



## 2nd GCC Petroleum Media Forum

An overview on current and future GCC petroleum media trends in light of global energy industry developments

# ORGANIZATION OF ARAB PETROLEUM EXPORTING COUNTRIES (OAPEC)



The Organization of Arab Petroleum Exporting Countries (OAPEC) was founded on the basis of the agreement signed in Beirut, Lebanon on 9 January 1968 between the governments of Kingdom of Saudi Arabia, the State of Kuwait and the (then) Kingdom of Libya. The agreement stipulates that the Organization shall be domiciled in the City of Kuwait.

The principal objective of the Organization is the cooperation of the members in various forms of economic activity in the petroleum industry, the determination of ways and means of safeguarding the legitimate interests of its member countries in this industry, individually and collectively, the unification of efforts to ensure the flow of petroleum to its markets on equitable and reasonable terms, and providing appropriate environment for investment in the petroleum industry in member countries.

In 1970 the United Arab Emirates, the State of Qatar, the Kingdom of Bahrain and the Republic of Algeria joined the Organization, followed by the Syrian Arab Republic and the Republic of Iraq in 1972, Arab Republic of Egypt in 1973, then the Republic of Tunisia in 1982 (its activities stopped since 1987). Any Arab country which derives a significant share of its national income from petroleum is eligible for membership in OAPEC upon the approval of three-quarters of the member countries, including all three founding members.

## OAPEC'S ORGANS

The Organization carries out its activities through its four organs:

- **Ministerial Council:** The Ministerial Council is the supreme authority of the Organization, responsible for drawing up its general policy.
- **Executive Bureau:** The Executive Bureau is composed of one representative from each of the member countries, drawing recommendations and suggestions to the Council, reviewing the Organization's draft annual budget and submitting it to the Council, it also adopts the regulations applicable to the staff of the General Secretariat. The resolutions of the Executive Bureau are issued by the majority of two-thirds of all members.
- **General Secretariat:** The General Secretariat of OAPEC plans, administers, and executes the Organization's activities in accordance with the objectives stated in the agreement and directives of the Ministerial Council. The General Secretariat is headed by the Secretary General. The Secretary General is appointed by resolution of the Ministerial Council for a tenor of three years renewable for similar period(s). The Secretary General is the official spokesman and legal representative of the Organization and is accountable to the Council. The Secretary General directs the Secretariat and supervises all aspects of its activities, and is responsible for the tasks and duties as directed by the Ministerial Council. The Secretary General and all personnel of the Secretariat carry out their duties in full independence and in the common interests of the Organization member countries. The Secretary General and the Assistant Secretaries General possess in the territories of the Organization members all diplomatic immunities and privileges.
- **Judicial Tribunal:** The protocol of the Judicial Tribunal was signed in Kuwait on 9 May 1978 and came into effect on 20 April 1980. The Tribunal is competent to consider all disputes related to the interpretation and application of OAPEC's establishment agreement, as well as disputes arising between two or more member countries concerning petroleum operations.
- **OAPEC-Sponsored Ventures:** OAPEC has sponsored the creation of four companies: The Arab Maritime Petroleum Transport Company (AMPTC), established in 1972 with headquarters in Kuwait City, the Arab Shipbuilding and Repair Yard Company (ASRY) established in 1973 with headquarters in Bahrain, the Arab Petroleum Investments Corporation (APICORP) established in 1974 with headquarters in Khobar, Saudi Arabia, the Arab Petroleum Services Company (APSC) established in 1975 with headquarters in Tripoli, Libya.

