



# LIFE @ TERMINALS



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### HEADLINES 2021-22 FOTCO

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### COVER STORY FY 2021-22 Year in Review

The year 2021-22 has been one of the historic years for the oil industry of Pakistan, consisting of many milestone achievements at the industry and national level, global oil price fluctuations and its impact on end consumer, supply chain issues during peak times and the collective efforts by the industry for their resolution, and successful execution and implementation of projects by various segments of the upstream, midstream and downstream oil industry of Pakistan.

Read the full article on page 08-09



# FLOOD RELIEF PROGRAMME

The Fauji Foundation Group has pledged a donation of Rs. 1.5 Bn in support of flood relief activities across Pakistan.

The Chairman of the Fauji Companies Mr. Waqar Malik said, "Our thoughts are with the families who lost their loved ones, their homes and remain displaced. We shall contribute in cash and kind and it is heartening to say that our employees have volunteered to help in the relief work".

More details will be provided in the next edition.





## DIRECTOR'S CORNER

### DR. NADEEM INAYAT

SENIOR DIRECTOR STRATEGY  
AND M&A, FAUJI FOUNDATION



Being a member of the FOTCO's Board of Directors for over **16** years, it is particularly gratifying to see the company's outstanding success over the years and continuous devotion towards national service by fulfilling fuel supply needs of Pakistan. FOTCO has maintained its strategic position in oil and gas sector of Pakistan. Being at the forefront for providing world-class services to its customers by ensuring safe & smooth imports of POL into Pakistan.

FOTCO was established in **1995** initially for the purpose of catering Furnace Oil imports for power generation requirement of those times. However, with growing needs for imports of additional POL products post year **2000**, the Terminal has continuously equipped itself for evolving energy dynamics of the country. At present, almost 100% of Furnace Oil and Diesel imports and approximately **50%** of Motor Gasoline imports are being handled at FOTCO. Last year **2021-22** has seen highest ever import of POL products into Pakistan of approx. **13** million MT out of which **66%** (**8.6** million MT) was handled through FOTCO for distribution across the country.

Throughout the year **2021**, we encountered a great deal of challenges that stemmed due to

both internal and external factors. The inherent challenges pertaining to the supply chain components have caused various disruptions in shipping and unloading processes for POL products, resultantly impacting FOTCO's optimum throughput handling capacity.

However, proactive strategy was adopted to ensure that the capacity constraints are addressed through engaging relevant stakeholders, such as improvement in average cargo size and pumping rates, HDIP sampling issues and revision in vessel handling SOPs. One of the major achievements was commencement of night navigation through FOTCO, which was done first time in **27** years through collaboration with PQA. Resultantly, FOTCO was able to achieve the planned targets, while at the same time safeguarding interests of all stakeholders, including employees, customers and the society as a whole.

FOTCO, being cognizant of the criticality of efficient and uninterrupted operations of the Terminal, has equipped itself with the most modern equipment, trained manpower and an integrated system with the oil storages and White Oil Pipeline infrastructure at Port Qasim. In

addition, major investments have been undertaken in recent years through addition of **108,000** M.ton POL storage company (Fauji Trans Terminal) and investment in **14** km RLNG Pipeline, along with necessary infrastructure modifications at FOTCO in order to ensure that the demands are met. This is indeed a testament to FOTCO's adherence to its growth-oriented strategy and its commitment to shareholders, employees and other stakeholders.

Going forward, we foresee further growth in POL demand which necessitates the need to optimize existing port infrastructures and further expansions, according to which FOTCO's future strategy is being aligned. Plans are already in place for infrastructure expansions in terms of import handling facility and additional storages by leveraging the inherent strengths and capabilities acquired in **27** years of remarkable management of Terminal operations.

We are grateful for the continuous support extended by the Government through relevant Ministries, Port Qasim Authority and all stakeholders that have enabled us to become a success story.

## FOTCO BOARD OF DIRECTORS

FOTCO and FTTL leadership is comprised of some of the most enterprising leaders in Pakistan, who are providing leadership and formulating company's objectives in line with the company's vision and mission. The BoD ensures that the core values, driven by the Fauji Group's code of conduct, are embedded in the culture at FOTCO and FTTL.



