

Topaz eyes 'measured' West Africa expansion

The new man at the helm of a Dubai-based offshore-vessel owner aims to broaden its horizons beyond the Middle East and Caspian Sea.

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The new man at the helm of Topaz Energy & Marine has set his sights on the West African offshore market.

Rene Kofod-Olsen joined the Dubai-based offshore-vessel owner at the start of August and is already looking to broaden its horizons beyond its main markets of the Middle East and Caspian Sea.

"We're seeing the highest demand in West Africa and we want to respond to that," said Kofod-Olsen, before sounding a note of caution. "But we're not fond of opportunistic behaviour."

Topaz already has two vessels active in Nigeria, which Kofod-Olsen says gives the company good operational experience.

He believes there is demand for more but he adds that West Africa is a difficult market to work in and insists it will take a measured approach to any expansion.

"I really like the markets we are in but there are other markets that could be of interest in the future," said Kofod-Olsen.

The Middle East Gulf is currently suffering from an abundance of smaller offshore vessels.

CORE MARKETS

However, Kofod-Olsen stresses that Middle East North Africa (MENA) and the Caspian Sea will remain its core markets for some time to come.

"The market is a bit stagnant

but we're not concerned. It will rise again in the future."

Kofod-Olsen is no stranger to the company's core operating markets, having been head of Svitzer in Asia, the Middle East and Africa prior to taking over.

Rene Kofod-Olsen: We're always looking for opportunities. We are looking at both platform-supply vessels and AHTS ships as long as they are new or newish.

That job was the most recent of an 18-year career at AP Moller-Maersk Group.

He describes his own experience as being "aligned with what Topaz needed".

TOP OF THE AGENDA

Top of the agenda for Olsen is to continue to update the company's fleet and, in particular, to achieve fleet-wide dynamic-positioning-two (DP2) capability.

The age profile of the Topaz fleet currently stands at an average 6.7 years.

"It's a very modern fleet," he said.

"Not many companies come close. They have proved they can grow in a difficult market."

Topaz has been active in the sale-and-purchase (S&P) market of late, adding two anchor-handling

tug supply (AHTS) vessels in the space of a couple of weeks this month.

One of those was a six-year-old vessel picked up from financially stricken Japanese shipowner Sanko Steamship.

Topaz Triumph will be operated in the Caspian region on behalf of global oil giant BP.

Asked whether the recent additions marked the end of the company's spending spree, Kofod-Olsen answered: "We're always looking for opportunities. We're looking at both platform-supply vessels and AHTS ships

as long as they are new or newish."

Topaz, which is wholly owned by Oman-based Renaissance Services, aims to have two-thirds of its 100 vessels tied up on long-term charters and the other third on short-term hire.

The appointment of Kofod-Olsen means Topaz has come full circle since Fazel Fazelbhoj departed last year.

Renaissance Services made clear that the exit was unrelated to the discovery of fraud carried out at Topaz over a number of years.

However, the scandal temporarily put paid to plans to list the company on the London Stock Exchange while it resolved the internal issue.

The 102-tonne-bollard-pull (tbp) *Sanko Dragon* was renamed *Topaz Rayman* before joining an international oil company in Qatar on a seven-year deal worth \$50m.

That purchase was closely followed by the addition of a smaller newbuilding.

The 90-tbp *AH Floriana*, which cost EUR 16m (\$19.5m) from a Spanish owner, has been rechristened *Caspian Reliance* and deployed in the Caspian on a five-year deal worth \$13.9m.

And in May, the company launched a pair of twin anchor-handler newbuildings at its own shipyard.

The *Topaz Dignity* and



Photos: TOPAZ ENERGY

► **TOPAZ:** New boss Rene Kofod-Olsen was previously head of Svitzer in Asia.