



TAYLOR-DEJONGH

News'nViews

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INSIDE...

- TDJ Advises Turkmenistan Government
- Turkmenistan Oil & Gas Market
- African Transportation Opportunities
- Senior Associate Moves to Bahrain Office
- Jordan Privatization Bid to be Released
- Newest League Table Rankings
- Gastech Highlights
- Upcoming TDJ Speaking Engagements

TDJ ADVISES TURKMENISTAN GOVERNMENT

Taylor-DeJongh is assisting the State Agency for Management and Use of Hydrocarbon Resources (SAMUHR) in Turkmenistan. Koeppen, Elliott & Associates, Ltd., is managing a consortium of firms, including Baker & McKenzie, KBR Granherne, ICF, NuTech, NYMEX and Taylor-DeJongh in this effort. The program, funded by the US Trade & Development Agency, is undertaking a thorough examination of the optimal commercialization scheme for the country's oil and gas resources. TDJ is providing advice on valuation and financial structuring of oil and gas projects, natural gas pricing mechanisms, pipeline tariff determination, economic aspects of PSAs, project finance fundamentals, regulatory frameworks of oil & gas markets, and risk mitigation strategies. The five-month program, which includes direct interaction with private- and public-sector entities in Washington, D.C., Houston, New York and Ashgabat, aims to help the Government of Turkmenistan assess its export options, expand its oil and gas commercial options, increase returns from its hydrocarbon resources and develop the necessary tools to regulate the licensing of offshore hydrocarbon resources. ■



Representatives of SAMUHR, the Ministry of Oil & Gas, Taylor-DeJongh and ICF (above), and a view of Ashgabat from the Ministry (left).



Photos by Kathy Thrun of ICF.

TURKMENISTAN OIL & GAS MARKET

Located at the intersection of European and Asian markets, Turkmenistan is emerging as a global oil and gas player. With more than 1,000 fields and potential structures, Turkmenistan's reserves range as high as 21 billion tons of oil and 24 trillion cubic meters of natural gas. If proved, these estimates would make the country the 4th-largest natural gas reserve holder in the world, and the 13th-largest oil reserve holder in the world. Multiple

pipeline projects are planned toward both China and Europe to bring these still underexploited reserves to market. Monetizing Turkmenistan's vast resources will require considerable investment, as well as the prioritization of projects. The country has recently opened to foreign investment and is likely to become a major player on the global gas markets as Europe and China try to diversify their sources of supply.

25

YEARS OF EXCELLENCE

GLOBAL FINANCIAL STRUCTURING

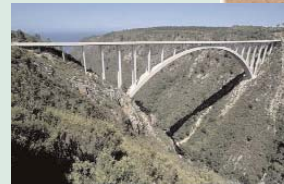
OPPORTUNITIES FOR PRIVATE-SECTOR INVESTMENT IN AFRICAN TRANSPORTATION

Taylor-DeJongh and Medicapital Bank provided analysis for the **African Development Bank** and the **Infrastructure Consortium for Africa** (a partnership between bilateral donors, multilateral agencies and African institutions) on increasing private sector investment in the transportation sector in Africa. Based on criteria established with the AfDB/ICA, as well as from numerous discussions with other multilateral agencies operating in the region, the firm analyzed the market rationale, economic and financial viability, potential role of the private sector and project development status of over 30 transportation projects.

TOP SEVEN TRANSPORTATION PROJECTS

Based on this analysis, Taylor-DeJongh and Medicapital prepared project summaries for the final short list of the top seven projects for development and investment.

- Mohammedia Port, Morocco
- Djibouti-Ethiopia Railway
- Kazungula Bridge, Botswana & Zambia
- Winelands Toll Road, South Africa
- Wild Coast Toll Road, South Africa
- Port of Mayumba, Republic of Gabon
- Second Nile Crossing at Jinja, Uganda



Top African transportation projects included railways (above), roads, railways, ports, and bridges (left, showing a bridge in South Africa).

Afonso Reis e Sousa, Director of TDJ, and **Skander Oueslati**, Executive Director - Corporate Banking of Medicapital Bank, acted as co-chairs of the AfDB/ICA hosted conference, "Financing Transport for Growth in Africa," held in December 2007. Representatives from the donor community, investment banks, construction companies, and private equity firms participated and:

- were challenged to lay out the frameworks for bringing greater private sector investment to the region,
- debated the existing financing constraints and the possibility of using PPPs to help fill financing gaps, and
- discussed the regulatory initiatives required to promote growth in the transportation sector.

The final transportation project reports, as well as other conference presentations and a conference follow-up report by the ICA, are available at: <http://www.icafrica.org/en/meetings/article/view/placeholder-ws-1/> ■

SCOTT FLIPPEN MOVES TO TDJ'S BAHRAIN OFFICE

Scott Flippen, a Senior Associate at Taylor-DeJongh, transferred from the firm's Washington DC office to the recently established Bahrain office at the end of January to work closely with Director Timothy Holder on originating and executing new mandates in the Middle East.



project economics and structuring financing for oil & gas projects.