## SHAREHOLDERS' CORNER

### INFRAVEST

Infraavest is one of the major shareholders in FOTCO since its inception, through commissioning in **1995** and to date. Infraavest is a Singapore based private company which was established in **1992** to invest in marine terminals and operations. Over the past two

decades, Infraavest has been expanding marine terminal business steadily to include marine vessels for the terminals. Today, Infraavest is involved in investments, shipbuilding, operations and management of

marine terminals in Asia and Middle East. Being an independent terminal operator, it is able to provide independent and cost-effective solutions for terminal investments and operations in Asia and Middle East.

### TRANS GROUP PVT LTD

Trans Group joined hands with FOTCO in **2016** to establish Bulk Oil Storage Terminal for storage of POL products at Port Qasim, which was thereafter named as Fauji Trans Terminal Limited. Trans Group brings in value to the company through its **35** years of diversified experience in shipping industry.

Trans Group started with the formation of its very first company, Transtrade Pvt Ltd, in **1984**. Transtrade soon established itself as one of the leading ship agents in Pakistan, specializing in Petroleum and Edible Oil Tankers, and since inception has been handling **3,391** vessels and **137,223,229** MT of liquid and dry bulk cargo.

With a reputation built in the local and international oil and commodities industry, it was decided to form Sealine for the purpose of trading and indenting. Sealine has successfully closed deals in various commodities ranging from diesel, gasoline, naphtas, gas oil, crude oil, base oil, lubricants, LPG bitumen and coal.



# MANAGEMENT LEADERSHIP

The management leadership of FOTCO and FTTL is a composite of promising, dedicated and passionate professionals who drive the company's strategic goals and objectives to ensure business sustainability and pursue avenues of growth.

The core leadership of the companies includes Mr. Adnan Samdani (GM Terminals), Brig. Noor-ul-Hassan (Company Secretary), Mr. Muhammad Salik (GCFO), Mr. Syed Shujahat Hussain (GM Operations), Mr. Ammar Raza Zaidi (Head BD), Mr. Naveed Uddin (SMIT), Mr. Tariq Jahangir (Manager HRA&S), Mr. Fahad Sohail (Terminal Manager FTTL) and Mr. Arif Nizami (Senior Manager HSE).





# COVER STORY

## FY 2021-22 YEAR IN REVIEW

The year **2021-22** has been one of the historic years for the oil industry of Pakistan, consisting of many milestone achievements at the industry and national level, global oil price fluctuations and its impact on end consumer, supply chain issues during peak times and the collective efforts by the industry for their resolution, and successful execution and implementation of projects by various segments of the upstream, midstream and downstream oil industry of Pakistan.

Fauji Foundation, Pakistan's leading conglomerate, continues to proudly serve the nation by undertaking major welfare activities across the nation in a sustained cyclic process, based upon the philosophy of utilizing its indigenous resources to help drive national self-sustainability. The Group aims to contribute towards the national economic development through initiating long-term community based institutional projects.

FOTCO continues to be a key strategic player in the country's energy cycle through its state-of-the-art

infrastructure facilities, the strategic project investments and deployment of its resources. The FOTCO Oil Terminal serves as a vital organ for the oil supply chain of the country. The national demand primarily relies on imported POL products and FOTCO has been successful in fulfilling the petroleum requirements in a safe and efficient manner. The year **2021-22** has seen some great achievements of the company and its employees, and improvements in the service delivery for its customers and stakeholders.

The terminal has handled over **8.6** million MT of total POL products, which is a **25%** YoY increase, with **168** vessels safely handled in **2021-22**, which is highest in a decade. Product-wise handling includes **2.3** million MT of Furnace Oil, **3.7** million MT High Speed Diesel, **2.2** million MT Motor Gasoline imports, and **0.35** million MT of Condensate exports through the terminal facilities. This accounts for approximately **100%** Furnace Oil, **93%** HSD and **34%** Mogas of the total imports requirement of the country.



