



GRIEG LOGISTICS

Logistic Challenges at Petroleum-operations in the Barents Sea

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Subjects



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- Short about the Grieg Group and Grieg Logistics
- Case1: Challenges for Logistic operations Polar Pioneer Norwegian sector Barents sea.
- Case 2: Challenges for Logistic operations Deep Sea Delta, Shtokman 7 operation.
- Case 3: Agency to vessels offshore in the Barents Sea
- Common challenges for logistic operations in North.
- Recomendations

The Grieg Group



GRIEG LOGISTICS

An international and diversified corporation based in Norway:

- Global Logistics
- Shipping (Star Shipping)
- Ship Broking
- Fish farming and processing
- Maritime Information Systems
- Insurance broking (Aon Grieg)
- Investment consulting
- Offshore Windmills EPCI

Total approx. 1300 employees

Gross revenue 2007: 2 589 mill NOK

Result before tax 2007: 933 mill NOK





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Grieg Foundation

The Grieg Foundation is a registered charity situated in Os, outside Bergen, holding 25% of the shares of the Grieg Group companies.

The primary objective to support SOS Children Villages, but substantial contributions are also made to aid medical research, cultural activities and humanitarian causes.

”Our contribution makes a difference”





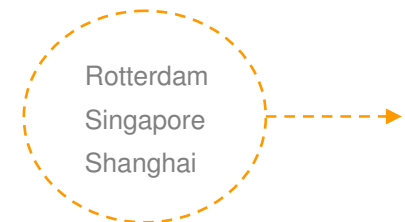
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Grieg Logistics is a leading logistics provider to Norwegian oil & gas, shipping, maritime and general industries on a local and global basis. We provide our customers with improved competitiveness through effective logistic solutions.





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Case1: Operation Barentssea Polar Pioneer

- Operator: Statoil Hydro
- Field: Obesum og Nukula
- Start: July 08
- End: January 09
- Scope of work: Transport of equipment from Southern part of Norway to PolarBase Hammerfest.
- Logistic operations
 - Base activities
 - Supply vessel
 - Helicopter transport
 - Airfreight -charter



Case1: Operation Barentssea Polar Pioneer



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- 90% of all equipment was located and issued in Stavanger area, some in Bergen area.
- Long distances.
- Planning in early phase. Early involved in the planning results in opportunities to consolidating shipments.
- Consolidate special freight.



Case2: Operation Barentssea Deep Sea Delta



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- Operator: Gazflot og Hydro
- Field: Shtokman 7
- Start: Spring 2006
- End: Autumn 2006
- Scope of work: Transport of equipment from Southern part of Norway to Murmansk and Kirkenes. Crewchange in Kirkenes.
- Logistic operations:
 - Base activities Kirkenesbase for crewchange and storage.
 - Supply to rig from fra Murmansk Fishport.
 - Custom Clearance and documentation.
 - Contact point between Gazflot, Hydro og Belfreight
 - HIFR.
 - Airfreight -charter





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Case2: Operation Barentssea Deep Sea Delta

- Most of Equipment to Deep Sea Delta issued from Bergens/Mongstad area
- Planning in early phase. Early involved in the planning results in opportunities to consolidating shipments
- Long distances.
- Implement common HSE Culture.
- Culture gap regarding communication
- Culture gap regarding custom clearances





Case 3



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Offshore agency to vessels

Grieg Agency have provided full agency service to tankers in the Barents sea.

This service have included:

- Provisions
- Spare part deliveries
- Crew change
- Survey and classing

Offshore agency to vessels



Challenges related to agency to vessels offshore:

- Weather

Positive Experiences

- Visa
- Effective crewchanges
- Avoid problems at the oilbases with restricted areas for crew
- Reduce cost



Common Challenges

1. Mainsuppliers located in Southern part of Norway, Mainly in Stavanger and Bergen area.
2. Different knowledge of Incoterms and other tools to ease logistic operations.
3. Culture gap
4. Different HSE Culture
5. Long distanses





Summary

1. Important to think HSE and environmental considerations
2. Use of right Incoterms to get opportunities to reduce environmental emissions and reduce costs
3. Early and active planning with all parts of the operations
4. Sympathy of culture gap
5. Network of suppliers to the North calotte

