

MOA Signing Ceremony for the LP Software Technology Transfer and Energy Saving Project (Vietnam)



Attendants of the signing ceremony

JCCP launched the “LP Software Technology Transfer and Energy Saving Project” in fiscal 2013 as a joint project with Binh Son Refining and Petrochemical Co., Ltd. (BSR), and held a Memorandum of Understanding (MOA) signing ceremony for the project on June 20, 2013. The background, development and overview of the project are introduced below.

1. Background, Development and Overview of the Project

Rapid economic growth in Vietnam has increased domestic oil demand so rapidly that the country began operations at its first refinery (BSR Dung Quat Refinery; 150,000 BD) in 2009 and is pushing forward with plans for a second refinery (Nghi Son Refinery; 200,000 BD). However, refinery operations have just begun in Vietnam, and proficiency in various technologies still needs to be acquired. In principle, refineries must produce various products from crude oil in amounts that correspond to demand, while maintaining consistent quality. Thus, refinery operation planning is an extremely complex task. The LP model is an effective tool for operation planning, but as it is not necessarily widely utilized in Vietnam, there is a need to transfer Japan’s LP software

technology and energy conservation technologies to establish efficient refinery operations in Vietnam.

The “Special Cooperation Program on the Transfer of LP Model Software Technology” is planned to be implemented over a period of two years from fiscal 2013, with the aim of transferring Japan’s LP model software technology to Vietnam. It is expected to not only satisfy BSR’s needs, but also to represent Japan’s contribution to development in Vietnam. Furthermore, the technology will be applied to multiple refinery models next fiscal year toward optimization also of future refineries in Vietnam.

2. Signing Ceremony

At the signing ceremony, Mr. Nguyen Viet Thang, Vice President of BSR, and Mr. Morihiro Yoshida, Managing Director of JCCP, signed the MOA in the presence of witnesses that included Mr. Michio Daito, Counsellor at the Japanese Embassy in Vietnam, and Mr. Masahiro Yoshida, Vice President of JX Nippon Research Institute, Ltd.

The ceremony began with greetings by Dr. Phan Ngoc Trung, General Director of Vietnam Petroleum Institute (VPI), and Mr. Thang, who respectively expressed their appreciation of and expectations for the project. On the

Japanese side, Mr. Daito gave a speech stating that as this year marks the 40th anniversary of diplomatic relations between Vietnam and Japan, he expects further growth of the friendly relationship between the two countries. JCCP's Mr. Yoshida reflected on the cooperative relationship that has developed between Vietnam and Japan through the implementation of JCCP projects to date, and expressed his wishes for future development in Vietnam. JX Nippon Research Institute's Mr. Yoshida gave a congratulatory speech that focused on the JX Group's engagement in Vietnam and its expectations of once again providing contributions through the project. After the speeches, Mr. Thang and Mr. Yoshida signed the MOA and exchanged commemorative gifts, and the ceremony drew to a successful close amid a friendly atmosphere.

3. Summary

The signing ceremony was made possible by the Vietnamese side's thorough preparation, and was held with many relevant parties in attendance. This indicated the Vietnamese side's strong interest in the project and high expectations of Japan.

Prior to the ceremony, the Japanese members received a tour of a reference room located next to the ceremony venue and a brief history of VPI from Dr. Trung. Information panels on JCCP projects implemented in the past were displayed in the room, and spoke of the longstanding relationship between the Petrovietnam Group and JCCP.



Exchanging of the MOA by Mr. Nguyen Viet Thang, Vice President of BSR and Mr. Morihiro Yoshida, Managing Director of JCCP



Tour of the VPI reference room

As the Vietnamese side holds high expectations for the project, its implementation is expected to contribute to strengthening the mutual friendship between Vietnam and Japan. JCCP hopes the successful completion of the project will bring further development of the friendly relationship between Vietnam and Japan.

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