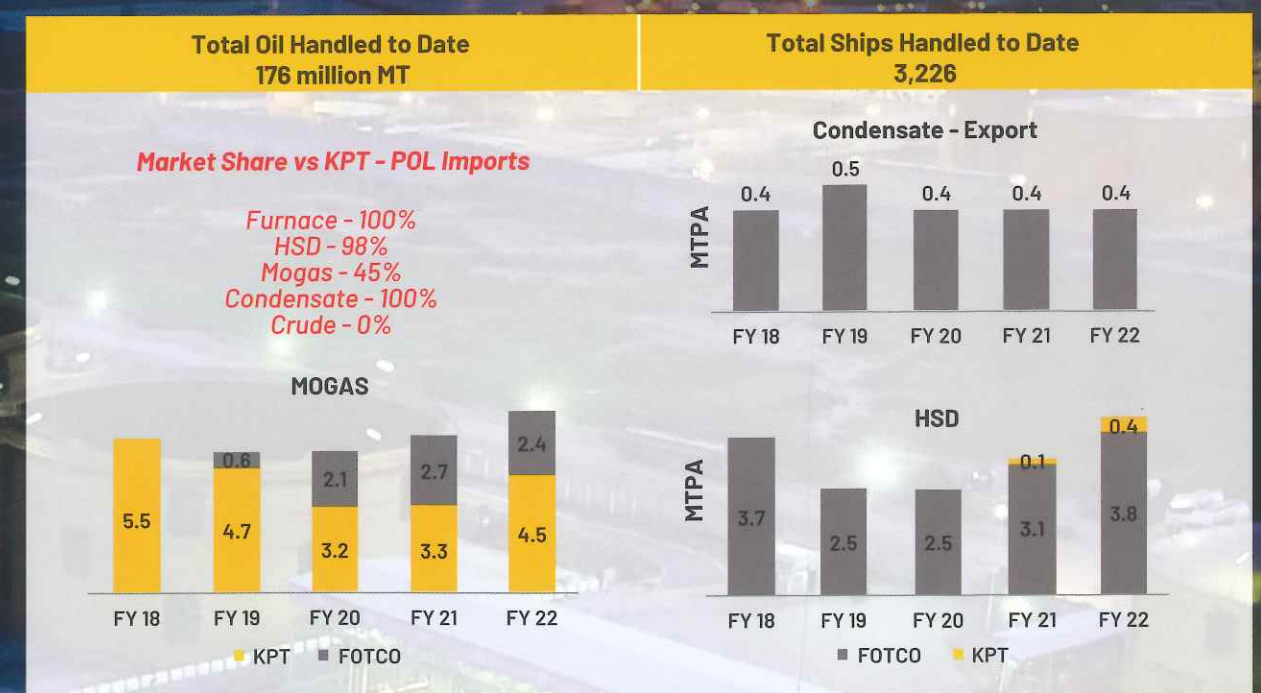
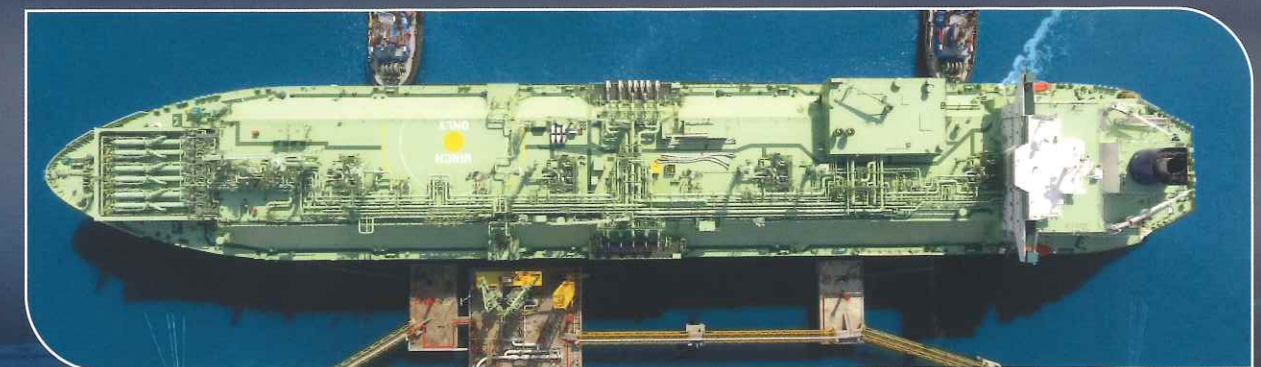
Furthermore, the **14** km RLNG Pipeline owned and operated by FOTCO has been in full operations throughout the year with safe transmission of RLNG from PGPC LNG Terminal at Port Qasim into the SSGC RLNG system, fulfilling over **40%** of the national LNG imports requirement.