## Content



# 14

**HE Dr Abdul Hussain bin Ali Mirza**  
Environment sustainability on top  
of Bahrain's priorities

# 15

**OAPEC Study on Current and Future  
Prospects for Crude Oil and Natural  
Gas Demand in OECD Countries and  
Their Impact on OAPEC Members**



# 16

**Joint Arab Economic Report 2014**  
Energy Support Reforms in the  
Arab Countries



### Cover of the issue

Under the high patronage of the Custodian of the Two Holy Mosques, HM King Salman bin Abdulaziz Al Saud, Saudi Arabia hosted the 2nd GCC Petroleum Media Forum, in Riyadh from 22 to 24 March 2015 under the theme "Gulf Petroleum Media, Issues and Challenges". The event was attended by Their Excellencies the GCC Petroleum, Energy, and Oil Ministers. OAPEC Secretariat General was represented at the event by an official delegation headed by the Secretariat General, HE Abbas Ali Al Naqi, who chaired the first session of the Forum's day 3 entitled "The Image of Arabs and Petroleum in Foreign Media".

### In this issue

Editorial	4
OAPEC Member Countries	6
OAPEC Activities	16
OAPEC Sponsored Ventures	28
Petroleum Developments	29
International News	41
Tables Annex	42

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# World Oil Reserves Developments and their Implications for OAPEC Member Countries

All oil consuming countries seek to secure the flow of oil supplies to meet their needs within the concept of energy security. Oil exporting countries on the other hand seek to secure providing the necessary supplies since oil is a strategic good. It is the basic drive for the world's economy and the main source of energy now and for decades to come. Oil producing and exporting countries spare no efforts in this regard to ensure petroleum market stability and increase the world's economic growth rates.

With the beginning of the second half of 2014, world energy markets witnessed significant developments, most prominent of which is the slump of oil prices, as OPEC crude basket's annual price average reached about \$96/barrel in 2014; the lowest since 2010. The sliding prices continued in the first quarter of 2015, as the average hit about \$51/barrel. World energy markets in general witnessed various fluctuations that affected trade and world economic performance rates.

A new development appeared in the oil market, that is; the increasing trend of building oil reserves by countries around the world, whether inside or outside their territories, to secure oil supplies. In the past, this trend was exclusive to the main consuming countries in the OECD due to many reasons including supply security, speculation, and making high margins of profit. This has made oil reserves one of the main elements affecting price trends in the world's oil market from one hand, and oil supplies from exporting countries on the other hand, as well as, its growing strategic role in increasing the countries' capabilities to handle urgent fluctuations in the oil market.

Oil reserves are classified according to goals set for keeping them into two types. The first type is Non-discretionary Stocks, including strategic and minimum operating stocks. The second is Discretionary Stocks, including commercial stocks and exporting countries reserves. The industrial countries' commercial stocks dominate the biggest share of the world's trade reserve. The rest of the world has 39%, whereas oil at sea stocks (floating) have 17%

Total world stocks (both commercial and strategic) witnessed an increase in 2014 by 8040 million barrels with the end of Q4 of the year, an increase of 2.5% or 195 million

barrels, compared to the same period of the previous year. Floating stocks reached 1037 million barrels by the end of 2014, an increase of 48 million barrels compared to the end of 2013. By the end of 2014, OECD days supply reached about 58.2 days of consumption.

The USA comes on top of the rest of the world with regards to strategic oil stocks by about 39% of the world stocks by the end of Q4 of 2014. It is worth noting that the USA was the first country in the world to start building strategic oil stocks in the early 1970s. Since 2004, the US Administration has been more flexible in releasing some of its strategic stocks to compensate for the shortage in supplies. This step has given the US strategic stocks a commercial flavor. On another note, China's announcement, for the first time, about the size of its oil stocks is an important variable that has to be followed up in connection to China's position in the world energy market as the fastest growing country with regards to oil and gas demand.

OAPEC member countries, in light of their leading position in the world's oil industry, are pursuing their sincere efforts to provide the world's oil market with secure and stable oil supplies. What we want to stress is that current challenges facing the oil market and the world's energy markets have imposed new hurdles for the oil producing and exporting countries including OAPEC member countries. This situation drives us to underscore the importance of boosting cooperation between all parties to create a balanced and stable oil market that can respond to the aspirations of both producers and consumers.

