



The 10th INTERNATIONAL
**FUJAIRAH BUNKERING &
FUEL OIL FORUM**

27 – 29 MARCH 2017
In Conjunction with the Fujairah Bunkering Week
25 - 29 March 2017

Organised by



CONFERENCE
CONNECTION

Hosted by

GOVERNMENT
OF FUJAIRAH



Held Under the Patronage of His Highness Sheikh Hamad Bin Mohammed Al Sharqi,
Member of the UAE Supreme Council & Ruler of Fujairah

Press Clipping

10th International Fujairah Bunkering & Fuel Oil Forum (FUJCON 2017)

By: The Oil & Gas Year



This week, Fujairah, the second-largest bunkering hub in the world, hosted its 10th International Fujairah Bunkering & Fuel Oil Forum (FUJCON 2017). Organised by Conference Connection since 2000 under the patronage of HH Sheikh Hamad Al Sharqi, the event was attended by prominent personalities such as Mohammed Al Kindi, former minister of environment and water; Captain Mousa Morad, general manager of the Port of Fujairah; and Mohammed Majed, director general of the Department of Industry and Economy, and many others.

The effects the new global sulphur cap will have on the bunkering industry dominated discussions at this year's conference, themed "Driving Transformation across the Bunker Supply Chain." A poll conducted at the event showed that 93% of participants expected a fall in fuel oil demand resulting from the new legislation, and the majority agreed that the fuel oil tank operations in Fujairah will suffer.

The International Maritime Organisation, the United Nations agency overseeing maritime safety and pollution from ships, voted in October to decrease the allowed sulphur level in fuel oil from the current cap of 3.5% to 0.5% by 2020. According to Fujairah Oil Terminal's commercial director Malek Azizeh, "Traders will have to find a source for the low sulphur fuel oil, but then they can carry on bunkering as normal."

Finding that source may prove difficult; while Middle East fuel exporters have above-average sulphur levels at more than 3.5%, the global average of 2.5% means they won't be alone in their search. Other options discussed include using LNG or marine gasoil as substitutes, or making broader use of scrubbers, systems installed on ships' engines to remove sulphur. Attendees came to agreement that the economic incentive to install scrubbers would only come about if high sulphur oil were USD 200 per tonne cheaper than low sulphur fuel.

Those in attendance consider themselves lucky that OPEC cuts have brought stability and more room for planning, but were keenly aware that the situation may not remain the same in the near future. Attendees worried about the effects of the USA as a swing-producer, fearing that the resultant increased volatility may introduce greater uncertainty into the bunkering landscape.