. ☺



CENERGYICO PK LTD

www.cenergyico.com



PRODUCED BY:

**CEO
MEDIA** GROUP
WHERE INSIGHT MATTERS