Fauji Trans Terminal (FTTL), a subsidiary of FOTCO, with its **108,000** MT storage tanks at the battery limits of FOTCO, served the oil storage needs for the upstream and downstream stakeholders through efficient and safe handling of Motor Gasoline imports and Condensate exports. FTTL successfully completed major upgradation works to meet the needs of its customers during **2021-22**.

All of that has been made possible because of the

valuable support and guidance of the Board's leadership, the drive and passion of the management, and continuous dedication of the FOTCO and FTTL employees. The objective is to maintain strategic national importance by playing a significant role in fulfilling the energy needs of the country.

During the year, the oil industry with regards to petroleum imports has also faced supply chain issues at the ports and jetties due to various constraints, resulting in vessel bunching at port anchorage during peak season. FOTCO made significant efforts in resolving internal and external constraints impacting vessel turnaround time to ensure optimal utilization of the infrastructure and fulfill the import needs.





# HEADLINES 2021-22

## FOTCO



- Successful completion and commissioning of separate headers project at FOTCO pipelines. The latest modification will enable complete isolation of white oil products from furnace oil and will minimize probability of intermix between various white oil products.
- Successfully completed connectivity of FTTL storage tanks with PAPCO White Oil Pipeline for direct pumping of HSD and Mogas from the storage facility into the PAPCO WOTS at Port Qasim.
- 8.6 million MT total throughput handled in FY 2021-22, which is a 25% YoY growth. 100% Furnace Oil, 93% HSD and 35% Mogas imports were handled through the Terminal.
- Highest number of vessels handled in last 12 years - 168 vessels.
- Successful lobbying with PQA for implementation of "capacity enhancement measures" including high pumping rates and large vessel sizes.
- Frequent disruption in vessel berthing / sequencing due to financial hold issue.
- HDIP sampling is being carried out at jetty due to monsoon season (additional 12 hours per ship). Matter is not resolved due to nonagreement by the industry on carrying out sampling at outer anchorage.
- Proactive efforts by FOTCO operations and OMCs resulted in handling of 4 vessels of avg. 60,000 MT in 24 hours each.

## FTTL



- Connectivity with PAPCO WOTS successfully completed, which will enable direct pumping from FTTL to PAPCO WOTS for onward transportation of white oil to upcountry. This will provide added advantage to our customers intending to transport HSD and Mogas in a safe and efficient manner.
- First-ever First Aid Response Drill successfully conducted in coordination with PAPCO and Chhipa Ambulance.
- Various modifications in the Terminal is being carried out to ensure compliance with the local and international standards and rules.

## HEADERS PROJECT

Owing to increasing handling of white oil POL products at FOTCO jetty and to address the cargo contamination concerns raised by our customers, FOTCO has incurred over Rs. 66 million to carry out major modification works in its pipeline system.

Dedicated header for furnace oil at jetty platform and a Mogas header at P-1 (Terminating Point) have been installed to isolate black oil and segregate white oil POL.

One out of three Marine Loading Arms installed at the jetty has been dedicated along with the new header for handling of furnace oil, resulting in complete isolation of black oil from white oil POL products. This will eliminate any possible intermix between the two products.

Moreover, the Mogas header at P-1 will ensure to prevent the cargo intermix possibility caused by the product backflow into the common header.

The project was timely completed within the duration of six months including the shutdown window allocated by OGRA.

The above arrangement will bring about improvement in the overall operational efficiency of FOTCO (4% improved TRT).

FOTCO Operations Team celebrated its hard-earned achievement of timely and successful completion of the project with further commitment towards fulfillment of the country's energy needs.





## FIRE SAFETY DRILL



First-ever fire safety drill at our FTTL Storage Facility was successfully conducted on **25th May 2022**, organized by FTTL's HSE and Operations divisions. Emergency scenarios were created to optimize emergency response time and demonstrate our capabilities to ensure that safety remains our top priority.



