

**UNITED NATIONS GLOBAL COMPACT  
COMMUNICATION ON PROGRESS (COP)  
PETROLIN GROUP REPORT 2016**

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## **CEO STATEMENT ON CONTINUED SUPPORT IN 2016:**

(Please see below the letter to the United Nations' Secretary – General)

# PETROLIN GROUP

H.E. António Guterres  
Secretary-General  
United Nations  
New York City, NY, 10017  
USA

Geneva, 14 June 2017

### Statement of support for the UN Global Compact and its initiative

Dear Secretary- General,

I am pleased to express Petrolin Group's continued support for the UN Global Compact and to renew our ongoing commitment to its Ten Principles with respect to human rights, labour, environment and anti-corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

Sincerely yours,



Samuel Dossou-Aworet  
President / Chief Executive

AVK

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**ABOUT PETROLIN GROUP :**

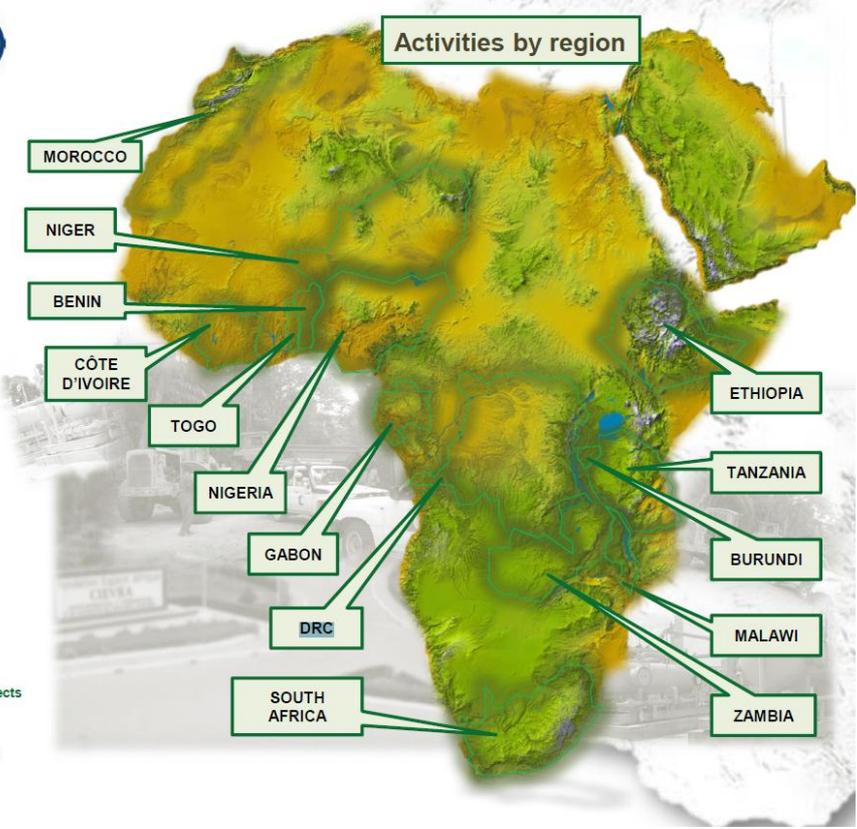
PETROLIN is an international group active in the petroleum and energy industries with a diversification strategy focused on the promotion and development of Pan-African regional infrastructures projects.

The Group is engaged in:

- Oil and Gas Exploration and Production
- Promotion and development of regional infrastructure projects in Africa



- Oil projects, E&P**
  - ✓ NIGERIA
  - ✓ GABON
  - ✓ DRC
  - ✓ MALAWI
  - ✓ TANZANIA
  - ✓ BURUNDI
  - ✓ ZAMBIA
- Infrastructure projects**
  - ✓ BENIN, Railway, Port, Dry port, Airport and Highway
  - ✓ NIGER, Railway
- Real Estate and telecommunications**
  - ✓ SOUTH AFRICA
  - ✓ BENIN
  - ✓ MOROCCO
- Aviation**
  - ✓ TOGO
  - ✓ GABON
- Social commitment & development projects**
  - ✓ BENIN, FEA, CIEVRA
  - ✓ GABON, FEA, Mpagha school complex
  - ✓ CÔTE D'IVOIRE, FEA
  - ✓ ETHIOPIA, FEA



In the nineties crude oil trading was the core business of the Petrolin Group but later on the Group moved to the upstream sector and into other ventures in Africa. Although based in Switzerland, the Group is deeply engaged in Nigeria, South Africa, Benin, Togo, Congo, Côte d'Ivoire, Gabon, the DRC, Burundi, Malawi and Zambia, in a wide spread of interests including upstream hydrocarbons sector, telecommunication, real estate, aviation and infrastructures.

