



Participants of the symposium

The 26th JCCP International Symposium

“The Role of the Oil Downstream Sector from the Perspective of Stable Energy Supply”

On February 6 and 7, 2008, “The 26th JCCP International Symposium” was held under the auspices of the Ministry of Economy, Trade and Industry. As the symposium took place just as the crude oil price had exceeded 100 dollars per barrel, it attracted greater attention than ever before, and drew an audience of close to 300 participants.

Symposium Theme

This year’s symposium was conducted under the theme, “The Role of the Oil Downstream Sector from the Perspective of Stable Energy Supply—The Necessity and Possibilities of International Collaboration.”

Today, the issue of securing a stable oil supply is a worldwide concern. The objective of the symposium was to therefore seek avenues for

securing a stable supply of oil, through discussions among guests and panelists from Japan and abroad, on issues and countermeasures commonly faced in the oil downstream sector. JCCP hoped to promote the awareness that “it is important for oil-producing and oil-consuming countries to step beyond their roles, to cooperate in resolving issues in the oil industry, while sharing their experience with each other,” and that “promoting cooperation and deepening the engagement between oil-producing and oil-consuming countries is the key to securing a stable energy supply.”

Symposium Overview

(1) Opening Ceremony (February 6, 2008)

On the first day, the symposium began with an opening address by Mr.

Akira Idemitsu, President of JCCP, followed by a greeting by the guest of honor, Mr. Shinsuke Kitagawa, Director-General of the Natural Resources and Fuel Department, Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry (METI), and an introduction of the chairmen and panelists of Sessions 1 and 2 by Mr. Mikio Kojima, Executive Director of JCCP. Following this, Mr. Idemitsu gave a keynote speech.

In his greeting, Mr. Kitagawa first welcomed all the guests from abroad who had come to Japan to participate in the symposium. He then spoke about the significance of the close relationships that oil-producing countries and Japan’s oil downstream sector have built over the years. Today, the crude oil market is undergoing a great change in response to increasing global demands for oil, but



Guest of honor speech
 Mr. Shinsuke Kitagawa, Director-General
 Natural Resources and Fuel Department
 Agency for Natural Resources and Energy, METI



Keynote speech
 Mr. Akira Idemitsu, President of JCCP

Japan nonetheless continues to receive a stable supply of crude oil, owing precisely to the strong relationship of trust it has cultivated with oil-producing countries. Representing METI, Mr. Kitagawa also expressed his hopes that JCCP will continue to implement activities that respond to the needs of oil-producing countries, and that the mutually beneficial relationships between JCCP and those countries will continue to grow even stronger.

Mr. Idemitsu, in his keynote speech, stressed the importance of oil and the necessity of ensuring its sustainable supply. He explained that oil is indispensable to automobile, airplanes, and other modern means of transportation, as well as an important petrochemical raw material, from which various types of plastics and chemicals are made. It is a precious resource that must not be depleted by

our generation. Mr. Idemitsu emphasized that it is our responsibility to the next generation, to reconsider the role of the oil downstream sector and ensure a stable oil supply for the future.

**(2) Special Lectures
 (February 6, 2008)**

Following Mr. Idemitsu's keynote speech, Dr. Ken Koyama, Board Member of The Institute of Energy Economics, Japan, and Mr. Waleed H. Al-Bedaiwi, General Manager, Saudi Petroleum, Ltd., were asked to give a special lecture as guest speakers.

After briefly summarizing today's global energy situation, Dr. Koyama discussed the evolving relationship between the Middle East and Asia. He stated that the Middle East and Asia are gradually forming an inseparable relationship, in which they mutually

depend upon each other. This is because the two regions are the growth centers of the world. Asia's growth could provide an enormous oil market to the Middle East, and growth in the Middle East would allow Asia to import a large supply of oil. In the future, investments are expected to increase in both directions, from the Middle East to Asia, and vice versa, and bring the two regions closer to each other.

