



JCCP NEWS

Newsletter of Japan Cooperation Center, Petroleum

Topics

No. 106
March 2010

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Mr. Sase, Executive Director of JCCP, Visits Russia and Kazakhstan

JCCP is strengthening its relationship with countries of the former Soviet Union, in recognition of the fact that they are potential sources of oil and energy supplies in the future. In fact, Russia was the sixth-largest crude oil exporter to Japan in fiscal 2008, following the Middle East countries. It is an oil-producing country on par with Saudi Arabia, and the largest gas-producing country in the world.

On October 22, 2009, Mr. Masataka Sase, Executive Director of JCCP, had the opportunity to attend the First Joint Commission of the Japan-Kazakhstan Government and Private Sector on Economic Cooperation, which was held in Astana, the capital city of Kazakhstan. Taking the opportunity of attending the conference, Mr. Sase also visited major JCCP counterparts in Russia and Kazakhstan to hold policy dialogues with the top management of those organizations.

Since the last policy dialogues that were held with top management personnel in countries of the former Soviet Union was in 1994, this became the first time in 15 years that JCCP has held such dialogues in those countries.

1. Russia

(1) LUKOIL Co.

Since the birth of the Russian Federation in 1991, a total of 498 participants have visited JCCP. Among this number, as many as 140 participants were from LUKOIL Co., the largest oil company in Russia.

JCCP has been deepening its friendly relationship with LUKOIL particularly in recent years. In mid-September 2008, a Customized Program-Overseas (CPO) on "Energy Saving in Refineries" was held at LUKOIL's Nizhny Novgorod Refinery. About two weeks later in early October, a Customized Program-Japan was held on the same topic.

On October 19, Mr. Sase visited the LUKOIL Head Office and met with Mr. Pikhtovikov Yuri, Deputy Director and GM of the Human Resources Dept., Mr. Antonov Mikhail, Deputy Head of Global Refining, and a number of other members.

LUKOIL has recently purchased two refineries in Western Europe in a joint investment with another company. Such advancements into foreign countries are expanding large-scale investments by the company, so that its primary challenge now lies in the effective implementation of these investment projects. In response to this challenge, the Global Refining Department is in need of specialists who have professional knowledge about both technologies and the economy, and is currently concentrating on developing such human resources. They are expected to have the technical capabilities to conduct market studies and derive combinations of refining equipment that would produce the required product, as well as the capacity to calculate the anticipated economic effects of such a project. In view of this situation, Mr. Mikhail said he looks to JCCP's further cooperation in the future to accomplish LUKOIL's major objectives of effectively executing overseas projects and developing technical/economic specialists.

Mr. Sase shared his view that it is important to engage in mutual interaction and exchanges of views on a continuous basis by means of top-level meetings, and to submit requests in order to constantly achieve a new level of mutual understanding and establish new courses of action. He then responded to Mr. Mikhail's expectation of JCCP by saying that JCCP wishes to promote technology exchanges that focus on increasing the



LUKOIL Head Office



With Mr. Dmitry Mamonkin, Deputy Director of Refining Dept. (third from left), at the ROSNEFT Head Office

value of petroleum products, and would also like to provide the requested cooperation, as it is an area in which Japan has accumulated experience.

(2) ROSNEFT Oil Co.

On October 19, Mr. Sase visited the head office of ROSNEFT Oil Co., where he was greeted by Mr. Dmitriy N. Mamonkin, Deputy Director of Refining Dept., Ms. Tamara G. Solovykh, Head of Personnel Development HR Dept., and other members.

The ROSNEFT members first thanked JCCP for all the extremely meaningful training programs that it has offered in Japan up until last year. They then expressed their interest in the Kyoto Protocol as an important influence in the rapid changes that are taking place in regard to refineries today, and requested future training programs related to environmental management and energy conservation. They also spoke about their plan to group all employees into three levels—refinery level, middle level, and top management level—and to train them according to their respective level. Furthermore, they stated that the company places emphasis on new refinery construction projects and other upstream projects, as well as on the ongoing Sakhalin Project. In addition to the Customized Program-Japan (CPJ) that is currently being considered for ROSNEFT, it wishes to discuss the possibility of other themes, program details and timing with JCCP, and hopes to receive even greater cooperation from JCCP in the future.

(3) Japanese Embassy in Russia

In the afternoon of October 19, Mr. Sase visited the Japanese Embassy in Russia and met with Mr. Manabu Miyagawa, Minister for Economic Affairs, and Mr.

Koji Toyoshima, Secretary for Economic Affairs. Mr. Sase requested the embassy's continued support after explaining the purpose of his visit to Russia and the present status of JCCP activities in the country.

Mr. Miyagawa, for his part, provided highly useful information on the recent state and outlook of Russia's economy. For example, he explained that Russia's economy hit bottom in summer 2009 and has thereafter begun to show signs of recovery, that an APEC conference is scheduled to be held in Vladivostok in 2012, and that the main theme of that conference will be development cooperation in the Far East and Eastern Siberia. Besides securing large resources, Russia is aiming to acquire advanced technological capabilities, and hopes to obtain Japan's cooperation to achieve this goal.

2. Kazakhstan

(1) CDB-OGI (JSC Central Dispatching Board of Oil and Gas Industry)

Kazakhstan has a population of 15 million living in a land area seven times larger than Japan. It is a country endowed with abundant energy and mineral resources, with 3.2% of the world's oil reserves, 1.1% of the world's natural gas reserves (2009 BP statistics), and a wealth of mineral resources including rare metals.

As the country is poised to become a major resource supplier in the future, many foreign countries, including Japan, are participating in diverse resource development projects in Kazakhstan. JCCP has received 165 participants to its courses between 1993 and 2008, though there was a period of discontinuation during that time. Among the countries of the former Soviet Union, Kazakhstan has sent the second-largest



With Mr. Yerbol Tulebaev, President of CDB-OGI (center)

number of participants to JCCP, after Russia.

CDB-OGI is an institution which analyzes trends in the oil and gas industries inside and outside of Kazakhstan and reports to the Ministry of Energy and Mineral Resources. It also participates in regulation and standardization activities in the oil industry

On October 21, Mr. Sase met with Mr. Yerbol Tulebaev, President, and Mr. Khassenov Askhat, Director Technical Regulation.

JCCP and CDB-OGI had been planning on holding a Customized Program-Overseas (CPO) in Kazakhstan in September 2009, but the plan was not realized due to mutual scheduling conflicts. Mr. Tulebaev expressed regret at this postponement and reiterated once again his desire to see the seminar implemented during the next fiscal year. The JCCP side responded affirmatively, saying that it would be happy to host the seminar if the timing is right on both sides. Mr. Tulebaev also requested JCCP's continued cooperation in implementing training programs that satisfy advanced technology needs in Kazakhstan, especially in relation to the refinery expansion and modernization projects that are slated to commence hereafter between 2009 to 2015 in order to upgrade the quality of petroleum products to meet Euro 4 and Euro 5 standards instead of Euro 2 and Euro 3.

(2) JSC NC KazMunayGas

KazMunayGas is an oil and gas company 100% owned and operated by the government of Kazakhstan. It integrally undertakes a broad range of oil and gas projects, from the upstream to downstream sectors of the industry, based on the energy policies of the country. In recent years, the steady development of the oil and gas industry has given a large boost to Kazakhstan's economic growth. As a company that is at the core of oil and gas development in Kazakhstan, KazMunayGas intends to continue expanding its business in diverse directions, and is attracting the strong interest of Japanese companies.

On October 21, Mr. Sase visited the company and met with Mr. Daniyar Tiyessov, Managing Director, Oil Processing and Marketing; Mr. Zhanbolt Zh. Tuganov, Deputy Director of Oil Processing; and Mr. Airat Shaanov, Deputy Director, HR Dept. A group of JCCP graduates also attended the meeting.



With Mr. Daniyar Tiyessov, Managing Director of KazMunayGas (center)

Mr. Tiyessov, after expressing his deep appreciation to JCCP for its many years of cooperation and assistance, noted that engineers from KazMunayGas who have participated in JCCP training have come to establish friendly cooperative relationships with many Japanese companies, and said he would like to continue sending engineers to JCCP in the future. As KazMunayGas is actively seeking to modernize its refineries, it specifically requested a human resource development seminar that focuses on energy conservation, TPM, and safety issues.

Mr. Sase told the KazMunayGas members that JCCP wishes to strengthen its relationship with KazMunayGas, and would be happy to receive many participants from the company to its training programs. He also assured them that JCCP will look into any request or issue that KazMunayGas might have and contribute through the implementation of training courses and technical cooperation.

(3) First Joint Commission of the Japan-Kazakhstan Government and Private Sector on Economic Cooperation

On October 22, Mr. Sase had the opportunity to attend the conference, which was held in the foreign ministry conference hall in Astana. The conference was held based on an agreement between President Nazarbayev and then-Prime Minister Fukuda during the president's visit to Japan in 2008, which called for the establishment of a public-private joint framework for comprehensively discussing environmental improvement and economic cooperation issues relating to trade and investment expansion.

The conference commenced with an opening



Mr. Magauov A. Maratavich, Vice Minister (center), at the joint conference

speech by Mr. Magauov A. Maratavich, Vice Minister of Energy and Resources, who articulated his expectation of Japan's cooperation in the oil, steel, medical, and machinery sectors, as well as the information technology sector, on which Kazakhstan is placing particular emphasis today. On the Japan side, Mr. Hiroyuki Ishige, Vice Minister of Economy, Trade and Industry (and conference chairman), said it is important for Kazakhstan and Japan to mutually cooperate in maximizing the benefits of Japan's reliable technologies. He also noted that personal connections and relationships of trust are essential to promoting trade and investment, and said he hopes the conference would provide a starting point for establishing such connections and relationships.

The opportunity to attend the conference held significant meaning to JCCP, as it allowed Mr. Sase to communicate with people from both the private and public sectors in Kazakhstan. JCCP wishes to participate in this type of conference again in the future as an effective approach to other potential JCCP counterpart countries as well.

Mr. Sase spent a day in Russia and one and a half days in Kazakhstan meeting with various management-level people in the oil downstream sector in the two countries. He reconfirmed JCCP's friendly ties with JCCP counterpart organizations and acquired valuable opinions and views of future JCCP activities. Based on the relationships of trust JCCP has cultivated with various organizations through the years, we intend to further enhance JCCP training and technical cooperation programs.

