

A meeting with the financier who hopes to “Save Tamoil”

According to the Lebanese-American Roger Tamraz, the Geneva-area company employing about 1,500 people is in danger. He proposes an emergency plan.

By Philippe Rodrik, in 24 Hours and Tribune de Genève (Switzerland), Thursday, April 7, 2011

Summary:

1. The European Union has just added the company that indirectly controls 70% of the Tamoil Group to the “black list”
2. Roger Tamraz has already signed an agreement for the purchase of the Monaco holding company owned by Oilinvest B.V. Group
3. A lifesaver: the businessman guarantees to keep the Swiss, Italian and German refineries open

Meeting with a man who defies the passage of time, at a Sloane Street hotel situated in the heart of London's richest district. For fifty years, Roger Tamraz has been buying and selling crude oil, banks, ships, airplanes and hotels. He even builds pipelines to solve problems imposed by war or politics. As of April 2011, he shares a coffee with us to disclose another new project: to Save Tamoil Group and its thousands of jobs mainly in Switzerland (1,500 jobs), Italy and Germany.

According to Roger Tamraz, "It is urgent. Stopping the operation of the refineries in Valais and in Italy constitutes a major risk to the company." The official press releases of Tamoil (Switzerland) SA don't satisfy in the slightest the Chairman of the Board of Netoil Inc., which has its headquarters in Dubai. Geneva's top management says that they are only carrying out anticipated

maintenance work because current crude oil price trends are unfavorable. Actually, the

has just added the National Oil Corporation (NOC), the national oil company of Libya,

(Gross domestic product) of Libya in 2010. And the Chairman of the Board of this

structure of the Tamoil Group is indirectly under NOC's control. "In that context, the banks are more and more reluctant to open letters of credit to the European subsidiaries of the holding in Monaco, while the trade finance facilities are vital to the oil industry", Roger Tamraz says.

Thus far, the Swiss Federal Council has not taken any action against the Geneva subsidiary of the Tamoil Group but it has clearly warned against any payment to people or organizations named in the black lists. Tamoil (Switzerland) SA speaker Laurent Paoliello states that the government has only frozen the assets of individuals: "The shareholding structure of Tamoil (Switzerland) SA does not belong to individuals. It is fully under control of the Tamoil Group."



Roger Tamraz
L'homme d'affaires, qui a donné son nom à Tamoil, ici dans un quartier chic de Londres, au début du mois d'avril. PHILIPPE RODRIK

situation is far more alarming. Indeed, the European Union

to its black list of Libyan assets. This company represented half of the GDP

company, Shokri Ghanem, has recently confirmed that 70% of the shareholding

A desire for revenge

Mr. Paoliello's words do not allay the concerns of Roger Tamraz. The Lebanese-American fears "the possible scorched earth policy that may be pursued by Libya and the United States". The businessman knows the Qaddafi clan very well and does not underestimate their desire for revenge against those Western states that have been the fastest to condemn them, like Switzerland. Therefore, the "Guide of the Revolution" could easily rely on his relatives to end the activities of Tamoil (Switzerland) for good. Roger Tamraz, who has maintained regular high-level talks with Washington, is also expecting a continuing excess of zeal from the Obama administration in their imposition of sanctions.

Therefore, the fate of Tamoil is highly uncertain. This is especially true because Tripoli has already shown signs of weariness with this Group. "This company has not lived up to its expected

performance," Shokri Ghanem has said. Other sources insist that the irritation of Muammar Qaddafi against Switzerland and even against Italy and his friend Silvio Berlusconi is more important. The Transalpine justice authorities have long suspected Tamoil of various tax violations and anti-competitive cartel activities. In any case, "an international bank has assessed the value of its assets and many investors have made takeover bids" NOC's boss Shokri Ghanem has said. It seems that Roger Tamraz's offer has been chosen.

Signed agreement

"Last August, I met in London with officials from Oilinvest Group BV (the Netherlands company who owns the Tamoil Group)," relates Tamraz. "We agreed on a memorandum of understanding on the sale of the shares of the holding company. The final price was to be set according to the

end-2010 consolidated financial statements, which were to have been completed earlier this year."

Thus, Roger Tamraz's will to save Tamoil is not completely selfless. Indeed, he wants to preserve a deal coveted by many financial players. Moreover, his motives are not completely devoid of personal sentiment. Indeed, Tamraz himself founded the first company of the Tamoil Group in the early 1980s by purchasing and combining the Italian assets of Amoco (Standard Oil Company of Indiana) and of Texaco Corporation.