## CORPORATE VISITS

Q4 FY 2021-22

**LT. GEN. (RETD) MIAN MUHAMMAD HILAL HUSSAIN,**  
HI (M) - SECRETARY, MINISTRY OF DEFENCE



Lt. Gen. (Retd) Mian Muhammad Hilal Hussain, HI (M), Secretary, Ministry of Defence, visited FOTCO and FTTL facilities along with MD & CEO, Fauji Foundation, Mr. Waqar Ahmed Malik. The delegation also comprised of other members from the Ministry.

During the meeting, the team from FOTCO apprised the Secretary on FOTCO's strategic role in ensuring uninterrupted supply of petroleum products to Pakistan. The Secretary visited the Terminal site to witness vessel unloading process and the ongoing operations and maintenance activities.

The Secretary was also briefed about our future plans and the short and long term initiatives being pursued, keeping in view, the increasing petroleum demand in coming years.





## MR. FRIEDRICH DANZINGER

DIRECTOR, PARCO

In view of PAPCO's conversion to dual carriage pipeline, Director, PARCO, Mr. Friedrich Danzinger visited FOTCO facility since we are the only jetty connected to PAPCO White Oil Pipeline. Mr. Danzinger discussed with the management, challenges being faced in terms of vessel bunching and constraints in maximizing throughput handling at FOTCO. Both parties discussed areas of mutual interest that include enhancing Motor Gasoline imports at FOTCO that can eventually be pumped into PAPCO WOP, ensuring optimum utilization of both FOTCO and PAPCO. Mr. Danzinger visited the jetty facility and witnessed operation activities and briefing by the management.



## MAJ. GEN. TAHIR ASLAM (RETD)

DIRECTOR NEW PROJECTS, FAUJI FOUNDATION

Major General Tahir Aslam (Retd), Director New Projects, Fauji Foundation paid a visit to FOTCO and FTTL facilities. The objective was to discuss future business prospects of both companies in view of increasing import volumes and business growth. Detailed briefing was held along with discussion on possible business avenues at Port Qasim in terms of handling POL and other products through expansion of jetty and storage facilities. Maj. Gen. Tahir Aslam has a growth-oriented vision for Fauji Group and aims to utilize the best available resources to ensure business sustainability.



## MR. MAUSUF AHMED

UEP PRESIDENT

UEP President, Mr. Mausuf Ahmed paid a brief visit to FTTL Storage Terminal to witness condensate handling operations. UEP is one of the esteemed customers of FTTL through which approx. 2.5 million bbls of condensate is stored and exported. Mr. Ahmed was briefed about the decanting operations at the facility by our team at the site.



## MR. FAHAM AHMED

DIRECTOR HR, CENTRE OF EXCELLENCE

Newly appointed Director HR (Centre of Excellence) at Fauji Foundation visited FOTCO and FTTL to review and discuss HR initiatives being implemented across both companies.

Mr. Faham is among one of the finest HR organizational professionals who can transform the human element using his empathy and interpersonal savvy. With his grasp over international HR theory and world-class experience to implement organizational-wide organizational excellence initiatives, he is able to turn around the organization by bringing cultural alignment and authentic leadership.



## MR. SUGIHARA

MITSUI & CO., TOKYO

Mr. Sugihara, along with his team from Japan, visited FOTCO Terminal site on 25th June 2022. Mitsui & Co. are stakeholders in BW FSRU being stationed at PGPC LNG Terminal. Both teams discussed the ongoing operating activities being managed by FOTCO at the LNG jetty and pipeline and the coordination with FSRU. The parties also discussed potential collaboration opportunities at Port Qasim in the oil and gas sector.



# OUR PEOPLE

## CELEBRATING SUCCESS

FOTCO Operations team celebrated success on completion of header modification project. The efforts were acknowledged by the company's leadership.