<by Tetsuji Kubota, Training Dept.>

Courtesy Visit with H.E. Dr. Al-Rumhi, Omani Minister of Oil and Gas

On November 1, 2009, Mr. Morihiro Yoshida, Managing Director of JCCP, paid a courtesy visit to H.E. Dr. Mohammed Hamed Saif Al-Rumhi, Minister of Oil and Gas in Oman.

Oman is situated on the coast of the Arabian Peninsula facing the Gulf and is bordered by UAE, Saudi Arabia, and Yemen. It is a country blessed with abundant water and greenery compared to other countries in the Middle East. The country's capital is Muscat. Oman and Japan not only enjoy a close relationship of trade in crude oil and natural gas, but also engage in various joint R&D exchange activities. A technical cooperation project brought JCCP and Oman together in 1996 and formed the foundation of a cooperative relationship that still continues today.

Mr. Yoshida made the courtesy visit to Minister Al-Rumhi to pay his respects as the new managing director of JCCP as of last August. He also took the occasion to give a general overview of JCCP activities in Oman and to thank the Minister for his understanding and cooperation in those activities.

Minister Al-Rumhi also voiced his appreciation for the progress and results achieved through JCCP activities that have been implemented to date, and expressed his expectations of continued activities in the future. He also gave a description of the warm and hospitable character of the Omani people and the country's beautiful natural environment upon learning that this was Mr. Yoshida's first visit to the Middle East. He also added that he wishes to develop the country through the effective utilization of its natural environment.

When Mr. Yoshida mentioned a plan to hold a ceremony for the currently ongoing JCCP technical cooperation project on the "Treatment and Utilization of Oilfield-produced Water in Oman,"



Courtesy Visit with H.E. Dr. Mohammed Hamed Saif Al-Rumhi, Minister of Oil and Gas

Minister Al-Rumhi gave a forward-looking response in regard to his attendance. The meeting was thus held in an extremely friendly atmosphere thanks to the minister's kind and considerate disposition.

In addition to the Ministry of Oil and Gas, Mr. Yoshida also paid courtesy calls on Prof. Amer-Al-Rawas, Sultan Qaboos University (SQU); Mr. Masoud S. Al-Msalmy, Oman Refineries & Petrochemicals Company (ORPC); and H.E. Mr. Seiji Morimoto, Japanese Ambassador to Oman. At each of the institutions he visited, Mr. Yoshida received many words of appreciation for the achievements and progress of JCCP activities, as well as strong requests to continue implementing the activities into the future based on a strong cooperative relationship.

We wish to take the opportunity of this newsletter to extend our feelings of gratitude to everyone at the Omani Ministry of Oil and Gas, SQU, ORPC, and the Japanese Embassy in Oman, who gave their time and effort to receive Mr. Yoshida and the JCCP delegation. Thank you all very much.

<by Kenji Ikushima, Technical Cooperation Dept.>

Courtesy Visit with H.E. Mr. Yousef Omair Bin Yousef, CEO of ADNOC

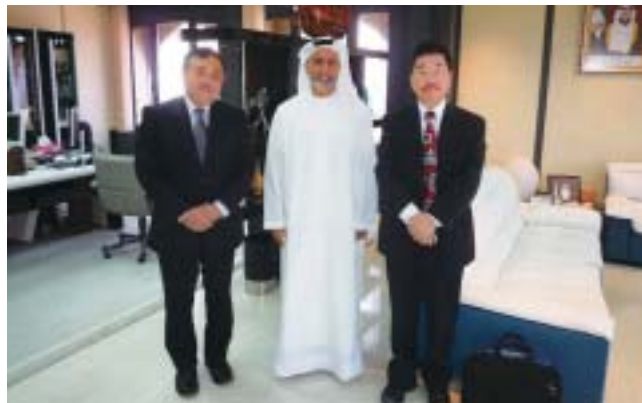
On November 3, 2009, Mr. Morihiro Yoshida, Managing Director of JCCP, paid a courtesy call on H.E. Mr. Yousef Omair Bin Yousef, Chief Executive Officer of Abu Dhabi National Oil Company (ADNOC), and other key figures in the Emirate of Abu Dhabi, UAE.

The Emirate of Abu Dhabi is one of the seven emirates of the United Arab Emirates, which was formally established in 1972. It is situated facing the Gulf, and is blessed with abundant oil and gas resources that support its economy. To Japan, Abu Dhabi is an extremely important crude oil supplier, providing crude oil supplies that are equivalent to roughly 25% of Japan's total oil consumption. Given this situation, JCCP has provided continuous cooperation to ADNOC and Abu Dhabi Oil Refining Company (TAKREER) through the years since its establishment in 1981 by implementing technical cooperation projects and training programs.

In the courtesy visit to H.E. Mr. Yousef Omair Bin Yousef, Mr. Yoshida first expressed his greetings as the new managing director of JCCP appointed last August. He then described JCCP's contributions to ADNOC and TAKREER, namely in the latest technical cooperation project on flare gas recovery, the TAKREER research center establishment project, and the project on application of sulfur concrete technology, and thanked the CEO for his continuous understanding and cooperation.

H.E. Mr. Yousef Omair Bin Yousef offered words of appreciation to JCCP for implementing technical cooperation projects and training programs that have contributed greatly to expanding business and developing human resources at ADNOC and TAKREER, and voiced his expectations for their further continuation and development.

Mr. Yoshida also mentioned JCCP's strong desire to expand its cooperation in the areas of environmental measures and energy conservation, in which needs are hereafter expected to grow in UAE as in the rest of the global community. To this, H.E. Mr. Yousef Omair Bin Yousef replied by



Courtesy visit with H.E. Mr. Yousef Omair Bin Yousef, CEO of ADNOC

*Mr. Morihiro Yoshida, Managing Director of JCCP (left)
H.E. Mr. Yousef Omair Bin Yousef, CEO of ADNOC (center)*

describing an environmental improvement project that is based on culturing coral reefs in seas near oilfields and refineries, and said he would like JCCP to cooperate if the opportunity arises.

After his visit to ADNOC, Mr. Yoshida paid a call on Mr. Jasem Ali Al-Sayegh, General Manager of TAKREER. Mr. Al-Sayegh said he is grateful to JCCP for its implementation of technical cooperation projects and training programs in Abu Dhabi, including the flare gas recovery project and the TAKREER research center establishment project. He then said that his participation in a JCCP course in 1987, when he was young, and his experience in Japan has greatly benefited his career thereafter.

Mr. Yoshida also made a courtesy visit to the Japanese Embassy in the UAE and met with H.E. Mr. Tatsuo Watanabe, Ambassador, to give a brief account of the accomplishments of JCCP's contribution to ADNOC, TAKREER and UAE University over the years and an overview of the latest projects that are being implemented in UAE. Ambassador Watanabe, saying he is familiar with JCCP activities, praised JCCP for the contributions it has made in UAE, and encouraged JCCP to more widely and actively introduce details of its activities both inside and outside the country.

<by Shoichiro Yagi, General Manager, Middle East Office>

The 28th JCCP International Symposium

(Preliminary Report)

“Innovation of Technology and Management in Oil Downstream —For Security of Oil Supply—”

The 28th JCCP International Symposium was held on January 27 and 28, 2010 under the auspices of the Ministry of Economy, Trade and Industry (METI). The two-day event drew an audience of more than 350 people who are affiliated with oil-producing countries, foreign embassies in Japan, government offices, and domestic firms and organizations.

1. First Day (January 27): Opening Ceremony

Mr. Yaichi Kimura, President of JCCP, opened the symposium with a speech that emphasized the focus of this year’s symposium. He noted that oil is a vital yet limited source of energy, and we must therefore use it wisely. The extent to which we are able to utilize oil effectively depends on the technical capabilities and management power in the oil downstream sector, which is where petroleum and petrochemical products are produced from oil.

That is why oil-producing countries and Japan must cooperate in bringing innovations to technology and management, Mr. Kimura stated. Such innovations would make sure we use oil wisely and pass on the precious resource to the next generation.

Following Mr. Kimura’s opening speech, Mr. Masaaki Kimura, Director-General of the Natural Resources and Fuel Department of METI, also delivered a speech as the guest of honor. This was followed by keynote speeches. Mr. Nobuo Tanaka, Executive Director of the International Energy Agency (IEA), spoke about “Energy Security and Sustainability” and Mr. Mohammed A. Al-Omair, Executive Director of Saudi Aramco about “Management of Hydrocarbon Resources.” Guest speakers representing ADNOC, SINOPEC, and PETRONAS also gave speeches on initiatives and the future outlook concerning the effective utilization of oil in their countries under the respective titles, “UAE Future Energy Supply Strategy,” “Status and Outlook for China’s Oil Industry,” and “In



Pursuit of Growth in the Challenging Hydrocarbon Industry.”

2. Second Day (January 28): Discussion Sessions

Two discussion sessions were held on the second day: Session 1 in the morning (chaired by Mr. Takeshi Kurosaki, Executive Corporate Officer, Japan Energy Corporation) and Session 2 in the afternoon (chaired by Mr. Sei Tange, Executive Vice President and CMO, JGC Corporation). In Session 1, panelists representing Oman, UAE, Indonesia, Nigeria, and Japan discussed the theme, “Management Innovation,” in reference to initiatives that are being taken in their respective countries. In Session 2, panelists representing Qatar, Iran, Kuwait and Japan presented initiatives that are being taken in their countries in relation to the theme of the session on “Technology Innovation.”

Mr. Kurosaki summarized Session 1 discussions as follows: The increasing speed of changes in the business environment is pitting companies against each other in intensive international competition. Under this situation, the concept that identifies “people” as the key to creating a competitive company has emerged as a common factor in all five presentations. Everything begins and ends with people. Thus, we must urgently begin changing the way we think and ultimately change the way we act.

Mr. Tange summarized Session 2 discussions as follows: In both oil-producing and oil-consuming countries alike, we are experiencing a change in the way we think about oil. The era in which we have simply used oil by burning it is coming to an end and giving way to a period in which we need to restrict

our usage of oil to more meaningful and advanced purposes. Toward this end, it is necessary to produce optimum facilities through the combination of diverse elemental technologies instead of depending on simple technological combinations. The refineries of tomorrow will require experienced people who have the capacity to comprehensively manage a broad range of technologies.

After the two days of discussions, Mr. Masataka Sase, Executive Director of JCCP, delivered a closing summary as follows: Whether from the perspective of an oil-producing country or an oil-consuming country, we all share a common commitment to utilize oil and natural gas as efficiently as possible. Each country has its own unique circumstances and its own characteristic approaches to various issues. However, it is precisely because such differences exist that there is meaning to engaging in mutual exchanges and learning from each other. The oil downstream industry in Japan wishes to share its experience with oil-producing countries and to help create a new era of refineries. JCCP will contribute its part by serving as a bridge between oil-producing countries and Japan and tightening its bond of mutual exchange.