Regarding his recent move, Mr. Flippen stated "It is a great time to be in the GCC and we are excited by our prospects here. There is a great deal of work to be done, not only in raising finance for projects within the region, but also in advising regional investors on direct investments in the energy and infrastructure sectors outside of the Middle East. Being in Bahrain provides the firm the opportunity to focus on projects in Africa and Central Asia as well."



Mr. Flippen recently traveled to Ashgabat as part of the team advising the government on the global oil & gas market.

He led the regulatory licensing approval process with the Central Bank of Bahrain (CBB). In February, the CBB announced that Taylor-DeJongh Bahrain had been granted a license to conduct its advisory business within the Kingdom of Bahrain.

Mr. Flippen has just completed advisory presentations in Ashgabat, Turkmenistan, for SAMUHR, the Ministry of Oil & Gas, and other agencies on topics such as evaluating

Mr. Flippen joined Taylor-DeJongh in 2005 and has executed financial modeling and risk analysis in support of advisory mandates in the oil & gas, power and infrastructure sectors. He has an MBA in International Business and an MA in International Trade & Investment Policy from The George Washington University and a BA in East Asian Studies from The College of William & Mary. ■

JORDAN PRIVATIZATION BID TO BE RELEASED

Taylor-DeJongh has been advising the Government of Jordan and the Ministry of Energy and Mineral Resources on commercialization and unbundling of the downstream petroleum sector. The privatization will involve the sale of a storage company and 3 petroleum products wholesale companies.

The request for bidder interest will be issued in the coming weeks. Investors interested in obtaining additional information and who wish to receive the electronic notice upon issuance should contact TDJ's Roxanne Suratgar (rsuratgar@taylor-dejongh.com) **or Sophie Guiny** (sguiny@taylor-dejongh.com), **or by calling 1-202-775-0899.** ■



Petroleum storage facilities and distribution to service stations are among the services that the government plans to privatize

TDJ CONTINUES TO BE HIGHLY RANKED IN INDUSTRY LEAGUE TABLES

Infrastructure Journal 2007 Mandates Won

5th globally for all sectors, by both value and number of mandates won

1st in Oil & Gas, by value and number
2nd in Petrochems

1st in Asia Pacific
3rd in Eastern Europe
1st in Africa and Middle East, by number of transactions

(IJ Online, January 2008)

PFI 2007 Mandates Won, Private Sector Sponsors

5th for global advisory mandates

3rd in the Americas

5th in Asia Pacific

4th in EMEA

(Project Finance International, January 2008)

TDJ TALKS LNG TO THOUSANDS AT GASTECH 2008

More than 2,000 delegates gathered at Gastech 2008, making it the largest international event for the LNG, LPG and natural gas industries. The event centered on the future of natural gas and LNG in a fast-changing environment.

Topics discussed included:

- The central role of Asia Pacific in the global LNG markets.
- Current developments in the market and outlook to 2030.
- Pricing, finance and legal issues.
- The need for partnership among international oil companies, national oil companies and resource-host governments.
- The role of technology in helping the industry meet growing demand.

GASTECH 2008
March 10-13 Bangkok



TDJ's London office Director, **Afonso Reis e Sousa**, focused on the challenges of monetizing gas reserves, contrasting some of the traditional options (field injection, local markets, pipeline, LNG, petrochemicals) with new and emerging alternatives (GTL, CNG, Mini-LNG) and the commercial and financing challenges related to the development of these options.

Contact Afonso Reis e Sousa (areisesousa@taylor-dejongh.com) to talk about LNG issues, or to request a copy of his presentation and white paper. ■

**Read and download from our web site more of what TDJ has to say about LNG:
"Financing LNG in a Risky Market"**

(The Fundamentals of the World Gas Industry, 2008, published by Petroleum Economist)

News'nViews

TDJ SHARES ITS EXPERTISE AT GLOBAL VENUES

Oil & Gas in Turkmenistan (IBC Global Conferences)

London, April 17-18

CEO **Terry Newendorp** and Director **John Sachs** will speak on financing pipelines



Projects International (ICBI)

Paris, May 20-22

Terry Newendorp and Director **Afonso Reis e Sousa** will open the **Oil & Gas Summit Day**, presenting "A Global Tour: Looking for Next Generation Opportunities."



Islamic Project Finance (MEED)

Dubai, June 2-3

Terry Newendorp will speak



Middle East Petrochemicals 2008 (MEED)

Bahrain, June 16-17

Director **Timothy Holder** will speak



"Financing Your Project" Business Forum (Exporta)

London, June 25-26



Contact **Wendy Musco** (wmusco@taylor-dejongh) for information on discounted delegate passes.

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