

Zawya

GPSChemoil Arranges \$90 Mln Financing For Fujairah Terminal

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GPSChemoil said Tuesday it has arranged \$90 million financing for phase-IV construction of its Fujairah oil storage terminal in the United Arab Emirates, which it plans to complete by 2012.

The multi-currency loan was secured from a consortium of banks in Abu Dhabi, Dubai and Singapore, it said in a statement.

GPSChemoil is a joint venture between marine fuel supplier Chemoil Energy Ltd. (AV5.SG) and Gulf Petrol Supplies LLC.

The storage facility is expected to open up competition in Fujairah's bunker market and raise sales volume, increasing competition with Singapore--the world's largest bunkering port.

The fourth phase, which will increase the storage capacity to 675,000 cubic meters from 95,000 cubic meters now, is expected to cost \$130 million, the company said.

The facility will be the largest bunker terminal in the Middle East and Chemoil's biggest storage facility globally; its biggest is the 482,000-cubic meter Helios Terminal in Singapore.

"The Fujairah facility will also significantly expand our worldwide fuel terminal business, helping to provide stable recurrent income amid current market volatility," Sanjay Anand, managing director of Chemoil Asia & Global Logistics and director at GPSChemoil, said in the statement.