This year’s symposium featured lectures and presentations by people who are at the front line of technical and management innovations in oil-producing countries and Japan, and offered a forum for active exchanges of views among the panelists, as well as between the panelists and participants. From this fundamental standpoint of creating mutual understanding, JCCP wishes to continue promoting mutual exchanges among all actors in the oil industry.

<by Hisayoshi Tanda, Administration Dept.>

(* The names of panelists, an overview of their presentations, and other details of the Symposium program will be provided in the next issue of *JCCP News*.)

The 18th Joint GCC-Japan Environment Symposium

(Preliminary Report)

JCCP and the Bahrain Centre for Studies and Research (BCSR) jointly hosted the 18th Joint GCC-Japan Environment Symposium from February 8 to 10, 2010. The theme of this year's symposium was "Environment and Water Resources for Our Future."

The opening ceremony was held on the 8th, with the attendance of 230 participants from the GCC countries and Japan, including such prominent figures as H.E. Dr. Mohammed J. K. Alghatam, Chairman of the Board of Trustees of BCSR; Dr. Abdulla M. Alsadiq, Secretary-General of BCSR; Dr. Eion Turnbull, Deputy Chief Executive (Refining & Marketing) of the Bahrain Petroleum Company (BAPCO), which provided special assistance in implementing the symposium; H.E. Mr. Hideo Sato, Ambassador of Japan to Bahrain; and Dr. Junzo Kasahara, Professor Emeritus at the University of Tokyo (leader of the Japanese Delegation). Dr. Alsadiq, Dr. Turnbull, Ambassador Sato, and Mr. Morihiro Yoshida, Managing Director of JCCP, each delivered an opening address.

The opening ceremony was followed by three Keynote Speeches. From Japanese side, Dr.

Kasahara gave a speech titled, "An innovative method for the 4D monitor of storage in CCS (Carbon dioxide Capture and Storage) and oil and gas reservoirs and aquifers."

The main part of the symposium was divided into four discussion sessions, which featured 19 presentations over a period of two days. Experts from the GCC countries and Japan discussed "Energy and Gas Industry and Sustainability" in Session 1 and "Water Resources and Environmental Protection" in Session 2 held on the 8th. On the next day, they discussed "Climate Change and Global Warming" in Session 3 and "Future Perspective for Energy, Water and Environment" in Session 4. Active discussions were held in each session, with the GCC experts expressing particular interest in the presentations on Japan's advanced environmental technologies.

A closing ceremony was held on the 9th, following the last discussion session. Dr. Mohammed S. Al Ansari, Director of the Publication and Data Warehouse of BCSR (and Chairman of the Environmental Symposium Organization), and Makoto Nakamura, Manager of the Technical



Commemorative photo at the opening ceremony



Key participants at the opening ceremony

Cooperation Dept. of JCCP, thanked all symposium participants, BCSR and BAPCO for their cooperation in the successful implementation of the symposium.

On the 10th, the Japanese Delegation, JCCP-invited GCC experts and many Bahraini people

visited a BAPCO refinery as a field trip. There they understood BAPCO's strong commitment to environmental conservation. JCCP hopes that this Environment Symposium will continue to help deepen relationships between oil-related companies and organizations in Bahrain and JCCP.

The day before the opening of the Symposium, a press conference was given at BCSR. Dr. Alghatam, Dr. Alsadiq, Dr. Al Ansari, Mr. Yukio Ishibiki, Second Secretary of the Japanese Embassy in Bahrain and six Japanese lecturers attended the Conference, while the JCCP Secretariat gave a brief overview of JCCP activities and the Environment Symposium. The Press Conference and Symposium were both widely covered by local media, and helped increase public recognition of JCCP in the GCC countries.

We would like to extend our sincerest appreciation to everyone who has cooperated in making the Symposium possible.

<by Makoto Nakamura, Technical Cooperation Dept.>

(* The names of panelists, an overview of their presentations and other details of the Symposium program will be provided in the next issue of *JCCP News*.)



Resumption of Technical Exchanges with the Iraqi Ministry of Oil

JCCP invited four executive officers from the Training and Development Directorate of the Iraqi Ministry of Oil to Japan from December 14 to 18, 2009, to discuss the resumption of training and technical cooperation programs.

1. Background

The Iraqi Ministry of Oil and JCCP have engaged in technical exchanges since JCCP was established in 1981. As of the end of fiscal 2008, JCCP had received 360 participants to training courses in Japan and sent 26 Japanese experts to Iraq to hold local technical seminars. Between 1991 and 2003, both the acceptance of participants and dispatch of experts were discontinued due to wars. However, training programs in Japan gradually resumed in 2003, mainly beginning with courses initiated by JCCP member companies. A technical cooperation project was also launched in 2003 in support of reconstruction efforts in the country.

From this fiscal year on, JCCP is seeking to fully resume the acceptance of participants to JCCP-initiative courses and to examine opportunities of

implementing technical cooperation projects as its contribution to post-war reconstruction efforts in the oil downstream sector in Iraq. The recent meeting was therefore held to gain mutual understanding of situations in the two countries and to reach an agreement on the requirements for project implementation, toward re-establishing relations between the Iraqi Ministry of Oil and JCCP.

2. Visitors

The Training and Development Directorate of the Iraqi Ministry of Oil is responsible for human resource development and technical development in the entire oil industry in Iraq, and operates four training centers and an oil technology development center. The recent invitation to Japan was extended to four executive officers from the Training and Development Directorate: Mr. Iqdam M. R. Hashim Al Shadeedi, Deputy Director General, Training and Development Directorate (as leader); Mr. Jasim M. Hameed, Manager, Technical Department, Training and Development Directorate; Dr. Kareem Abdulhasan Alwan, Director, Petroleum Research



First Iraqi participant to a JCCP course after the re-establishment of relations with the Iraqi Ministry of Oil

Mr. Sale Saeed Abdulla, Technical Manager, North Oil Company (right)



Exchanging of the MOU on the resumption of exchanges with the Iraqi Ministry of Oil

*Mr. Iqdam M. R. Hashim Al Shadeedi, Deputy Director General, Training and Development Directorate (right)
Mr. Masataka Sase, Executive Director of JCCP (left)*

and Development Center; and Mr. Maher B. Antwan, Manager, Petroleum Refining Division, Petroleum Research and Development Center.

3. Main Points of the Discussion

On December 14, the executive officers from the Iraqi Ministry of Oil paid their respects to Mr. Masataka Sase, Executive Director of JCCP, at JCCP Headquarters, and then paid a courtesy visit to the Japanese Ministry of Economy, Trade and Industry. The Japanese side explained that it wishes to provide post-war reconstruction assistance to the oil industry in Iraq through the implementation of training and technical cooperation programs. The Iraqi side responded by saying that it wishes to re-establish its ties with JCCP and receive JCCP's cooperation in modernizing the oil industry in Iraq. Through such dialogue, the two sides confirmed their mutual desire to recommence personnel and technical exchanges with each other.

The executive officers then held a meeting with JCCP and visited JCCP member companies to respectively discuss the recommencement of training programs and technical cooperation programs in specific terms. In regard to training programs, a JCCP-initiative course (TR-17: Training Management Course) had actually just begun

slightly in advance of this meeting, on November 24, with the attendance of a participant from the Iraqi Ministry of Oil. Both sides therefore agreed to the continued participation of Iraqi personnel in JCCP courses in Japan from fiscal 2010 on, as well. In regard to technical cooperation programs, the JCCP side assured the Iraqi side that it will work to acquire an accurate understanding of local situations concerning technical issues confronting the oil industry in Iraq, and the two sides promised to hold information exchanges on a continuous basis in the future.

4. Future Exchanges

The meeting allowed JCCP and the Iraqi Ministry of Oil to deepen their understanding of each other's situation and to confirm their mutual desire to re-establish friendly relations. In order for Iraq to make steady progress in post-war reconstruction, it is vitally important to help stabilize oil supplies and to provide support in bringing stability to people's lives and developing the industries. The Ministry of Oil has plans to establish a supply system of oil products by building more refineries and introducing modern equipment, and JCCP is planning on supporting this effort through the implementation of training and technical cooperation programs.

<by Hisayoshi Tanda, Administration Dept.>

Topics

Mr. Somantri, Vice President of Pertamina Learning Center, Visits Japan

On December 21, 2009, Mr. Suwardi Somantri, Vice President, Pertamina Learning Center, PT Pertamina, visited JCCP. Mr. Somantri assumed his current position in 2008, and as vice president in charge of the Pertamina Learning Center, he is responsible for developing next-generation leaders and otherwise promoting capacity-building among employees. He is also in charge of sending participants to JCCP-initiative courses.

1. Courtesy Call on Mr. Sase

Mr. Somantri met with Mr. Masataka Sase, Executive Director of JCCP, in the executive reception room at JCCP Headquarters. JCCP has received 1,485 participants from Pertamina and has sent 383 experts to Pertamina from the time of its establishment in 1981 to the end of fiscal 2008. "Pertamina is like an old friend to JCCP,"

said Mr. Sase, and expressed his wish to continue maintaining their friendly relationship. Mr. Somantri explained that Pertamina has launched large-scale restructuring efforts in 2006 with the challenging goal of becoming a world-class oil company, and the government and relevant institutions are keeping a close eye on the outcome. In order to achieve this organizational reform, Pertamina is counting on JCCP's cooperation, Mr. Somantri said, and the two leaders confirmed their common view concerning the development of their mutual relationship.

After the meeting with Mr. Sase, JCCP staff members gave an overview of JCCP activities and gave Mr. Somantri a tour of JCCP's training facilities.

2. Lecture on Pertamina's Human Resource Development Strategies

In the afternoon, JCCP asked Mr. Somantri to give a lecture on Pertamina's strategies for human resource development.

Pertamina was originally founded as a state-run oil company in Indonesia. It was privatized in 2006 with the aim of becoming a world-leading oil company in 15 years' time based on three series of Five-year Plans. It is presently focusing on increasing corporate strength, and employs a number of slogans for this purpose, including "Strengthen corporate culture through strong performance," "Develop quality leaders," "Enhance technical capabilities as an

international oil company," and "Make a change from a bureaucrat mentality to a corporate mentality."

