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## **Qatar Petroleum re launches stalled energy schemes**

*Tuesday, 30 Jun, 2009*

MEED reported that Qatar Petroleum to invite contractors to bid for USD 10 billion worth of work on Al-Shaheen and Barzan projects.

State owned Energy Company Qatar Petroleum is breaking a 6 month moratorium on the development of new energy facilities by relaunching 2 of its largest oil and gas projects, which together are worth more than USD 10 billion.

QP will approach contractors for its USD 6.8 billion Al-Shaheen refinery by the end of July and a new engineering study has started on the USD 5 billion Barzan gas development in the North field. Both projects were frozen while QP waited for construction costs across the energy sector to fall significantly. In December 2008, QP delayed the tendering of key construction contracts on the Al-Shaheen refinery by 6 months as part of a review of engineering, procurement and construction costs.

The state run firm and its JV partner on the Barzan project, the US ExxonMobil Corporation, also delayed construction contract bids on the scheme in March by up to 12 months to assess how the drop in EPC prices would affect the local market.

Two sources close to QP said that the company wants to return to the market because other national oil companies in the region have achieved cost reductions of 20% to 30% on similar oil and gas projects.

A Doha based executive at one bidder said that "It has been probably the most cautious company in the region in terms of re-entering the market but now the dust has settled it is ready to move again."

(Sourced from MEED)

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