



# Engen seeks to boost competition in DRC oil industry

Customers of the big names in petroleum in the DRC look likely to get another supplier with the entry into the market of South African petroleum giant Engen as implementation of the agreement for its acquisition of the Shell Group's 60% share in Shell RDC and its 13% share in SEP proceeds.

“Our move is in line with the DRC government's drive to structure the petroleum market in a way to allow for true competition in this country. We view the DRC as an exciting investment opportunity with enormous potential for growth,” says Rashid Yusof, CEO and managing director of Engen Petroleum Limited.

“The deal to purchase Shell's shares in Shell RDC and SEP - and partner with the government as the other shareholder - is an ideal fit with our strategy of expanding our investments in Africa. Our presence here will boost competition and we intend to differentiate ourselves on service, the delivery of quality products and customer convenience.”

Engen Petroleum Limited is a South African company affiliated to the Malaysian petroleum giant PETRONAS, which owns an 80% stake and Worldwide African Investment Holdings (WAIH), which owns 20%. It operates in the downstream market and has a significant presence in 14 countries in Sub-Saharan Africa, with more than 2 500 employees and 1 600 dealerships in the region.

With its investment in DRC, Engen seeks to boost the development of the distribution network, logistics and infrastructure with the aim of significantly improving supply and providing long-term employment for the staff of Shell RDC.

This deal will see Engen lining up as a direct competitor to Total, the managing shareholder in the companies holding the biggest market share in the country.

“There have been unfounded and malicious rumours that Engen and Total were joining forces to form a monopoly in the DRC, but we can categorically state that is untrue. We are two entirely different and separate companies with different shareholders and this deal will put us in direct competition,” says Yusof.

He explains there has been a level of confusion as Engen is a minority shareholder in a company called Aristeia, which is ultimately controlled by Total, which in turn owns a range of different businesses including a stake in Fina Congo. Aside from this common investment, Engen and Total are competitors in the same market, he says.

Yusof says Engen is hoping its purchase of 60% of Shell RDC will proceed shortly.