In Oil and Gas Exploration and Production, Petrolin Group is active through participation in assets operated by first class oil companies.

In Nigeria, the Group owns:

- 9.71% interest in Niger Delta Exploration and Production Plc, ([www.ngdelta.com](http://www.ngdelta.com)) operating, through its subsidiary NDPR Ltd, two marginal oil fields, Ogbele and Omerelu, located respectively in onshore blocks OML 54 and OML 53.
- 40% interest in ND Western Limited, ([www.ndwestern.com](http://www.ndwestern.com)) a company holding 45% interest in OML 34, an onshore producing license
- 12.45% interest in Seplat Petroleum Development Company, ([www.seplatpetroleum.com](http://www.seplatpetroleum.com)) a Nigerian company listed both on the London stock Exchange and on the Nigerian Stock Exchange. Seplat's portfolio in the Niger Delta area comprises six blocks

Elsewhere in Africa, Petrolin Group owns

- 44,33% interest in Surestream Petroleum Ltd, ([www.surestream-petroleum.com](http://www.surestream-petroleum.com)) a UK company with exploration assets in DRC, Malawi, Burundi and Zambia.

In the promotion and development of regional infrastructure projects in Africa,

Joint development agreements between the Republic of Benin and its neighbours led the authorities of Benin, in consultation with those of Niger, to promote an infrastructure development programme based on the "backbone" concept devised by Mr. Dossou-Aworet, Petrolin Group's founder.

In this context, the Petrolin Group has formed PIC Network Limited, a new subsidiary which has undertaken all preliminary studies, at its own expense.

These studies have persuaded the Republic of Benin's to support a regionally integrated and cohesive transport infrastructure scheme (the "Backbone Project").

Implementation of the Backbone Project will ensure a stable, balanced and attractive legal, financial and fiscal framework to attract local, regional and international investors.

To this end, the Republic of Benin and PIC Network Limited have entered into preliminary agreements to create a Public-Private Partnership with an initial core group of African and international investors and stakeholders. As the promoter and coordinator of the Backbone Project., PIC Network is now inviting interested parties - public and private, national and international players - to join the venture.

The Backbone Project proposed by PIC Network Limited includes the coordinated development of a number of major infrastructure projects for the sub-region, to wit:

- The construction and exploitation in the Republic of Benin of a new deep water port in Sème-Podji, located on the Nigerian border
- The construction and exploitation of a dry port as a multimodal logistic platform
- The construction and exploitation of a new international airport in Krake on the border between Nigeria and Benin
- The rehabilitation and exploitation of the existing railway line Cotonou-Parakou, the construction and exploitation of new railway lines from Parakou to Niamey (Niger) and the extension to the port, the new bi-national airport and the connection with the Nigerian railway network
- Various ancillary and related infrastructures

Except for the Dry Port at Parakou, which is almost completed, the four other components of the Backbone project are still under study.

## **REPORT TO THE UN GLOBAL COMPACT:**

### **A) HUMAN RIGHTS :**

Since 1994, Petrolin Group has been actively engaged in humanitarian and social activities in Africa. The most salient strength of the Petrolin Group in the realm of HSE is the Group's "Fondation Espace Afrique", a NGO recognised as a public utility organisation by the authorities of the Canton of Geneva (Switzerland) in 1996 and by the Republic of Benin's government in 2004. ([www.f-espaceafrique.com](http://www.f-espaceafrique.com))

A portion of Petrolin Group's profits is earmarked as a contribution to help improve the social conditions of disadvantaged rural populations in Africa.

These funds have allowed Fondation Espace Afrique to build boarding schools, clinics and provides free education and medical care in African rural communities

The objectives of the foundation are as follows:

- To work for the humanitarian and social development of the African continent in pan-African perspective for the reduction of poverty,
- to promote the autonomy and self-sufficiency of African populations,
- to preserve and develop African traditions, knowledge and expertise,
- to foster the active participation of the African private sector in Africa's development,
- to encourage partnerships between international development practitioners and players
- and to instil a spirit of cooperation that goes beyond clan and cultural barriers.



Fondation Espace Afrique finances and operates projects and initiatives in Côte d'Ivoire, Benin, Gabon, Congo, Nigeria, Burkina-Faso, South Africa as well as projects at the Pan-African level.





*Pictures of the CIEVRA (Center for Experiments and Valorisation of African Resources) created by Fondation Espace Afrique in the Benin Republic to develop the autonomy of rural populations through implementation of organic farming, agro-food and health projects*

In 2016, Fondation Espace Afrique has carried on with projects it conducts by itself or in partnership with other organizations (financing schools, offering scholarships for students, etc). In 2016, Fondation Espace Afrique has also signed new agreements of partnership in the agro ecological field and in education with 3 organizations, Mercy Ships, Conférence des Evêques Suisses and the Saint Thomas d'Aquin Catholic University of Ethiopia

#### **B) LABOUR :**

Petrolin Group support and respect the internationally recognised labour standards, including freedom of association and the right to collective bargaining , freedom from forced labour and child labour, non-discrimination and equal opportunities

Petrolin Group upholds the highest labour standards. Gender equalities and skill management are key in this respect.