Pertamina also strives to be a company that is capable of developing domestic energy resources in Indonesia, including not only oil and natural gas but also bio-fuels and geothermal energy. It also aims to be a company that can comprehensively satisfy energy needs in the country. It promotes oil development abroad as well, through its offices located in Libya and Sudan.

Based on the strong belief that corporate reforms are supported by "people," Pertamina has established a learning center for centralized management of training programs that are implemented in each department, and is directing a large part of its efforts to developing young leaders who may perhaps join the top management in the future. It has also established the Pertamina Center for Excellence to strengthen technical development capacities, and has begun to focus on improving frontline technological capabilities by restructuring and strengthening the functions of the HSE Training Center and Maritime Training Center.

The development of young personnel who will assume a leadership role in implementing corporate reforms is a particularly important issue to Pertamina. That is why Pertamina has especially large expectations for the implementation of practical training programs by JCCP. For its part, JCCP intends to satisfy Pertamina's expectations by enhancing its programs.

<by Hisayoshi Tanda, Administration Dept.>



*Mr. Suwardi Somantri, Vice President,
Pertamina Learning Center (right)*

Mr. Masataka Sase, Executive Director of JCCP (left)

“Human Resource Management (HRM) Seminar” Held in Iran



Seminar participants

From October 17 to 21, 2009, a Customized Program-Overseas (CPO) on human resource management (HRM) was held in Tehran, Iran.

1. Background

The request for a CPO on human resource development (HRD) in Tehran was conveyed to Mr. Masataka Sase, Executive Director of JCCP, by members of the NIORDC Personnel Department during Mr. Sase's visit in October 2008. Thereafter, specific details of the program were discussed the following July with Mr. S. Mahjoubi, Deputy

Director, Production Coordination and Supervision, when he visited Japan to participate in the FY2009 JCCP Program Seminar. NIORDC and JCCP thus agreed to implement a CPO on HRM in October 2009 and a Customized Program-Japan (CPJ) on HRD in Japan the following year.

2. Lecturers

Akio Hoshino (JCCP)
Mr. Kentaro Uozumi (Nippon Oil Corporation)
Mr. Koji Baba (JGC Corporation)
Mr. Hiroto Iida (Idemitsu Kosan Co., Ltd.)



Participants earnestly listening to a lecture



Japanese lecturers standing next to the seminar signboard

3. Seminar Details

The seminar was held over a period of five days. The first two days of lectures covered general HRM theories under the title, “Transition and the Status quo of Japanese-style HRM.” On the third and fourth days, respectively, one member each from a representative oil company and engineering company in Japan, namely Nippon Oil Corporation and JGC Corporation, took the podium to give a lecture on their company’s HRM system. On the final day, JCCP gave a lecture on “Kaizen General” during the first half of the day’s session, and a member from Idemitsu Kosan spent the second half introducing Kaizen examples that have actually been applied to Idemitsu Kosan’s refineries. The final day’s session was held as an aspect of personnel education from the perspective of “cultivating a Kaizen mind.”

The lectures on Kaizen made references to such terms as “*Jidoka*” and “Just In Time,” which Toyota Motor Corporation uses to describe its production system. Some of the participants were familiar with these terms, but the concept seemed to be new to the majority, who listened to the lectures with strong interest.

4. Summary of the Seminar

The seminar was held at a training center of

National Iranian Oil Products Distribution Company (NIOPDC) located to the north of Tehran, and was attended by more than 20 management-class employees from the National Iranian Oil Refining and Distribution Company (NIORDC) Head Office and refineries, including three female employees from NIOPDC’s HR Department. Most of the participants were quite competent in English, and were a group of extremely outstanding people who raised many pertinent questions. The Japanese lecturers were thoroughly impressed with the industrious and serious manner in which the participants applied themselves to the seminar.

One of the participants, Mr. A. Chavoshi, Managing Director of Arak Refinery, came up to the lecturers after the closing ceremony, seeking to hear their views on an issue he is facing. The lecturers therefore set aside about an hour to exchange views with him.

All in all, judging by the participants’ responses during and after the seminar, it seems the seminar satisfied their expectations.

This was the first time for the four lecturers to visit Iran. Through the seminar, they were able to interact with the Iranian people on a deep level, and gained precious experience in discovering their sincere and honest nature, and the fact that they are very similar to the Japanese in their way of thinking.

<by Akio Hoshino, Training Dept.>



Presentation of the completion certificate



Female participants and Japanese lecturers

Seminar on “Refinery Maintenance Management and TPM” Held in Iran and Saudi Arabia

1. Iran

The National Iranian Oil Refining and Distribution Company (NIORDC) is focusing its efforts on upgrading facility maintenance technologies and improving safety management at its refineries. Mr. S. Mahjoubi, Deputy Director, Production Coordination and Supervision, who attended the FY2009 JCCP Program Seminar (TCJ) last July, took the occasion of the program seminar to convey to JCCP NIORDC’s request for a seminar designed to introduce TPM (Total Productive Management) and other kaizen activities that are employed by refineries in Japan. The principle aim of implementing such a seminar, Mr. Mahjoubi explained, is to bring changes in awareness among refinery engineers in Iran. Responding to this request, JCCP sent a three-member team to NIORDC’s Tehran Refinery to conduct the requested seminar from November 7 – 11, 2009. The members included a lecturer from JCCP’s Training Department (F. Tone, lecturer) and two external experts (Messrs. Yoshisumi Tamao and Atsushi Ishizawa from Idemitsu Kosan Co., Ltd.). Mechanical engineers and process engineers were eligible to apply, and 21 participants were ultimately selected to attend the seminar from the NIORDC Head Office and its nine refineries.

A lecture on “Oil Industry in Japan” was given first, to provide a general understanding of the current situation in the oil industry in Japan. It particularly focused on the structure of Japan’s dependency on the Middle East region for crude oil, and hence the importance for Japan to build a stable relationship with the Middle East. The lecture on “Overview of Safety Management and TPM Activities in the Refinery” introduced serious accidents that have occurred in refineries and petrochemical plants in Japan due mostly to poor maintenance management. These examples illustrated the reason why there has been a surge in voluntary improvement activities and why TPM activities came to be introduced in Japan. The lecture also discussed ideal management practices and the significant role of the manager in increasing motivation in the workplace, and introduced TPM and small-group activities that have become common practices in Japanese refineries. In the lecture on “Case Examples of TPM Activities/Improvement Activities for Refinery Management,” the significance and achievements of TPM activities were discussed in reference to step-by-step examples of TPM activities implemented in two refineries of Idemitsu Kosan, from the introduction to the results of those activities.

Group discussions were also held for the first



Seminar participants



Group discussion



Lecture session

time in a TPM seminar in Iran, as a means for allowing participants to actually experience the meaning of engaging in small-group activities. The participants were given an assignment of “raising an issue in their workplace, identifying the gap (problem) between the ideal image and reality, and coming up with a measure for reaching a common ideal.” As instructed, the participants divided into small groups, and within their group they shared an issue they face in their workplace. They then selected an issue of high priority, analyzed the issue’s essential cause, and created an action plan for resolving the issue as a group. The topics of discussion varied from group to group, ranging from issues related to energy consumption to discussions on electrical shock accidents with electric drills, and were discussed in detail using completion diagrams and diverse factor analysis methods to explain the fine points of the issues to each other. The group discussion session thus turned out to be a highly productive learning experience for the participants.

Mr. Mahjoubi summarized his impression of the program by saying that it has planted seeds of completely new management ideas in the minds of the participants and has given them a new vision. Through this experience, many participants said they feel they have acquired a better understanding of TPM. Other participants said they intend to apply what they learned in this program to improving their workplaces, based on the understanding that “cooperation between managers and employees underlies the efforts of Japanese refineries to improve productivity and profits,” and that “the goal of TPM

is to achieve an effective coordination not only of equipment and tools, but also between managers and employees.” Furthermore, a participant noted that the seminar had, as hoped, reminded him anew that maintenance is the steady accumulation of simple and concise practices.

2. Saudi Arabia

Saudi Aramco is striving to improve facility maintenance technologies, and is focusing on implementing activities related to safety management and preventive maintenance. To strengthen these activities, it requested JCCP’s cooperation in acquiring knowledge about TPM and other improvement activities and the latest in maintenance management employed by Japanese refineries so that it may improve and reform refinery maintenance management technologies in Saudi Arabia. In response to this request, JCCP implemented a seminar last fiscal year on human resource development centered on TPM and other improvement activities, and the second seminar of the series was held at Saudi Aramco’s Riyadh Refinery from October 31 to November 4, 2009. A team of four Japanese lecturers from JCCP’s Training Department (F. Tone) and external companies (Mr. Akio Higashi, Showa Shell Sekiyu K.K.; Messrs. Yoshisumi Tamao and Atsushi Ishizawa, Idemitsu Kosan Co., Ltd.) conducted the second seminar, which was attended by 20 carefully selected participants from Saudi Aramco’s four refineries and two NGL Fractionation Departments.



Group presentation

The main lectures on “Maintenance Management in Japanese Refineries” and “Overview of Safety Management and TPM Activities in the Refinery” first introduced the reality and transition of maintenance management practices in Japan. They then expounded on issues facing Japanese refineries and the voluntary initiatives through which they resolved those issues, before discussing the background to introduction of TPM in Japan. They also discussed management principles in Japan and the important role of the manager in raising worker motivation in the workplace, as well as introduced examples of small-group activities. Many of the participants seemed to find Japan’s “Point and Call” practice highly interesting, and said they would like to include it in their daily operations. In the session on “Case Examples of TPM/Improvement Activities for Refinery Management,” the various case examples of refinery improvements achieved through TPM activities captured the participants’ strong attention. At the end, all participants voiced their opinion that TPM activities are extremely effective, and that there is a lot to learn from them.

In the small-group discussion session, each group was asked to “raise an issue in their workplace, identify the gap (problem) between the ideal image and reality, and to think of a measure for reaching a common ideal,” as in the session in Iran. Under the guidance of the lecturer, the participants probed deeper and deeper to identify the roots of an issue and analyzed its essential cause to come up with specific countermeasures. Some groups engaged in particularly in-depth discussions on such challenging issues as changes in maintenance systems, the



*Presentation of the completion certificate
Mr. Ali A. Al Hazmi, General Manager, Riyadh Refinery
(right)*

construction of a system that would enable the procurement of raw materials as quickly as possible, and issues relating to single equipment in the workplace. Since the issues were common themes to all departments, the participants said they were able to engage in active discussions and exchanges of views, and evaluated the session as highly meaningful.