While observing the current developments in oil stocks in the world markets, OAPEC Secretariat General hails the efforts of the member countries in securing supplies for consumers in a safe and stable way. It also follows up on the world's oil stocks developments and their implications for OAPEC member countries. In this connection, the Secretariat General has been preparing various studies tackling these developments over the past few years in order to draw a clear picture of the condition of the world oil market to help future energy policy makers in OAPEC member countries.



## 2nd GCC Petroleum Media Forum


**An overview on current and future GCC petroleum media trends in light of global energy industry developments**



*Under the high patronage of the Custodian of the Two Holy Mosques, HM King Salman bin Abdulaziz Al Saud, Saudi Arabia hosted the 2nd GCC Petroleum Media Forum, in Riyadh from 22 to 24 March 2015 under the theme “Gulf Petroleum Media, Issues and Challenges”. The event was attended by Their Excellencies the GCC Petroleum, Energy, and Oil Ministers. OAPEC Secretariat General was represented at the event by an official delegation headed by the Secretariat General, HE Abbas Ali Al Naqi, who chaired the first session of the Forum’s day 3 entitled “The Image of Arabs and Petroleum in Foreign Media”.*

*The delegation consisted of Mr AbdelKarim Ayed, Director of the Media and Library Department, and Mr Ahmed Al Thafeeri from the department.*





The Minister of Petroleum and Mineral Resources, HE Engineer Ali bin Ibrahim Al Naimi opened the Forum welcoming Their Excellencies the Ministers, as well as officials and experts in the petroleum media. He wished them a pleasant stay in the Kingdom. Al Naimi reviewed current developments in the oil market and refuted claims that oil producing countries were responsible for the fall of oil prices in the world market. The Minister stressed the oil producing countries' keenness on the stability of the world oil market, balancing between demand and supply, and leaving it to oil markets to determine prices.

Al Naimi said the oil market experienced similar situations in the past, and OPEC managed to handle them successfully thanks to the continuous coordination among its member countries.

The Minister then talked about petroleum media explaining that the conference was held in line with the GCC petroleum media strategy endorsed by Their Majesties and Highnesses the GCC Leaders. The said strategy aims at underscoring a unified GCC petroleum strategy capable of clarifying the GCC stances.

Al Naimi called for the establishment of an association dedicated for petroleum media, which comprised of Gulf, Arab and foreign journalists covering energy affairs. The association will aim at qualifying specialized journalists. He added that Saudi Arabia is ready to support the establishment of this association with the objective of boosting transparency among GCC countries and preparing oil strategies of the Arab Gulf countries in case approved.

Their Excellencies GCC Petroleum Ministers approved the Saudi proposal and highly appreciated KSA's role in supporting and developing the GCC, Arab and international petroleum industry.



**Al Naimi:**

**Oil markets experienced in the past conditions similar to current ones**



## Establishment of petroleum media association approved

### Forum's proceedings:

Over three days of sessions, panels and workshops, the Forum discussed a group of issues relevant to petroleum media. Participants discussed methods of strengthening cooperation between GCC countries in light of successive developments in international media, especially the increasing role of social media and its growing impact on a large sector of users to the extent of threatening the existence of traditional media.

### Ministerial discussion panel:



The Ministerial discussion panel was held on day 1 of the Forum with the participation of HE Engineer Ali Al Naimi, HE Engineer Suhail Al-Mazroui, HE Abdul Hussein Mirza, HE Dr Mohammed bin Saleh Al Sada, HE Dr Ali Al Omair, and Mr Abdullah Al Shebli, the GCC Assistant Secretary General for Economic Affairs on behalf of the GCC Secretary General. The panel was administered by Mr Yasser Al Amr. The panel discussed methods of developing the GCC petroleum media work in light of current developments in the world's energy and oil industry.



