
Executive Visits to Asia

—Visits to Malaysia, Vietnam and Bangladesh—

Mr. Tsuyoshi Nakai, CEO of JCCP, visited Asia on two separate occasions following his visits to the Middle East as reported in the previous issue of this newsletter.

1. Malaysia and Vietnam

Over a period of 12 days from November 9, 2014, Mr. Tsuyoshi Nakai visited Kuala Lumpur to make a request of a JCCP international symposium speaker to give a presentation at the symposium and discuss the content of the presentation, then went on to Hanoi to pay his respects to executive officers at Vietnam Oil & Gas Group (Petrovietnam) and Vietnam National Petroleum Group (Petrolimex) as the new CEO of JCCP, follow up on JCCP programs implemented to date, and hold policy dialogues on future activities.

(1) Meeting with Mr. Tan Sri Mohd Hassan Marican, former CEO of Petronas

Mr. Tan Sri Mohd Hassan Marican was requested to be one of the speakers at the 33rd JCCP International Symposium held in January 2015. On November 10, Mr. Nakai made a final request, and discussed the content of his presentation. Mr. Nakai also took the opportunity to obtain information on oil situations in Asia and the Middle East.

According to Mr. Marican, the oil situation in Asia should be viewed in relation to the involvement of domestic politics and the status of national oil companies, as the relationship between national oil companies and the government is complex, with national oil companies having a considerable budget and frequently at odds with the government. Mr. Marican also shared stories about reforms at Petronas when he was CEO. Most notable was his view that human resource development is an important sector above all else, and efforts must be made to attract outstanding young people to the oil industry. Toward this end, Petronas established Universiti Teknologi PETRONAS and concentrated on developing human resources with particular emphasis on engineers. Case examples of personnel development in the Western countries were thoroughly investigated, and an international board was organized to incorporate the views of prominent people. Owing to such education, Mr.



Mr. Tran Van Thinh, General Director, Petrolimex (center)

Marican says Malaysia is beginning to lead the Islamic society as a hub of Islamic finance.

(2) Meeting with Mr. Tran Van Thinh, General Director, Vietnam National Petroleum Group (Petrolimex)

On November 11, Mr. Nakai visited the Petrolimex Head Office and met with Mr. Tran Van Thinh, General Director. Mr. Thinh noted that he participated in a JCCP training program in 2008 when he was General Manager of the Technology Department, and said he has benefited greatly from his JCCP experience. He learned about the management practices of Japanese companies then, and has since maintained his relationship with such Japanese companies as Idemitsu Kosan, JX, Tatsuno and Tamada Industries. He expressed his hopes that JCCP will continue to offer useful training programs next fiscal year. Mr. Thinh also explained that although Petrolimex is a product sales company, it has an interest in domestic refinery operations, and expressed his expectations for cooperation from Japanese companies in the refinery construction project that is underway in Van Phong, where Petrolimex owns an oil terminal.

(3) Meeting with Dr. Le Manh Hung, Vice President, Vietnam Oil & Gas Group (Petrovietnam)

Also on November 11, Mr. Nakai visited the Petrovietnam Head Office and met with Dr. Le Manh



Dr. Le Manh Hung, Vice President, Petrovietnam

Hung, Vice President. Dr. Hung has participated in a JCCP training program in the capacity of Director of the Refining Technology Department at Petrovietnam, and displayed a good understanding of JCCP activities, including technical cooperation projects. At the beginning of the meeting, he summed up the relationship between the two organizations by noting that Petrovietnam has sent 1,500 employees to JCCP training programs and JCCP has dispatched 200 Japanese experts to Petrovietnam over their 24-year history, and that the programs have provided knowledge not only of technologies but also of management practices that are an integral part of Petrovietnam's business today.

Mr. Hung also had future requests of JCCP, mentioning in particular that Petrovietnam is interested in learning about quality control and LP models that conform to European standards. He also outlined needs for training and technical cooperation for increasing competitiveness, as well as training regarding the integration of oil refining and petrochemistry.

2. Bangladesh

Over 11 days from December 8, Mr. Nakai visited Bangladesh, which JCCP newly included among its beneficiary countries in fiscal 2012. There, Mr. Nakai met with the top management of Bangladesh Petroleum Corporation (BPC) to introduce JCCP activities and hold a policy dialogue. BPC is responsible for the oil downstream sector in Bangladesh under the Ministry of Power, Energy & Mineral Resources (MPEMR), and governs a number of companies as an industrial entity, including Eastern Refineries Limited (ERL). In addition to BPC, Mr. Nakai also visited ERL on his recent visit and inspected the company's refinery.

(1) Meeting with Eng. Gazi Md. Ali Afzal, Managing Director, ERL

On December 9, Mr. Nakai gave a general explanation of the FY2015 JCCP program at ERL. In response, Eng. Gazi Md. Ali Afzal, Managing Director, indicated an intention to send ERL personnel to participate in relevant courses upon a careful internal examination of the course contents and the needs of each department.

Eng. Ali Afzal explained that two projects are presently being considered at ERL, one for single buoy mooring (SBM) that would allow efficient offloading of crude oil from a large tanker, and another for the construction of a group of crude oil storage tanks. ERL is also considering the construction of a new refinery facility (Unit-2) with twice the processing capacity as the present one, in anticipation of a future increase in energy demand.

While the two projects mentioned earlier are still at the stage of examining financial arrangements, Eng. Ali Afzal said he hopes they will be realized, as they are important projects that would contribute to ensuring a stable supply of energy to Bangladesh.



Eng. Gazi Md. Ali Afzal, Managing Director, ERL (third from right)

(2) Meeting with Mr. Md. Eunusur Rahman, Chairman, BPC

On December 10, Mr. Nakai visited BPC in Dhaka. BPC was founded 45 years ago as a national oil company, and broadly engages in the import and refining of crude oil, distribution of oil products and manufacture and distribution of lube oil. It had been able to satisfy domestic energy demand during its early years, but a rapid surge in demand accompanying an increase in population has caused supply to lag behind demand. Thus, consideration is being given to augmenting its

facilities within two to three years.

Mr. Nakai explained that JCCP offers a variety of courses as part of its personnel exchange activities, and prompted BPC to contact JCCP if it wishes to take part in them. In reply, Mr. Md. Eunusur Rahman, Chairman, first thanked Mr. Nakai for the offer, and noted that Bangladesh is still in the process of developing, although it has maintained high economic growth over many years. He said he understands Japan is highly competent in the downstream sector, but wishes to take advantage of the opportunity of its personnel exchange program, as the BPC Group is urgently seeking to develop large numbers of refinery personnel.

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Mr. Md. Eunusur Rahman, Chairman, BPC (second from right)