At the end of the program, the participants noted that they could perhaps more easily adapt the TPM concept to their workplaces if they could gain a better understanding of actual TPM activities through onsite training. They thus requested the implementation of a practical TPM training program at a Japanese refinery that practices TPM activities. The participants’ earnest desire to more fully understand TPM activities and to apply them to improving and restructuring their workplaces was a significant change from the previous seminar in 2008, in which participants showed greater interest in holding group discussions than in the TPM concept itself. The lecturers feel that this change in focus clearly demonstrates the effective outcome of the seminar.

<by Fumihito Tone, Training Dept.>



Seminar participants

Seminar on “Environmental Management in the Refinery” Held at TAKREER (UAE)

1. Background

As requested by Abu Dhabi Oil refining Company (TAKREER) in UAE, JCCP held a seminar on “Energy Saving in the Refinery” last spring, followed by a seminar on “Environmental Management in the Refinery” this past November.

2. Seminar Overview

The seminar was held over a period of four days, from November 22 to 25, 2009, at Le Royal Meridien Hotel in Abu Dhabi. The Japanese seminar team consisted of two lecturers from JCCP’s Training Department, K. Kamijyo and S. Satake, and two external lecturers, Mr. Tetsuro I from JGC Corporation and Mr. Masaaki Sakurai from Toyo Engineering Corporation.

The majority of the participants were from the Ruwais and Abu Dhabi Refineries, but there was also a participant from the head office, and a female participant among the members from the Abu Dhabi Refinery.

3. Details of the Seminar

On the first day, a brief lecture was initially given

on “Introduction of JCCP.” This was followed by lectures on “Environmental Strategies of Japanese Oil Companies” and “Clean Fuel and Heavy Oil Upgrading Technologies.” The first lecture discussed the history of pollution in Japan and environmental regulations imposed on Japanese refineries, as well as the social responsibility of oil companies and their commitment to global environmental conservation. The second lecture introduced initiatives that have been implemented by Japanese oil companies to produce sulfur-free fuel for the first time in the world, and outlined their approaches to heavy oil upgrading. The second day’s lecture covered various air pollution prevention technologies, with an emphasis on SOx and NOx treatment facilities. The participants seemed especially interested in the description of ultra low-NOx burners that use fuel gas as fuel. On the third day, wastewater management in refineries was discussed in terms of technologies for primary treatment to advanced treatment, and by providing case examples of wastewater treatment measures employed by Japanese refineries. On the last day of the program, the participants divided into two groups, the Ruwais Refinery group and the Abu Dhabi Refinery group, and discussed environmental



Seminar participants



Group discussions

*Front table: Ruwais Refinery
Rear table: Abu Dhabi Refinery*

issues they face in their respective refineries. Time constraints unfortunately prevented them from engaging in deep discussions, but the members of each group seemed to share a deep sense of common understanding of the issues.

4. Reflections

At the end of the seminar, the participants were asked to provide their impressions and opinions of the seminar. They evaluated the seminar as extremely meaningful, and said they would like to participate in a JCCP regular course in the future. In the closing seminar, Mr. Jamshid Khan, Senior Safety & Fire Engineer, and Mr. Ahmed Al Gattan, Training & Career Development Department manager, took their time to deliver closing statements, and Mr. Anwar M. G. Al Mutawa, Senior Training Officer, also expressed words of appreciation to JCCP.

We would like to extend our deepest thanks to everyone and all companies who gave us their time and cooperation in the seminar.

<by Kazuyoshi Kamijyo, Training Dept.>



A TAKREER environmental management manager (center) witnessing the presentation of the completion certificate

Personnel
Exchange

Seminar on “Refinery Maintenance Management” Held at Petrovietnam

1. Background

Last fiscal year, Petrovietnam and JCCP agreed to further promote mutual understanding and personnel exchanges between Vietnam and Japan in the future, on the occasion of a visit to the Petrovietnam Head Office by a JCCP mission headed by Mr. Masataka Sase, Executive Director of

JCCP. As part of this agreement, JCCP implemented a maintenance management seminar for the refinery maintenance department at the Zung Quat Refinery in central Vietnam, the country’s first comprehensive refinery (commenced operations this February), as requested.

2. Seminar Overview

The seminar was held over a period of four days, from September 8 to 11, 2009, at the Zung Quat Refinery, located near Da Nang in central Vietnam.

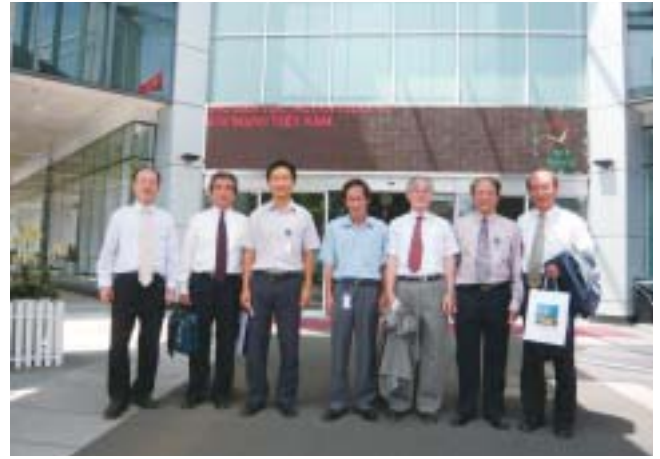
Lectures were given by two lecturers from JCCP’s Training Department (S. Miyawaki and K. Nakazawa) and two external lecturers, Messrs. Katsutoshi Tanabe (JGC Corporation) and Takashi Suzuki (Suzuki Technical Consulting Ltd.), who were asked to speak on rotary equipment



At the Zung Quat Refinery



Closing ceremony of the seminar



*At the Petrovietnam Head Office
(with members of the HRD Dept.)*

maintenance technologies and static equipment (water treatment), respectively.

3. Details of the Seminar

The seminar was organized as a Customized Program-Overseas (CPO) by request from Petrovietnam, and was divided into two themes, static equipment and rotary machinery. Lectures on the two themes were given simultaneously at two different venues.

First, the Japanese lecturers were shown around the Zung Quat Refinery site and given a description of its facilities by JCCP graduates Mr. Duy (participated in a static equipment course in 2008) and Mr. Quang (participated in a rotary machinery course in 2009).

The lectures on static and rotary equipment both elicited many questions from the participants. Active exchanges of views were held regarding the optimum method of adopting the maintenance and management practices of Japanese refineries and achieving stable operations and efficiency at Petrovietnam's refineries in the future. Discussions were also held regarding essential considerations that need to be given when applying those practices to Vietnam, based on the understanding that refineries in Vietnam greatly differ from each other in terms of their environments.

On the last day of the seminar, a closing ceremony

was held in the presence of Mr. Pham Van Chat, Deputy General Director (participant of a JCCP course in 2001). The agenda of the four-day seminar was completed as scheduled, with the presentation of a completion certificate to each participant. At the very end, Mr. Chat expressed his appreciation for the success of the CPO seminar and articulated his hopes of seeing further developments in the cooperative relationship between JCCP and Petrovietnam through Petrovietnam's continued participation in JCCP regular courses and other programs.

4. Summary

Evaluations by the participants at the end of the seminar showed that the majority wish to participate in a training program in Japan in the future, and indicated their high expectations of JCCP training programs.

In a wrap-up meeting held at the Petrovietnam Head Office, Mr. Tran Van Hoa, General Manager, Training & HRD Division, thanked JCCP for implementing the seminar, and said he hopes JCCP and Petrovietnam will continue to strengthen their cooperative relationship and further promote mutual exchanges into the future.

The lecturers of the seminar hope that Petrovietnam will take full advantage of the knowledge provided through this seminar to further develop its refineries.

<by Shintaro Miyawaki, Training Dept.>

Survey of Downstream Trends in UAE and Qatar

From October 9 to 16, 2009, a survey of downstream trends was conducted in UAE and Qatar, by S. Yagi, General Manager of the JCCP Middle East Office, and K. Takayama, JCCP Training Department, with the cooperation of Mr. Masashi Onishi from Cosmo Research Institute and Mr. Katsuhiko Sasao from JGC Corporation. The four-member team mainly visited human resource development departments to gain an overview of training facilities, programs, and other such aspects of training institutions in the two countries, and to identify needs for JCCP training programs.

1. UAE

(1) ADNOC Technical Institute

In the morning of October 11, the survey team visited the ADNOC Technical Institute (ATI), a training center established by UAE to promote opportunities for employment in the ADNOC Group. After warmly welcoming the survey team on its first visit to ATI by JCCP, Mr. Omar Al Hamed, ATI Manager, and other members took the time to explain about ATI's training programs and to guide the Japanese team on a tour of the facilities.



At ADNOC Technical Institute



At Petroleum Institute

(2) Petroleum Institute

In the afternoon of October 11, the survey team visited the Petroleum Institute (PI), an industrial college established by ADNOC as a center of research and education for the oil and gas industry in UAE. The opportunity to meet with Dr. Michael M. Ohadi, Provost and Acting President, Dr. Dennis A. Siginer, Assistant Provost and Director of Arts and Sciences, and many other high-ranking officers of PI proved to be an invaluable experience to the survey team.

(3) TAKREER

On the following day, the survey team visited the TAKREER Head Office in the morning to



At TAKREER



At QP Training Center



At the QP Mesaieed Refinery

hold an interview with Mr. Ahmed Mohamed Al Gattan, Manager Training and Career Development Department, Human Resources and Administration Division, and a number of other members. The TAKREER members responded to the survey team's detailed questions with kind understanding.

2. Qatar

(1) Qatar Petroleum (Training Center)

On October 14, the survey team visited the Qatar Petroleum Training Center and exchanged views with Mr. Mohamed Normarzuki Bin Yaacob, Senior Supervisor–Short Tech. Training, Corporate Training, who attended to the survey team with kindness and courtesy despite his extremely busy schedule.

(2) Qatar Petroleum Mesaieed Refinery

On October 15, the survey team visited Qatar Petroleum's Mesaieed Refinery, where they met with Mr. Abdulaziz M. Al-Khoori, Operations Manager, Refining-Operations, and other members. As a graduate of a JCCP course himself, Mr. Al-Khoori spoke fondly about his JCCP experience. He also talked about his requests and frank opinions of JCCP, and made the meeting an extremely meaningful one to the survey team.

3. Impressions

The survey team is hopeful that the visits to ATI and PI for the first time have laid the foundation

for the establishment of a friendly cooperative relationship between each of those institutions and JCCP. With respect to TAKREER and QP, JCCP has enjoyed longstanding friendships with the two companies, but the survey team felt a need for JCCP to step up its efforts in order to better respond to their specific needs.