Mr. Al-Bedaiwi spoke about the significant relationship between oil-producing and oil-consuming countries, likening the relationship to "the two sides of a coin," which are inseparable from the other. He closed his lecture, by articulating Saudi Aramco's strong vow to join hands with its partners in the oil downstream sector, to uphold its responsibility of providing a stable supply of oil.



Special lecture
 Dr. Ken Koyama, Board Member
 The Institute of Energy Economics, Japan



Special lecture
 Mr. Waleed H. Al-Bedaiwi, General Manager
 Saudi Petroleum, Ltd.

(3) Discussion Sessions

(February 7, 2008)

The second day of the symposium featured Session 1 discussions in the morning and Session 2 discussions in the afternoon. They arrived at the following conclusions.

1) Session 1

Theme: Management Issues in the Oil Downstream Sector for Contributing to Globally Stable Supply of Energy

The chairman of Session 1, Mr. Isao Kusakabe, Executive Officer

& General Manager, International Ventures Department, Cosmo Oil Co., Ltd., summarized Session 1 discussions as follows: "Many countries today are experiencing rapid economic growth, a situation that will make the world ever more oil-dependent in the future. At

26th JCCP International Symposium Program

The Role of the Oil Downstream Sector from the Perspective of Stable Energy Supply

Date	Time	Proceedings
Feb. 6 (Wed)	2:00 – 3:00 pm	Opening ceremony <ul style="list-style-type: none">Opening address: Mr. Akira Idemitsu, President of JCCPGuest of honor speech: Mr. Shinsuke Kitagawa, Director-General, Natural Resources and Fuel Department, Agency for Natural Resources and Energy, METIIntroduction of session chairmen and panelists: Mr. Mikio Kojima, Executive Director of JCCPKeynote speech: Mr. Akira Idemitsu, President of JCCP
	3:15 – 5:40 pm	Special lectures <ul style="list-style-type: none">Dr. Ken Koyama Board Member, The Institute of Energy Economics, JapanMr. Waleed H. Al-Bedaiwi General Manager, Saudi Petroleum, Ltd.Mr. Sultan Al-Mehairi Director, Marketing & Refining, Abu Dhabi National Oil Co. (ADNOC)
	6:00 – 8:00 pm	Reception
Feb. 7 (Thu)	9:30 am - 12:00 pm	Session I "Management Issues in the Oil Downstream Sector for Contributing to Globally Stable Supply of Energy"
	12:00 – 1:30 pm	Lunch break
	1:30 – 4:00 pm	Session II "Technological Issues in the Oil Downstream Sector for Contributing to Globally Stable Supply of Energy"
	4:00 – 4:10 pm	Closing greeting: Mr. Mikio Kojima, Executive Director of JCCP

Special Lectures

Country	Organization	Name	Title
Japan	The Institute of Energy Economics, Japan	Dr. Ken Koyama	Board Member Director, Strategy and Industry Research Unit
Saudi Arabia	Saudi Petroleum, Ltd.	Mr. Waleed H. Al-Bedaiwi	General Manager
UAE	Abu Dhabi National Oil Co. (ADNOC)	Mr. Sultan Al-Mehairi (on behalf of Mr. Hashem Y. Al-Refaei, Marketing Research & Administration Manager)	Director, Marketing & Refining



Session 1 panelists
(From the right: Indonesia, Oman, Qatar, UAE, Japan)

Session 2 panelists
(From the right: Iran, Kuwait, Nigeria, Saudi Arabia, Japan)



the same time, however, we are facing a number of serious issues, such as drastic increases in crude oil prices, environmental issues that call for stringent regulations, growing demands for petroleum products, and the need to seek measures for securing a stable oil supply. Given this situation, urgent attention must be directed to expanding and upgrading refinery facilities and developing human resources. As Japan and oil-producing countries share the same oil downstream issues, we must harness our efforts to secure a globally stable supply of oil. Relationships of trust that are born from such collaboration would also provide greater ‘energy security.’”

