



UAE & UK Firms Collaborate on FEED Offshore Project

A UK firm will collaborate with Al Yasat Petroleum, an offshoot of the Abu Dhabi National Oil Company (ADNOC), to undertake early design work on an offshore oil project in the Middle Eastern country's territory. The Emirati subsidiary awarded the contract to Petrofac JV to carry out the front-end engineering design (FEED) part of the project.

Petrofac will now put together and submit a FEED package for the Belbazem project, as well as proposals for the subsequent engineering, procurement, construction and installation (EPCI) phase of the facilities. The actual EPCI work itself will be awarded to the winner of a design competition to take place at a later date.

Aiming for progress

The Belbazem offshore oil project comprises just part of an ambitious UAE scheme to enhance its operations in the region. Already the fourth biggest producer of oil in the Organisation of Petroleum Exporting Countries (OPEC), the UAE currently pumps around three million barrels of crude oil every day.

However, the country's ruling elite, led by Crown Prince Sheikh Mohammed bin Zayed, has targeted expanding its production capacity to four million barrels per day by 2020. Even more ambitiously, a further goal of five million barrels per day has been set for 2030, signalling Emirati intent to become a regional and global leader in the field.

Ongoing collaboration

The award of the contract to Petrofac is just the latest in a long list of collaborative efforts between Emirati and British companies in the oil and gas industries. Indeed, a recent report revealed that [the UK invested almost £2 billion in fossil fuel projects](#) last year. Many of those projects took place in the Middle East, with several in the UAE.



“This award continues to demonstrate our competitive profile in the UAE at the early stages of a project’s development,” [explained Mani Rajapathy](#), managing director of Petrofac. “It complements the wider contracts that we are already engaged in across the ADNOC Group, further deepening our relationship with an important customer in this core market.”

Mixed signals from the UK

While the news is positive for Emirati and British relations, it has been less openly welcomed by environmentalists and campaign groups. The UK government has pledged to reach net-zero carbon emissions by 2050, but continues to pump money into the most polluting forms of energy generation.

For example, the near-£2 billion spent last year represented an eleven-fold increase on investment in the industry from the previous year, while funding for renewables fell to a low of just £700,000 in the same period. As a result, concerned environmentalists are predicting that the Conservative government’s actions will not match up with their words and that the UK will fall even further behind on its environmental commitments.