Lastly, the survey team would like to take this opportunity to thank everyone concerned for their generous cooperation and effort in making this survey mission possible.

<by Kazuko Takayama, Training Dept.>



Local newspaper article on the survey team's visit to ATI

JCCP Training Program Counterpart in India

Two members from JCCP, S. Takahashi, Deputy Manager of the Training Department, and A. Yamanaka, Operations Department, visited India from September 13 to 19, 2009. As there is no JCCP training department counterpart in India, they paid visits to four national oil companies and met with manager-level officers in refining departments to explain JCCP's training activities and gain a sense of their interest.

First, they visited Oil and Natural Gas Corporation (ONGC), which controls a large share of operations in the upstream sector, and met with Mr. S. Ramachandran, Executive Director. Mr. Ramachandran explained that ONGC has an in-house training organization that also receives trainees from other countries, and so far has no plans of sending its employees abroad to receive training for the time being.

The two JCCP members next visited HPCL-Mittal Energy Ltd. and met with Mr. S. Joe Jeffords, Chief Operating Officer, and a number of other officers. The HPCL-Mittal side did not indicate any

specific intention to participate in a JCCP course, but JCCP is looking forward to hearing from them in the near future.

At Bharat Petroleum Corporation Ltd. (BPCL), the JCCP members met with Mr. R. Ramachandran, Vice President, who expressed strong interest in JCCP courses, as he himself visited JCCP as a participant of a JCCP member company course in fiscal 2001.

Finally, at Indian Oil Company Ltd. (IOCL), the largest national oil company in India, the JCCP members met with Mr. B. N. Bankapur, Director (Refineries). He was interested in sending participants to a JCCP regular course (TR) on a trial basis.

As course programs have been sent to the four companies, JCCP awaits their applications to make specific approaches regarding their participation.

Lastly, we extend our deepest appreciation to everyone who contributed their time and cooperation to this mission.

<by Akio Yamanaka, Operations Dept.>



At ONGC, with Mr. S. Ramachandran, Executive Director (second from right)



At IOCL, with Mr. B. N. Bankapur, Director (center)

Report on the Cooperation with Training Center Program —Kuwait and Saudi Arabia—

A JCCP delegation visited Kuwait and Saudi Arabia from October 11 to 21, 2009, under the Cooperation with Training Center Program to exchange views with the counterparts of JCCP regular courses regarding their evaluation of the courses and future needs. The delegation especially emphasized that JCCP will launch long-term CPJ programs and new regular courses in fiscal 2010, to provide even more practical training than before.

Kuwait

In Kuwait, the delegation's main destinations included the head office of Kuwait National Petroleum Co. (KNPC), KNPC's Mina Abdullah Refinery, and the Leadership Development Center (LDC) and Petroleum Training Center (PTC) of Kuwait Petroleum Corporation (KPC).

Under the leadership of KPC, the oil industry in Kuwait is promoting corporate reforms in an effort to develop companies that are capable of pursuing results and gaining a global competitive edge. Human resource development, in particular, is regarded as an important part of corporate reform, and initiatives are being implemented toward the development of human resources—from leaders to

field operators—with an emphasis on real ability.

At KNPC's HR Department, which sends the largest number of participants to JCCP every year from Kuwait, Mr. Waleed Al-Hamad, Assistant Manager, introduced to the delegation its human resource development programs and a check sheet of strict standards that KNPC uses to evaluate the effectiveness and results of refinery engineers.

At KPC's Leadership Development Center (LDC), Ms. Salma Al Hajjaj, Director, described LDC as an institution established specifically for the purpose of developing top management personnel, and explained that potential top management candidates are registered in a database from early on to provide education and training from a company-wide perspective.

At the Mina Abdulla Refinery, managers who participated in a JCCP course in the past shared their expectations and requests with regard to JCCP training. Mr. Mohammed G. Al Mutairi, Deputy Managing Director, in particular, expressed deep understanding of JCCP activities, as one who has participated in JCCP training programs twice. He spoke about his impression of the Japanese people's work ethic and Japanese-style management practices, and about how the knowledge he gained



*At KNPC's Mina Abdulla Refinery
Mr. Mohammed G. Al Mutairi, Deputy Managing
Director (fourth from right), and other officers*



*At KPC
Ms. Salma Al Hajjaj, Director, Leadership Development
Center, KPC (fourth from left)*



*At the Saudi Aramco Head Office
Ms. Huda M. Al-Ghpson, General Manager,
Training & Career Development (second from left)*



*At the Ras Tanura Refinery
Mr. Al-Sultan, Maintenance Manager, RT Refinery
(second from left), and JCCP graduates*

through JCCP personally benefited him in his career thereafter, and expressed his strong desire to continue sending as many refinery personnel to JCCP courses as possible in the future.

Saudi Arabia

In Saudi Arabia, the delegation mainly visited the following five destinations: the Saudi Aramco Head Office, the Ras Tanura Refinery, the Ras Tanura Training Center, the Eastern Province Branch of the Ministry of Petroleum and Mineral Resources, and a Saudi Arabian government office in charge of human resource development.

At the Ras Tanura Refinery, the JCCP delegation held a meeting with JCCP graduates in the company of Mr. Al-Sultan, Maintenance Manager, and obtained their views on how JCCP training is helping them in their current workplaces, as well as their expectations and requests for improvement in regard to JCCP. There were those who said they developed an interest in Japanese corporate management as a result of their exposure to Japanese companies through JCCP training, and those who said they wish to learn how to apply Japanese-style management to Saudi Arabia. Others requested a training program that not only offers classroom lectures but places more emphasis on providing practical knowledge.

At the Ras Tanura Training Center, the JCCP delegation toured the center's training plant that

operates very much like a real plant and large training facility that is comparable to a vocational school in scale, while receiving detailed descriptions from Mr. Al-Hamdan, Supervisor, NA Industrial Training Dept., and managers of other departments.

At the Saudi Aramco Head Office, the JCCP delegation exchanged views with Ms. Huda M. Al-Ghpson, General Manager, Training and Career Development, who explained that Saudi Aramco is currently concentrating its efforts on developing leadership. According to Ms. Al-Ghpson, Saudi Aramco seeks two specific abilities in potential leaders: the ability "to forecast the future of the oil industry from a global perspective, establish concrete targets, and see those targets through to the end," and the ability "to efficiently organize and develop younger workers who adhere to new values."

At the Ministry of Petroleum and Mineral Resources, H.E. Mr. Yahya J. Shinawi, Director General, spoke about the ministry's initiatives for capacity development of its staff members, with a view to creating environmental and safety criteria for the oil industry in Saudi Arabia.

The visits to Kuwait and Saudi Arabia yielded the understanding that both countries place strong emphasis on human resource development as a priority issue, that they have a high regard for the basic qualities of the Japanese people, culture and customs, and also for Japanese-style management. Furthermore, the JCCP delegation noted that oil-

producing countries have strong interest in training programs that include lectures on kaizen, TPM and TQC activities. In light of such new needs in Saudi

Arabia and Kuwait, JCCP acknowledges that it must further enhance and improve its training courses in the future.

<by Masumi Kitahara, Administration Dept.>



With H.E. Mr. Yahya J. Shinawi, Director General of the Eastern Province Branch of the Ministry of Petroleum and Mineral Resources (second from left)

Personnel
Exchange

Report on the Cooperation with Training Center Program —Malaysia and Indonesia—

A JCCP delegation visited Malaysia and Indonesia from November 16 to 25, 2009, under the Cooperation with Training Center Program. The objectives of the visits were to introduce the FY2010 JCCP regular course program, explain, propose and seek the implementation of customized programs, and to

exchange views with JCCP counterpart personnel. A summary of the visits is presented below.

Malaysia

In Malaysia, the delegation visited the PETRONAS Head Office; two training facilities operated by PETRONAS—PETRONAS Management Training (PERMATA) and Institut Teknologi Petroleum PETRONAS (INSTEP); and the Melaka Refinery.

At the head office, a meeting was held with Ms. Nafisah Ali, General Manager, HRM HCU, and other members. When asked why there has been a decrease in the number of applications to this year's regular courses, the PETRONAS side replied that the decrease was due to a cost reduction strategy and to the impact of the influenza epidemic. For



Meeting at the PETRONAS Head Office



With Mr. Kairul Azaman Yasin, CEO of PETRONAS-PERMATA (third from right)



With Mr. Mohd Zazali Bin Salim, General Manager, at PETRONAS-INSTEP (fourth from right)

next fiscal year, the PETRONAS side requested the implementation of a local seminar that specifically deals with a specialized theme (i.e., maintenance).

At PERMATA, an institution under PETRONAS' Education Department which provides management and leadership training, the JCCP delegation first received words of appreciation from Mr. Kairul Azaman Yasin, CEO, for JCCP's longstanding relationship of cooperation with PETRONAS. They then engaged in a meeting with Mr. Mohamed Rosli Hamid, Senior Manager, and other staff members, who explained that eight to ten training programs are offered to each level of employees, and introduced PERMATA's spacious facility that houses an extensive array of equipment. Mr. Hamid's word that "the motivation to study cannot be instilled without a good environment" left a strong impression on the JCCP members.

The delegation next visited INSTEP, a top-caliber training center that provides training programs to

more than 80 organizations including PETRONAS subsidiaries. It has machining equipment that even training facilities of Japanese refineries may not have, as well as equipment for the processing and installation of electrical wiring. Most memorable was a statement made by Mr. Mohd Zazali Bin Salim, General Manager, that "a new building means nothing if the knowledge provided is old," and therefore "teaching materials must be constantly reviewed."

Both training institutions already have well-established programs and a complete array of equipment, but they expressed the desire to continue maintaining their cooperative relationship with JCCP as an overseas training institution, because by participating in a JCCP course, participants said they can acquire an extremely valuable opportunity to interact with participants from diverse countries and mutually share various experiences.

In the meeting at the Melaka Refinery, officers of various departments voiced their request for a local seminar that addresses issues confronting the refinery.



Meeting at the Melaka Refinery

Indonesia

In Indonesia, the JCCP delegation visited the PERTAMINA Head Office and the PERTAMINA Learning Center (PLC).