During the reporting period, Petrolin Group has received no grievances or complaints from employees or others in relation to potential labour rights violation, nor was the Group involved in any labour rights incidences.

#### **C) ENVIRONMENT :**

As mentioned above, the Petrolin Group is engaged in

- Oil and Gas Exploration and Production
- Promotion and development of regional infrastructure projects in Africa as an integral part of its ongoing diversification strategy

In Oil and Gas Exploration and Production, Petrolin Group is active through participation in assets operated by first class oil companies namely:

- Niger Delta Exploration and Production Plc, ([www.ngdelta.com](http://www.ngdelta.com))
- ND Western Limited, ([www.ndwestern.com](http://www.ndwestern.com))
- Seplat Petroleum Development Company, ([www.seplatpetroleum.com](http://www.seplatpetroleum.com))
- Surestream Petroleum Ltd, ([www.surestream-petroleum.com](http://www.surestream-petroleum.com))

Apart from economic or financial reasons, in choosing these companies to invest in, Petrolin Group was taking into consideration the human rights, corruption/transparency and environmental positions of said companies.

Among several examples which can illustrate the commitment of Petrolin Group's partners to develop environmentally friendly production methods, we can quote NDPR Ltd which was recently selected for an award recognising its significant contribution towards global gas flaring reduction by the World Bank Group and the Global Gas Flaring Reduction Partnership (GGFR).



In the promotion and development of regional infrastructure projects in Africa,

With regard to environmental considerations, the Petrolin Group obtained in December 2016 a certification of conformity with environmental regulations of the Republic of Benin for the Group's new deepwater port at Sème-Podji.



MINISTRE DU CADRE DE VIE  
ET DU DEVELOPPEMENT DURABLE  
REPUBLIQUE DU BENIN

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## ARRETE

ANNEE 2016 n° 063 /MCVDD/DC/SGM/DG-ABE/DEIE/C-SEIE/SA

### PORTANT DELIVRANCE DU CERTIFICAT DE CONFORMITE ENVIRONNEMENTALE DU PROJET DE CONSTRUCTION DU PORT PETROLIER, MINERALIER ET COMMERCIAL EN EAU PROFONDE DE SEME-PODJI

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Le Ministre du Cadre de Vie et du Développement Durable (MCVDD)

- Vu la loi n° 90-032 du 11 décembre 1990 portant Constitution de la République du Bénin ;
- Vu la loi n° 98-030 du 12 février 1999 portant loi-cadre sur l'environnement en République du Bénin ;
- Vu la proclamation le 30 mars 2016 par la Cour Constitutionnelle des résultats définitifs de l'élection présidentielle du 20 mars 2016 ;
- Vu le décret n° 2010-478 du 05 novembre 2010 portant création, attributions, organisation et fonctionnement de l'Agence Béninoise pour l'Environnement ;
- Vu le décret n° 2016-264 du 06 avril 2016 portant composition du Gouvernement au Bénin ;
- Vu le décret n° 2016-501 du 11 août 2016 portant Attributions, Organisation et Fonctionnement du Ministère du Cadre de Vie et du Développement Durable ;
- Vu le décret n° 2015-382 du 9 juillet 2015 portant organisation des procédures de l'évaluation environnementale en République du Bénin ;

- Vu le rapport d'Etude d'Impacts sur l'Environnement (EIE) du projet de construction du port pétrolier, minéralier et commercial en eau profonde de Sèmè-Podji;
- Vu le rapport de l'atelier de validation de l'EIE du projet de construction du port pétrolier, minéralier et commercial en eau profonde de Sèmè-Podji;
- Vu l'avis technique de l'Agence Béninoise pour l'Environnement (ABE).

## ARRETE

**Article 1<sup>er</sup>** : Le projet de construction du port pétrolier, minéralier et commercial en eau profonde de Sèmè-Podji est conforme aux normes environnementales.

Le promoteur dudit projet, **Monsieur Samuel DOSSOU-AWORET, Président de la société PIC Network Limited, filiale du groupe PETROLIN**, devra prendre les dispositions nécessaires pour mettre en œuvre, sous peine de retrait du présent Certificat, les activités identifiées dans le plan de gestion environnementale destinées à corriger les impacts négatifs du projet.