## Session on “The Image of Arabs and Petroleum in Foreign Media”



**OAPEC Secretary General**  
**HE Abbas Ali Al Naqi** chaired the first session on day 3 of the Forum under the title “The Image of Arabs and Petroleum in Foreign Media”. Dr Bassam Fattouh, from Oxford Institute for Energy Studies, presented the paper of the session. Panelists in the session were: Dyala Sabbagh from Gulf Intelligence, Dr Hamza Bait El Mal from King Saud University, and Rania Al Jamal from Reuters. Dr Fattouh explained the wrong impressions and stereotypes in the western media about OPEC petroleum producing and exporting countries, especially the GCC. He focused on three key misconceptions on: OPEC and KSA’s control over oil markets, the framework of GCC oil policies, and the Western countries’ dependency on “Arabian” oil.





#### Associated exhibition:

OAPEC Secretariat General participated in the Forum's associated exhibition. OAPEC booth presented a group of studies and informative publications issued by the Organization. A video on OAPEC activities has been running too. The booth had a good number of visitors whose inquiries about the Organization and its activities have been answered thoroughly.

#### Communiqué:

The communiqué of the 2nd GCC Petroleum Media Forum has been issued with recommendations on: establishing a petroleum media association; proposing a petroleum media excellence award; working on correcting the GCC countries' distorted image in the world's media; organizing petroleum media workshops and training courses; supporting organizing specialized conferences; encouraging community responsibility activities by petroleum companies; making use of the digital revolution in media; making available official sources for the petroleum media to combat rumors, as well as strengthening the relations between ministries, companies, universities and research centers relevant to the petroleum industry.

**The 3rd GCC Petroleum Forum will be held in the UAE in 2017.**

# An Invitation to Contribute to the

## Oil and Arab Cooperation Journal

The “*Oil and Arab Cooperation Journal*” has the pleasure to invite researchers and specialists of the petroleum industry and developmental issues to participate by publishing their research work and scientific reports in accordance with the following requirements:

1. The magazine publishes original scientific research works in the areas of oil and gas, energy, and economic development which adhere to scientific research methodology and globally recognized procedures. Articles must be written in Arabic and should not be previously published.
2. Article should contain 15-40 pages (and more if required), computer typed. Original shall be printed on A4 in Simplified Arabic font, and shall be paginated.
3. An abstract shall be presented in English, briefing the objective, scope, research methodology, main ideas and conclusions. The abstract should be in the vicinity of 2-3 pages, in clear conceivable manner, without referring to the original text.
4. First page of the research shall contain the time, name(s) of researcher(s), employer, address, telephone numbers, and e-mail. Researcher's name should not be mentioned in the research body.
5. Reference to all sources is made by numbers of footnotes, which are published at the end of the research paper. Recognized scientific principles of documentation shall be considered, including:
  - When the source is mentioned for the first time, the following items should be provided: Book title, name of author, name of publishers, place of publication, number of edition, year of publication, page number.
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6. The research shall be provided with a separate list of footnotes. In the event of foreign sources, an additional list shall be added, apart from the Arabic list, in alphabetical order giving book/research titles, as published in bulletins.
7. A copy of the scientific resume shall be attached, if the researchers has cooperation with the magazine for the first time.

8. The research should not be quoted from a university degree thesis, not previously published, and should not have been submitted to any other publication. The researcher shall provide a separate declaration accordingly.
9. All ideas published on the magazine shall express the opinions of their writers, and not necessarily the view of publishers. Order of researches shall be subject to technical consideration.
10. Researches shall be subject to a confidential assessment to determine validity for publication. Researches shall not be returned to their authors, whether accepted or not, as follows:
  - The researchers shall be notified, within a maximum of 3 weeks, of receipt of the material for publication.
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  - Researches to which assessors decide any additions of modifications prior to publication shall be returned to their authors, along with comments, for necessary action.
  - Authors of rejected researches shall be notified, without giving reasons.
  - Each author shall be provided with 5 copies of the volume where their research is published.