At the head office, a meeting was held with Mr. Mamad Samadi, Senior Vice President, HR Department; Mr. Suwardi Somantri, Vice President, Pertamina Learning Center; and other members of the

personnel and training departments. PERTAMINA is currently implementing large-scale reforms, and is particularly urgently seeking to develop leaders and young engineers. Therefore, the PERTAMINA members strongly asked for JCCP's cooperation in this respect, and specifically requested a seminar on earthquake countermeasures in the refinery and a long-term course that also provides on-the-job training (OJT), among others. PLC also emanated the same sense of commitment to employee training as the head office. PERTAMINA has established an HSE training center this season in Palembang, and lodging facilities for participants have also been built within the PLC site.

In both Malaysia and Indonesia, the training institutions the JCCP delegation visited had

outstanding programs and facilities which set good examples that even JCCP might consider adopting. Moreover, the two countries commonly requested the implementation of local seminars designed to meet their needs for the urgent development of young engineers and leaders and to help resolve issues they are facing. Based on this awareness, the delegation took to heart the urgent necessity of incorporating the views obtained during this visit into future programs, and of providing programs that would be truly beneficial to human resource development efforts in the two countries.

Lastly, the delegation wishes to extend its deep appreciation to everyone who received and supported it in the two countries.

<by Mieko Onai, Operations Dept.>



At the PERTAMINA Head Office

*Mr. Suwardi Somantri, Vice President, Learning Center
(front row, right)*

*Mr. Mamad Samadi, Senior Vice President, HR Department
(front row, second from right)*

Total Number of Training Participants Surpasses 19,000!

On February 9, 2010, a JCCP regular course on “Energy Saving for Profitability Improvement” (TR-19-09) commenced, and Mr. Talal Kurdi Abdullah, a participant from the Iraqi Ministry of Oil, became the 19,000th participant to a JCCP regular course since the establishment of JCCP.

Mr. Masataka Sase, Executive Director of JCCP, commemorated the milestone by offering words of congratulation and a commemorative gift to Mr. Abdullah.

As JCCP is working to strengthen its cooperative

relationship with Iraq, the fact that a participant from Iraq became the commemorative participant seemed like a sign of good things to come.

Many graduates of JCCP regular courses now hold important positions in their respective countries. Finding encouragement in such achievements, we will continue to do our best to respond to the needs of oil-producing countries and to establish ties of mutual understanding and friendship that will create the foundation for securing stable supplies of oil.



Message from the 19,000th Participant

Mr. Talal Kurdi Abdullah (Ministry of Oil / Iraq)

I was elated when I heard that I had been nominated to attend the Energy Saving for Profitability Improvement course in Japan. I knew it was going to be a rewarding experience, and it was. The course featured various lectures, simulation practice, and visits to refineries and facilities in Japan, which exposed me to new knowledge and information particularly on how to conserve energy and achieve a profit at the end of the day.

I wish to thank Mr. Masataka Sase, Executive Director of JCCP, JCCP staff members, and most of all Kamijyo-san, the coordinator of the course, and his assistant Takahashi-san, for their tireless efforts in providing such an outstanding program. I wish to also thank my colleagues from other countries with whom I shared this precious experience. Thank you all.

JCCP Regular Courses Completed in October 2009 – January 2010

TR-11-09 Environmental Management for Refineries

Period: October 6 – October 23, 2009
No. of participants: 13
Country of participants: China, Indonesia, Iran, Kuwait, Libya, Malaysia, Mexico, Oman, Saudi Arabia, Thailand, Vietnam



TR-12-09 Project Management for Mechanical Engineers

Period: October 6 – October 23, 2009
No. of participants: 13
Country of participants: Colombia, Indonesia, Iran, Kuwait, Libya, Nigeria, Pakistan, Saudi Arabia, Sudan, Thailand, Vietnam



TR-13-09 Advanced Field Devices and Control

Period: October 6 – October 23, 2009
No. of participants: 14
Country of participants: Indonesia, Iran, Kazakhstan, Libya, Mexico, Nigeria, Russia, Saudi Arabia, Vietnam, Yemen



TR-14-09 Petroleum Marketing and Product Delivery

Period: October 27 – November 13, 2009
No. of participants: 14
Country of participants: China, Colombia, Indonesia, Iran, Kazakhstan, Libya, Nigeria, Pakistan, Saudi Arabia, Thailand, Uzbekistan, Vietnam, Yemen



TR-15-09 Gas Processing for LNG

Period: October 27 – November 13, 2009
No. of participants: 11
Country of participants: Iran, Kazakhstan, Libya, Myanmar, Nigeria, Saudi Arabia, Thailand, Vietnam, Yemen



TR-16-09 Maintenance Management

Period: October 27 – November 13, 2009
No. of participants: 12
Country of participants: China, Colombia, Indonesia, Iran, Kuwait, Oman, Saudi Arabia, Vietnam



TR-17-09 Training Management

Period: November 24 – December 11, 2009
No. of participants: 18
Country of participants: Indonesia, Iran, Iraq, Kazakhstan, Kuwait, Libya, Nigeria, Pakistan, Saudi Arabia, Thailand, UAE, Vietnam



TR-18-09 Quality Management of Refinery Products

Period: January 12 – January 29, 2010
No. of participants: 14
Country of participants: Bahrain, Indonesia, Iran, Iraq, Kazakhstan, Libya, Mexico, Nigeria, Oman, Pakistan, Saudi Arabia, Thailand, Vietnam,



IT-1-09 Advanced Technologies for Rotary Machinery –Reliability Enhancement–

Period: December 1 – December 11, 2009
No. of participants: 15
Country of participants: China, Iran, Iraq, Kuwait, Libya, Mexico, Myanmar, Nigeria, Thailand, Pakistan, Saudi Arabia, Vietnam



IT-2-09 Model Predictive Control

Period: December 1 – December 11, 2009
No. of participants: 15
Country of participants: China, Iran, Iraq, Libya, Mexico, Myanmar, Nigeria, Pakistan, Saudi Arabia, South Korea, Vietnam



IT-3-09 Petroleum Marketing & Physical Distribution

Period: January 19 – January 29, 2010
No. of participants: 14
Country of participants: China, Egypt, Indonesia, Iran, Iraq, Kazakhstan, Mexico, Nigeria, Thailand, UAE, Vietnam



Total: 153 participants

The Tenth Scientific Council Meeting with UAE University Held in Al Ain

The Tenth Scientific Council Meeting was held on November 5, 2009, at United Arab Emirates University (UAE University) in Al Ain, UAE, with 15 members on the UAE University side headed by H.E. Dr. Maitha Al-Shamsi, Minister of State, and 8 members on the Japanese side represented by Mr. Morihiro Yoshida, Managing Director of JCCP.

At the beginning of the meeting, Dr. Al-Shamsi thanked JCCP for its cooperation in UAE University's research activities. In turn, Mr. Yoshida spoke on behalf of the Japanese side as he reported on the satisfactory results that are being achieved through the cooperative relationship that has been growing stronger between UAE University and JCCP, and expressed his expectations in the project's future development. Thereafter, progress reports were given on the two technical cooperation projects that the two institutions are jointly implementing, followed by questions/answers and evaluations of each. An overview of the projects is provided below.

Project on Removal of Acid Gases from Natural Gas using Membrane Contactors, Phase II

(Principal Investigator: Dr. Mohamed Al Marzouqi)

The study of membrane contactors that is

underway at UAE University is producing steady results. A module that can withstand long hours of high pressure has been developed, albeit at the laboratory study, and an experiment has succeeded in almost completely removing CO₂ and H₂S from acid gas at 50 bar. On the Japanese side, Nippon Oil Research Institute Co., Ltd. is assisting in the implementation of the project, and Dr. Masaaki Teramoto and Dr. Hideto Matsuyama of Kobe University are providing technical guidance. On the UAE side, Abu Dhabi Gas Liquefaction Limited (ADGAS) is participating and cooperating as a technical advisor.

Project on Development, Design and Evaluation of Advanced Refinery Waste Water Treatment Process

(Principal Investigator: Dr. Muftah El-Naas)

Under this project, the optimum conditions for applying a three-step treatment process (Electrocoagulation Unit*Bioreactor Unit* Adsorption Unit) to oil industry wastewater treatment are being studied at UAE University. On the Japanese side, Nippon Oil Research Institute Co., Ltd. is assisting in the implementation of the project, and on the UAE side, Abu Dhabi Oil Refining Company (TAKREER) is participating



Mr. Morihiro Yoshida, Managing Director of JCCP (second from right)



H.E. Dr. Maitha Al-Shamsi, Minister of State (second from left)



*Members of the Scientific Council Meeting
(members from UAE University and Japanese-side members)*

and cooperating as a technical advisor.

Owing to the participation and cooperation of ADGAS and TAKREER, the two projects go beyond the scope of an academic study project to being a project whose results can be used to benefit the oil and gas industries in UAE.

UAE University is rapidly increasing its reputation as an outstanding university in the Middle East region (increased its ranking from 496th in the world in 2008 to 374th in 2009). Along with

this reputation, the awareness of the university as a research institution based in UAE is also expected to increase.

To support and further develop the friendly relations between UAE and Japan, JCCP will continue to approach the oil industry in UAE through the implementation of joint research projects with UAE University and contribute to the promotion of joint industry-academia studies in UAE.

The 11th Scientific Council Meeting is scheduled to be held in May 2010, in Abu Dhabi.

<by Nobuyuki Suyama, Technical Cooperation Dept.>



The 19th Saudi Arabia-Japan Joint Symposium

—Oil Refining and Petrochemical Catalyst Technologies—

The 19th Saudi Arabia-Japan Joint Symposium on “Oil Refining and Petrochemical Catalyst Technologies” was held on November 8 and 9, 2009, under the joint sponsorship of King Fahd University of Petroleum and Minerals (KFUPM) in Saudi Arabia and JCCP. The symposium took place in an auditorium at KFUPM in Dhahran.

With the Japan Petroleum Institute (JPI) undertaking its implementation every year, the symposium has taken root in Saudi Arabia as

an annual event at KFUPM. It enjoys the large attendance and participation of researchers and speakers not only from KFUPM, but other universities in Saudi Arabia and Saudi Aramco’s R&D center as well.