**Article 2** : Le présent Certificat n'est pas une autorisation de mise en œuvre du projet, ni un agrément, mais fait partie des pièces à soumettre à l'autorité de tutelle pour l'obtention de la décision finale quant à la réalisation de l'activité projetée.

**Article 3** : Le présent Certificat, établi en un seul original, est délivré pour servir et valoir ce que de droit.

Fait à Cotonou, le 01 DEC 2016

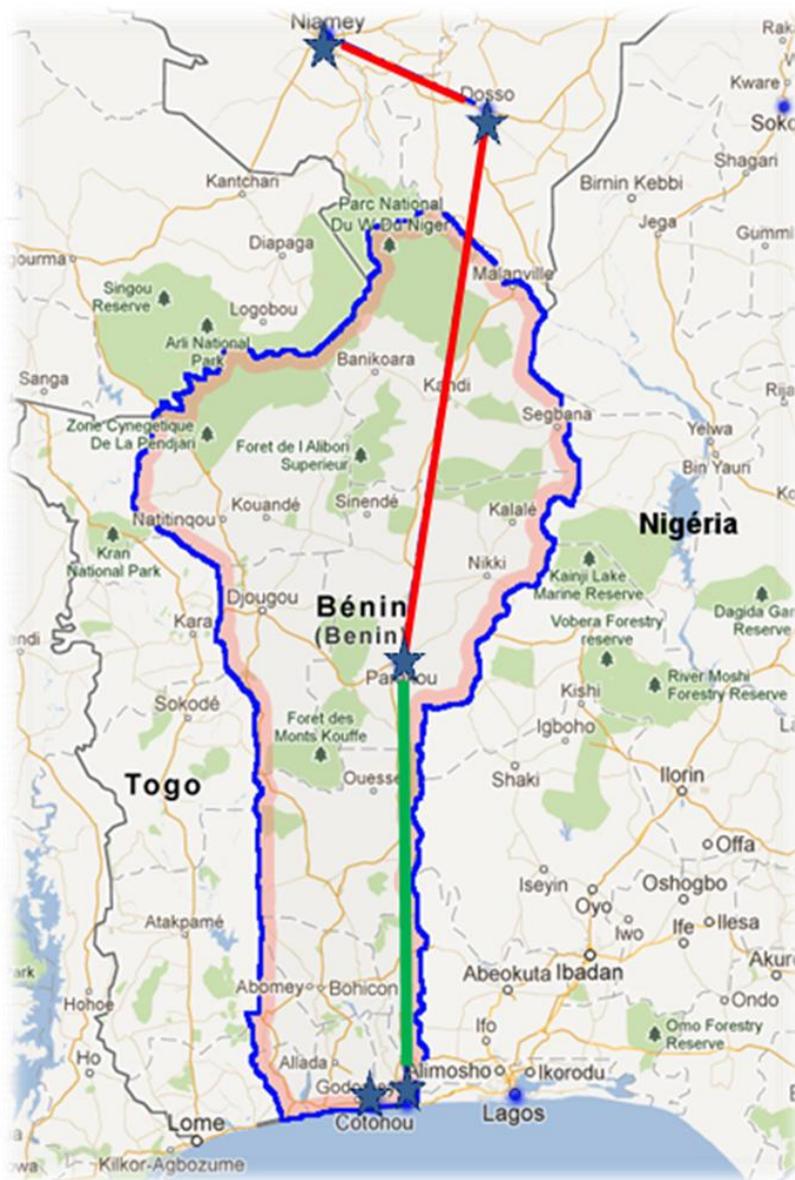
Ministre,  
  
Jose TONATO

Enregistré au Ministère du Cadre de Vie et du Développement Durable

The "Backbone Project" promises will improve conditions with respect to the environment in the following ways:

- Realisation of the rail component extension from Parakou to Niamey via Dosso will reduce pollution engendered by truck transport which, at present, is the only means for shippers to convey freight from the sea to the West African hinterland (Niger, Burkina Faso and Northwest Nigeria).
- Realisation of the bi-national airport to serve the Cotonou and Lagos Metropolitan areas which will afford passenger access by rail as well as improved highways, will reduce emissions engendered by existing highway traffic congestion around the existing single Lagos international airport.

- Realisation of the deep water port at Sémè-Podji will reduce pollution presently caused by truck and ship congestion (demurrage) at the existing ports of Lagos Metropolitan Area.



#### D) ANTI-CORRUPTION :

Being installed in Switzerland and partnering often with reputable large companies in its projects, Petrolin Group has adopted, from inception, a code of business conduct covering internationally recognised standards for anti-corruption. Petrolin Group has also developed a guidance on its expectations of the behaviour, in any circumstances, of its employees, business partners, contractors and suppliers. The guidelines on gifts, avoidance of corruption and conflict of interests have been presented to all its employees.