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## KUWAIT



Under the auspices of His Highness the Emir Sheikh Sabah Al Ahmad Al Jaber Al Sabah, the foundation stone of the Kuwait National Petroleum Company (KNPC) Clean Fuel Project (CFP) was laid at Mina Abdullah on 3 March 2015. His Highness the Prime Minister Sheikh Jaber Al Mubarak Al Hamad Al Sabah attended the ceremony, together with their excellencies the ministers and heads of oil companies in Kuwait.

Minister of Oil and Minister of State for National Assembly Affairs HE Dr Ali Saleh Al Omair had told the ceremony that the CFP adds a lot to the efforts by the Kuwaiti oil industry seeking to make the best use of the country's major wealth, enhancing the efficiency of oil products and consolidating their competitiveness on world markets. In addition, the CFP is one of the biggest projects in Kuwait, with investments of KD 4.68 billion, 20 percent of which will be invested on the local market.

### **KPC signs \$1 billion contracts with BP**

Kuwait Petroleum Corporation (KPC) announced that it has renewed contracts worth about \$1 billion to provide the UK's British Petroleum (BP) with jet fuel and gasoil. The contracts will see the Kuwaiti jet fuel flow through the BP system to Dubai and several European Airports.

On another note, KPC announced its March 2015 prices for propane and butane gas. The price of the metric ton of propane is set at \$500, up \$50 per metric ton compared with \$450 of February 2015. The price of metric ton of butane is set at \$460, down \$20 per metric ton, compared with \$480 of February 2015.



## EGYPT

### Egyptian- Kuwaiti Partnership to Explore Oil in Iraq



In the presence of HE Engineer Sherif Ismail, Egypt's Petroleum and Mineral Resources Minister, and HE Dr Ali Saleh Al Omair, Kuwait's Oil Minister and State Minister for National Assembly Affairs, the Egyptian General Petroleum Corporation (EGPC) signed a partnership agreement for oil research, exploration and production in Iraq with Kuwait Energy Company.

The agreement states that EGPC becomes a partner with Dragon Oil Holdings Ltd. and Kuwait Energy, in the Block IX license, where Kuwait Energy is the operator, with a 10 percent participating interest in Block IX, Iraq license.

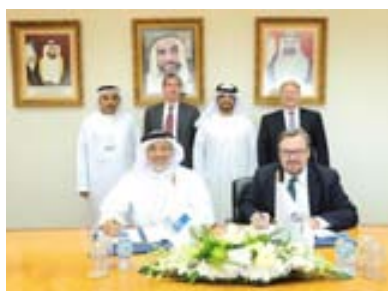
Block IX field is located in the Basra Governorate, in Southern Iraq. The agreement was signed by EGPC CEO Tarek Al Molla and Kuwait Energy Chairman Dr. Mansour Bu Khamseen.

Ganoub El Wadi Petroleum Holding Company (Ganope) made a new petroleum discovery which it named Malak ('SM2') on the West Esh el Mellaha-2 concession of UK's Aminex (30km from Hurghada). This is the fourth petroleum discovery Southern Egypt

following Al Baraka, West Al Baraka, Imbo, and Weeme. Tests showed production flow rates of approximately 430 barrels per day of 40 API crude. Reserves estimated at 9.6 million barrels. Commercial development is planned for 2015 Q2.

## UAE

### State-run Abu Dhabi National Oil Company (ADNOC)



State-run Abu Dhabi National Oil Company (ADNOC) has signed a technical support agreement with US-based Occidental Petroleum to develop the Al Hail and Ghasha oilfields at a total cost of \$500 million. Under the terms of the new agreement, ADNOC and Oxy will cooperate in carrying out a number of activities including 3D seismic surveys, drilling of appraisal wells and conducting of engineering studies necessary for the fields' development. The necessary appraisal studies are due to be completed by the end of 2017.



## BAHRAIN

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### HE Dr Abdul Hussain bin Ali Mirza

## Environment sustainability on top of Bahrain's priorities



Bahrain Minister of Energy His Excellency Dr Abdul Hussain bin Ali Mirza stressed that his country ranks environment sustainability on top of its priorities. He added that Bahrain has been in pursuit to achieve the United Nations Millennium Development Goal (MDG) targets. He said that the country had the potential to undertake energy efficiency initiatives to achieve an ideal exploitation of the hydrocarbon wealth in Bahrain.