At the planning and preparation stage of the seminar, the Overseas Cooperation Committee established under JPI and headed by Dr. Koichi Eguchi from the Kyoto University Graduate School carefully decides on the seminar theme, speakers, and

Speaker	Affiliation	Presentation Title
Dr. Yasuaki Okamoto	Professor, Shimane University (head of the Japanese group)	Preparation of Highly Active Co-Mo HDS Catalysts by the Addition of Citric Acid as a Chelating Agent
Dr. Toshihide Baba	Professor, Tokyo Institute of Technology	Catalytic Propylene Production from Ethylene Using Zeolite Catalysts
Dr. Wataru Ueda	Professor, University of Hokkaido	New Complex Metal Oxide Catalysts for Chemical and Energy Conversion
Dr. Kotohiro Nomura	Associate Professor, Nara Institute of Science and Technology	New Transition Metal Complex Catalysts for Synthesis of New Polymers by Precise Olefin Polymerization
Mr. Keisuke Nishii	Idemitsu Kosan Co., Ltd.	A Newly Developed & Introduced Process to Remove Bad Smell from Petrochemical Naphtha
Mr. Hideki Ono	Nippon Oil Corporation	Production of BHD (Bio Hydrofined Diesel) with Improved Cold Flow Properties



*Symposium venue: KFUPM auditorium
(Nov. 8, 2009)*



*Meeting with Dr. Khaled S. Al-Sultan, Rector of KFUPM
(Nov. 7, 2009)*

their presentation topics as appropriate to the needs on the Saudi Arabian side, to ensure that an academically meaningful symposium is implemented.

This year's symposium was attended by an audience of approximately 100, and featured more than 20 presentations on the results of studies on oil refining and petrochemical catalyst technologies. They included presentations on desulfurization, catalytic cracking, hydroprocessing, and olefin production technologies, and elicited various

questions and discussions.

On the Japanese side, six researchers participated in the symposium as Japanese speakers chosen by the JPI Overseas Cooperation Committee and presented their latest R&D achievements in their respective fields.

The secretariat of the symposium included Mr. Shigeru Hojo from JPI; K. Nita, General Manager of the JCCP Riyadh Office; and K. Okumura from the JCCP Technical Cooperation Department.

<by Kazuhisa Okumura, Technical Cooperation Dept.>

Technical
Cooperation

The 11th Kuwait-Japan Joint Symposium —Corrosion and Material Behavior in Petroleum Refining Industry—

JCCP, Kuwait Institute of Scientific Research (KISR) and Kuwait National Petroleum Company (KNPC) jointly sponsored the 11th Kuwait-Japan Joint Symposium on “Corrosion and Material Behavior in Petroleum Refining Industry,” on January 19 and 20, 2010, at KISR's Petroleum Research and Studies Center (PRSC).

The symposium is implemented on commission by the Japan Petroleum Institute (JPI), and was held for the first time in fiscal 1993. It has been held basically every other year after that, but from fiscal 2005, it has

taken root as an annual technical symposium in Kuwait. Three themes relating to oil refining technologies have been taken up in order each year: heavy oil processing technologies, clean fuel production technologies, and corrosion and material behavior.

This year's symposium opened with words of greeting from Dr. Mohammad J. Salman, Deputy Director General for Research Affairs, KISR; Mr. Mohammad Ghazi Al-Mutairi, Deputy Managing Director, Mina Abdulla Refinery; and Dr. Shukuji Asakura, Professor Emeritus at Yokohama National University. Roughly 50 researchers and refinery engineers from Japan and Kuwait attended the symposium, which featured presentations and active discussions. The Japanese side gave eight presentations. On the Kuwaiti side, KISR and KNPC delivered ten presentations on issues such as trouble cases in refineries and their countermeasures.

On February 21, the day after the two-day seminar, the Japanese members visited the Mina Abdulla Refinery, where they were introduced to the activities of the refinery's corrosion inspection division and toured the refining facilities.

Five researchers and engineers participated in the symposium as speakers, as shown in the table,



*Dr. Yasuyoshi Tomoe delivering a presentation
(Jan. 20, 2010)*

and gave presentations on the results of studies in their respective areas, as well as cases they have experienced in the field and their countermeasures.

Mr. Shigeru Hojo from JPI and K. Okumura from JCCP provided their cooperation as members of the symposium secretariat.

<by Kazuhisa Okumura, Technical Cooperation Dept.>

Speakers	Affiliation	Presentation Title
Dr. Shukuji Asakura	Professor Emeritus, Yokohama National University Graduate School of Engineering (head of the Japanese group)	Electrochemical Monitoring of Metallic Corrosion by Square Wave Method Anti-corrosion Cement Accompanying the Function of Cathodic Protection
Dr. Tadao Ishihara	Venture Academia Co., Ltd.	CF/SCC Interaction of Low Alloy Steel and Stainless Steel in High Temperature Water
Dr. Yasuyoshi Tomoe	INPEX Corporation	Corrosion and Corrosion Control in Oil and Gas Production
Mr. Hiroyuki Anada	Sumitomo Metal Industries, Ltd.	Polythionic Acid Stress Corrosion Cracking Behavior of 347AP and its Performance in Hydrocracker and Hydrotreater The Effect of Stabilizing Period on Sensitization and Polythionic Acid Stress Corrosion Cracking
Mr. Kazunobu Onishi	Nippon Oil Corporation	Corrosion Control in the Overhead System of Atmospheric Crude Distillation Units Guidebook of Corrosion Control Technologies for Facilities in Refinery



Local newspaper article on the symposium

Signing Ceremony for the Project on “Heavy Crude Oil Upgrading” in Kuwait

On October 28, 2009, JCCP and Kuwait Institute for Scientific Research (KISR) held a ceremony for signing a Memorandum of Agreement (MOA) on the joint technical cooperation, “Heavy Crude Oil Upgrading in Kuwait Using Thermal Cracking Process.”

1. Project Background

Kuwait has an abundance of heavy crude oil with high sulfur content and API gravity ranging from 10 to 20 degrees. It is available in such large quantities that the 15-year plan for increased crude oil production, which was approved by the national assembly in 2004, announced that roughly 20% of the 2020 target production of 4 million B/D (700,000 – 900,000 B/D) will be acquired from newly developed heavy oilfields. However, in addition to the fact that heavy crude oil with high sulfur content is difficult to sell alone, even if it is blended with other light crude oils, its API gravity must be lowered to offset the increased ratio of heavy crude in order to export it. This means that

upgrading facilities are needed to “upgrade” heavy crude oil to light, low-sulfur crude oil, and toward this end Kuwait is well aware of the need to explore various measures.

Heavy oil upgrading projects have been applied to unconventional oil resources such as oil sands and Orinoco tar, but have never been applied to conventional heavy crude oil. Therefore, the process of upgrading of heavy crude oil must be examined from various angles, including experimental testing and market studies.

2. Project Overview

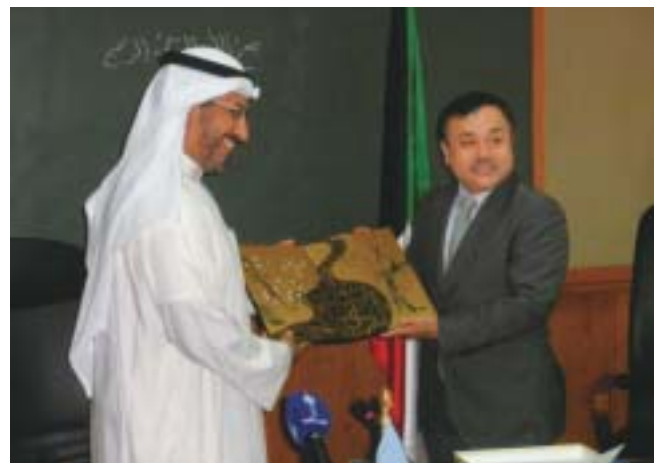
The said JCCP technical cooperation project aims to create a business model for converting Kuwait’s large quantities of high-sulfur heavy crude oil to more useful light, low-sulfur crude oil, and to seek its potential for commercialization.

Candidate sites for the construction of the upgrading facility include at the foot of an oil well or near a refinery. The scale of the facility would be relatively small in the case of the former and large



Signing the MOA

Dr. Naji M. Al-Mutairi, Director General, KISR (left), and Mr. Morihiro Yoshida, Managing Director of JCCP (right)



Exchange of commemorative gifts

Dr. Naji M. Al-Mutairi, Director General, KISR (left), and Mr. Morihiro Yoshida, Managing Director of JCCP (right)

in the case of the latter. The project's potential for commercialization will also be evaluated based on a comprehensive assessment of various other factors, such as the properties of heavy crude oil, heavy crude thermal cracking tests, methods for the utilization of cracking residues, and the results of market studies on reformed crude oil.

3. MOA Signing Ceremony

The signing ceremony was held with the presence of Dr. Najj M. Al-Mutairi, Director General, KISR, and members from Kuwait Petroleum Corporation (KPC), Kuwait National Petroleum Company (KNPC), and Kuwait Oil Company (KOC) on the Kuwaiti side, and with Mr. Yukihiro Nikaido, Minister, Embassy of Japan in Kuwait (representing H.E. Mr. Masatoshi Muto, Ambassador); Mr. Yoshio Yokoyama from Arabia Oil Co., Ltd.; Mr. Hiromi Koshizuka from Chiyoda Corporation; and Mr. Morihiro Yoshida, Managing Director of JCCP, on the Japanese side. A large number of journalists were also present to cover the important ceremony.

Dr. Al-Mutairi personally presided over the entire ceremony, which included opening speeches by the representatives of each participating company, the signing of the MOA, and a technical presentation on the project. Active discussions were held with members of Kuwait's oil industry in regard to the technical presentation, and the exchange of views with KOC, the largest crude oil producer in Kuwait,



Mr. Yukihiro Nikaido, Minister of the Japanese Embassy in Kuwait, delivering a speech



Local newspaper article on the ceremony (From left to right) Mr. Yukihiro Nikaido, Dr. Najj M. Al-Mutairi, Mr. Morihiro Yoshida

was so stimulating that it continued even after completion of the ceremony. All in all, members from Kuwait's oil industry and KISR, the counterpart to the project, demonstrated an extremely high level of interest and enthusiasm for the project.

Not only did local newspapers feature a large article on the signing ceremony the next day, but video coverage was also broadcast on TV, and contributed to increasing public recognition of Japan's technical cooperation in Kuwait.

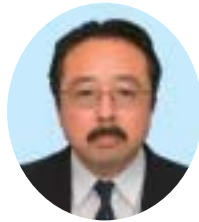
JCCP extends its deepest appreciation to everyone at KISR, the Japanese Embassy in Kuwait, Arabian Oil Company, and all other institutions concerned, who generously provided their cooperation in holding the signing ceremony.

<by Hiroshi Iida, Technical Cooperation Dept.>

Personnel Changes

Technical Cooperation Department

Outgoing Personnel



Shigeru NANBARA

Incoming Personnel



Toshifumi AMEMIYA



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