## EID CELEBRATIONS AT SITE

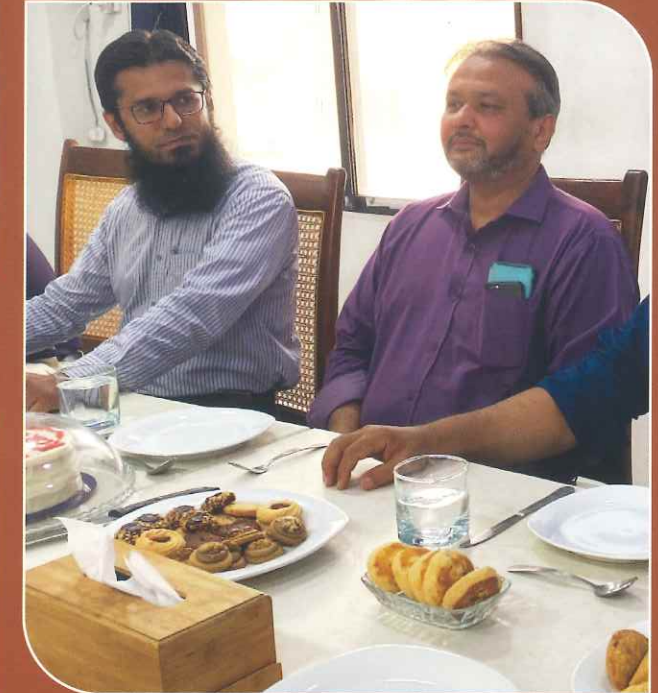
Our team makes sure that occasions such as Eid are celebrated in a way that the shift staff is also remembered and made part of the celebrations. Distribution of cakes and gifts among vessel staff is also carried out during Eid.



## FAREWELLS

Retirement of our long serving Jetty Operations Officer, Mr. Robin Thomas was celebrated by the entire FOTCO team by honouring his achievements and success during **26** years of service at FOTCO.

Company Secretary FTTL, Col. Salman Fasahat has left the company on **30th June 2022** after serving **2.5** years at the company. He was the first Company Secretary of FTTL after commissioning of the Terminal in **2019**.



## TRAINING & DEVELOPMENT

FOTCO welcomes young and promising students of all disciplines from local universities to gain hands-on experience through **4-6** weeks internship programs offered during summers. The internship program helps students to acquire real life experience of terminal facilities and vessel handling processes, in addition to other aspects of the business.





## RECREATIONAL ACTIVITIES



The company hosts various recreational activities for its employees and families as part of employee encouragement initiatives. This year, a visit to Bahria Town Theme Park was organized and was wholeheartedly participated by the company management, officers, supervisors, workers and staff along with their families. Such activities are organized in order to provide employees with opportunities to interact, socialize and build good working relationships. This results in better teamwork and increased work productivity for achieving company objectives.

## NEW ONBOARDINGS



### MR. NAVEED UDDIN SENIOR MANAGER IT

Mr. Naveed has assumed the charge of Senior Manager IT of FOTCO and FTTL, with the core objective of bringing digital transformation to the companies' operations & processes, leading towards their integration.

Mr. Naveed brings with him, over **15** years of experience in delivering enterprise IT solutions, and business and system applications. He has expertise in analysis, design and implementation of ERPs as well as Cloud Solutions.



### MR. ARIF NIZAMI SENIOR MANAGER HSE

Mr. Arif Nizami has assumed the position of Senior Manager HSE of Fauji Group Terminals (FOTCO, FTTL and Fauji Akbar Portia) in order to implement common HSE strategies and policies across the companies.

Mr. Arif's previous role before joining, was with Engro Fertilizers as HSE Advisor.

## CORPORATE SOCIAL RESPONSIBILITY

### MANGROVE FOREST CONSERVATION



Since FOTCO is located in an environmentally sensitive area with abundant flora, fauna, bird and marine life, it is always a top priority to protect and conserve these vital resources of the ecosystem. As a consequence of our continued efforts, the areas around FOTCO have a dense growth of mangroves. FOTCO is extremely conscious of the importance of ecosystem preservation and has taken adequate measures in partnership with organizations such as IUCN and PSO to facilitate the growth of mangroves in the area. Strict measures are taken to ensure that no solid or fluid wastes are disposed of into the sea. Mangroves can exist as trees, palms, shrubs, grasses or ground ferns. Mangroves are amazing plants which live halfway between land and sea. These mangroves are red coast mangroves which grow in high salinity areas with low rainfall. Pakistani mangroves rank **6th** amongst the mangrove beds in **92** countries. FOTCO is very proud of the fact that the mangrove forests around its Terminal have been fully protected through a conscious and consistent effort and now are the healthiest and tallest in all of its population in the Indus Delta. This achievement is well appreciated and recognized by IUCN and other plant protection agencies.