2) Session 2

Theme: Technological Issues in the Oil Downstream Sector for Contributing to Globally Stable Supply of Energy

The chairman of Session 2, Mr. Keiichi Matsumoto, Director & Senior Executive Officer of Toyo Engineering Corporation, identified the following three technical issues from among various issues confronting the oil

downstream sector in each country, as common issues that have a particularly large impact on a globally stable supply of energy.

The first issue is the growing demand for gasoline and diesel oil, and measures for satisfying that demand, such as increasing heavy oil cracking capacity and adopting deep desulfurization technologies. In every country, demands for transportation fuel, such as gasoline and diesel oil, are increasing, while demands for heavy oil are decreasing. For this reason, there is an urgent need to construct and expand the capacities of facilities that crack heavy oil and convert it to gasoline and diesel oil. Desulfurization technologies are also sought, to produce petroleum products that comply with environmental standards that are becoming more and more stringent the world over.

The second issue is the decrease in heavy oil demand and the increase of value-added petroleum products. As a countermeasure to the decreasing demand for heavy oil, heavy oil should either be converted to light oil, by introducing a cracking unit, or to higher value-added products, such as by introducing a residual oil direct desulfurization unit, solvent dewaxing unit, or IGCC, to produce thermal power, steam energy, electric power, or synthetic gas.

The third issue is safety and environmental measures. Ensuring safety requires the proper maintenance management of facilities, utilization of appropriate tools, and awareness-raising of employees. Environmental measures should not only focus on preventing air and water pollution, but must also pay due consideration to other issues, such as the reduction of industrial waste.

(4) Summary

Lastly, Mr. Kojima summarized the two days of discussions and posed a thought for everyone to consider. He stated that the oil downstream sector

must fulfill an important role in securing a globally stable supply of energy. “Therefore,” he asked, “shouldn’t the players in the downstream sector mutually cooperate and make active

efforts to serve as a bridge between oil-producing and oil-consuming countries?” The symposium came to an end on this thought-provoking note.

*<by Hisayoshi Tada,
Administration Dept.>*

Session I: Management Issues in the Oil Downstream Sector for Contributing to Globally Stable Supply of Energy
Chairman: Mr. Isao Kusakabe, Executive Officer & General Manager, International Ventures Department, Cosmo Oil Co., Ltd.

Country	Company	Name	Title
Indonesia	PT PERTAMINA	Mr. Gigih Prakoso	Manager, Corporate Business Planning and Development
Qatar	Qatar Petroleum	Dr. Ali Hamed Al-Mulla	Manager, Corporate Environment and Sustainable Development
Oman	Oman Refinery Company L.L.C.	Mr. Said Waleed Q. Al-Zadjali	Manager, Procurement, Contracts & Inventory
UAE	Abu Dhabi Oil Refining Co. (TAKREER)	Mr. Sultan Saeed Al-Muhairi	Abu Dhabi Refinery Division Manager
Japan	Cosmo Oil Co., Ltd.	Mr. Hirohiko Kato	General Manager, International Business Dept.

Session II: Technological Issues in the Oil Downstream Sector for Contributing to Globally Stable Supply of Energy
Chairman: Mr. Keiichi Matsumoto, Director, Senior Executive Officer, General Manager, Plant Engineering Center, Toyo Engineering Corporation

Country	Company	Name	Title
Iran	National Iranian Oil Refining and Distribution Company (NIORDC)	Mr. Amin Allah Eskandari	Director, Refining Affairs
Kuwait	Kuwait National Petroleum Co.	Mr. Mohammed Ghazi Al-Mutairi	Deputy Managing Director, Mina Abdulla Refinery
Nigeria	Nigerian National Petroleum Corporation	Engr. Onochi A. Anyaoku	Group Executive Director, Refining and Petrochemicals Directorate
Saudi Arabia	Saudi Aramco	Mr. Ali Alhazmi	Superintendent, Riyadh Refinery Operation Division
Japan	Toyo Engineering Corporation	Mr. Tomomichi Tomita	General Manager, Process Systems Engineering Division



Scene of the Symposium



*Closing address
Mr. Mikio Kojima, Executive Director of JCCP*