By 1988, Roger Tamraz had sold his entire stake in Tamoil to the Libyan state. Later, the company expanded out of Italy: to Switzerland in 1990, to Germany one year after, to Spain in 1992 and the Netherlands the following year. Today, Roger Tamraz takes up the challenge not only of acquiring this holding but also of maintaining the

operating activities of its three refineries -- in Collombey, Cremona and Hamburg -- although the profitability of such heavy infrastructure is not guaranteed at all. In fact, forty refineries in Europe are currently for sale.

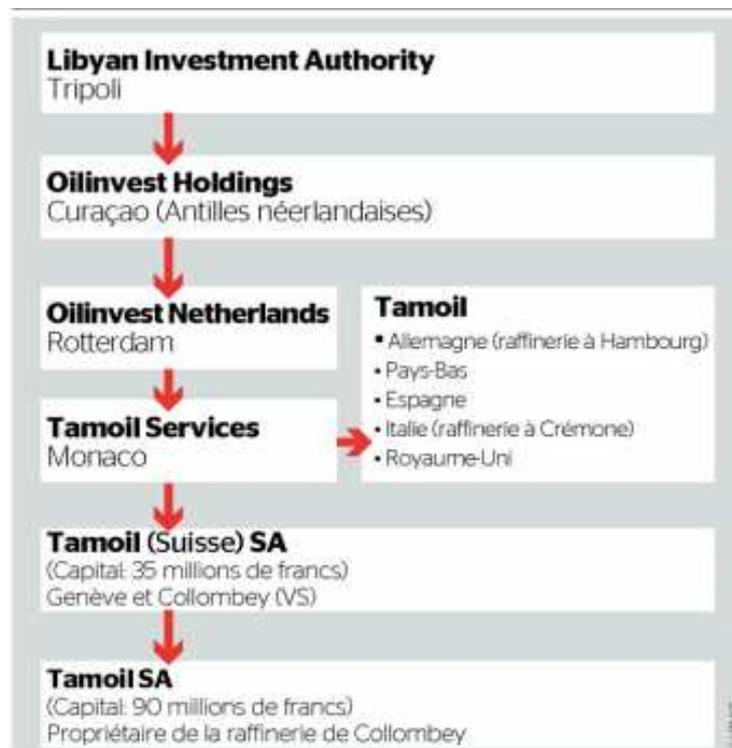
Planned contacts with Bern

In any case, Roger Tamraz expects the help of the Swiss, German and Italian authorities, necessarily anxious to limit the social damage of job losses and to preserve the capacities of the companies for supply, storage and fuel production. The current obstacles are enormous. In particular, how can Tamraz deal with parties who are now expressly prohibited from being involved in any financial transactions?

"If the competent authorities, in each concerned country, shall conduct seizures of assets for interim measures, I am willing to pay myself the amounts set out with my

Libyan interlocutors for the acquisition, into blocked accounts that the authorities can supervise," says Tamraz. "Then, I am ready to resume the operating activities of the Tamoil Group under the supervision of those government administrations," he committed. Thus, the appeal is launched. The businessman has already conferred with Italian and German labor union members about his plans. Three consultants should contact the Swiss authorities by the end of the month.

Organization Chart



A businessman close to powerful people

Roger Tamraz continues to be a businessman close to powerful people. He confirms having excellent relations with most of the top Arab leaders and even with the Iranian authorities, in addition. He maintains his links with the powerful over the very long term, whether they are in or out of power. He respects and serves the financial interests of his partners, whether in investment matters or in oil trading.

As a businessman, he never attempts to create angels out of those who are not. The authorities of the old Western democracies as well as top executives of the major international corporations and employers are grateful to him for the many doors that he opens, and for his sage advice.

Roger Tamraz has perfected all these qualities throughout his life's course. The son of a Lebanese Christian merchant family, he is born in 1940 in Cairo. These early elements equipped him with major asset: he proved himself trilingual very young with perfect mastery of Arabic, English and French. He enjoyed the nuances of the three languages, which launched him into his highly successful academic career, studying at the American University of Cairo, Cambridge University, the Institut Européen d'Administration (INSEAD) of Fontainebleau, and then at the prestigious Harvard Business School.

Twenty years after his studies, he implanted the first building block of the Tamoil Group in Italy, as described above. Currently active in five countries in Europe and in around twenty African countries, it now controls about a fifth of the fuel market in Switzerland, 10% in Italy and 5% in Germany. Although he sold the full shareholding structure of Tamoil to Libya in 1988, Roger Tamraz seems not to have severed his links with the holding company in Monaco or with its Swiss, Italian or German subsidiaries which have probably remained among his clients.

Until today, the oil trader still uses an email address with the name of Tamoil.