He added in a speech at the opening of the 'Renewable Energy for Sustainable Development' Seminar in Bahrain on Sunday 15 February 2015, that the United Nations Development Program (UNDP) and NOGA, the organization responsible for all petroleum and gas related issues in Bahrain, had signed a cooperation agreement in 2011 to set up a National Energy Conservation and Planning Centre which will serve as the country's main reference source for all energy data, providing analysis and planning, and enabling informed decision making.

The Minister said the scope of renewable energy in the Middle East was high, and Gulf countries enjoy an abundance of solar and wind energies. He also gave an overview of the uses of renewable energy in Bahrain. He explained that the GCC countries are undertaking various energy resources projects to achieve sustainable energy in the region.

## SYRIA

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### HE Khaled Al Ulaij Appointed Syria's Rep. at OAPEC Executive Bureau



Syria appointed HE Engineer Khaled Al Ulaij, Assistant Oil and Mineral Resources Minister for Oil and Gas Affairs, as the country's Representative at OAPEC Executive Bureau, in succession of HE Dr Hassan Zaynab as of 24 February 2015.

HE Abbas Ali Al Naqi, OAPEC Secretary General, sent a cable of congratulations to HE Al Ulaij on his new appointment wishing him all success and progress. HE Al Naqi also sent a cable to HE Dr Hassan Zaynab thanking him for all his valuable contributions throughout his tenure.





## OAPEC Study on Current and Future Prospects for Crude Oil and Natural Gas Demand in OECD Countries and their Impact on OAPEC Members

OAPEC Secretariat General has released recently a study titled “Current and Future Prospects for Crude Oil and Natural Gas Demand in OECD Countries and their Impact on OAPEC Members “. The aim of this study is mainly to review and analyze current and future prospects for crude oil and natural gas demand in OECD countries and their impact on OAPEC members. For the purpose of the study, OECD countries are classified into three main groups, namely OECD Americas, OECD Europe and OECD Asia Pacific. The focus was on United States, European Union and Japan, in order to identify the potential impacts for the development of crude oil and natural gas future demand in OECD countries on OAPEC members.

The study is divided into five main parts, the first part reviews and analyzes crude oil main indicators in OECD countries such as proven reserves, production, consumption and trade during the period (2003-2012). It also reviewed the future prospects for OECD countries oil demand, according to OPEC reference scenario as shown in its “World Oil Outlook 2013” report, compared with the other reports’ scenarios. Part two of the study reviews and analyzes OECD countries natural gas industry indicators (proven



reserves, production, consumption and trade) during the period (2003-2012). It also reviewed the future prospects for OECD countries natural gas demand during the period (2011-2035). Part three is dedicated to study the impacts on crude oil and natural gas future demand in OECD countries on OAPEC members, which have been summed up in their impact on oil revenues, economic growth rate, crude oil refining industry, natural gas exports directions and

petrochemical industry. In part IV, the results of the current and future prospects for crude oil and natural gas demand in OECD countries and their impacts on OAPEC members, were reviewed. The fifth part presents a number of final recommendations.

One of the main conclusions of the study is that the global crude oil and natural gas demand is expected to be concentrated in developing countries by the next two decades. As developing countries crude oil and natural gas demand is expected to grow at annual growth rates of 2.2% and 2.3% respectively. While the change in OECD countries demand is expected to be limited, this development will impact the global map for crude oil and natural gas trade on one hand, and OAPEC’s oil and natural gas exports markets on the other hand.

## Joint Arab Economic Report 2014

### Energy Support Reforms in the Arab Countries



The Joint Arab Economic Report 2014 was issued recently. It is prepared jointly by 4 Arab organizations: the League of Arab States (LAS), the Arab Fund for Economic and Social Development, the Arab Monetary Fund (AMF), and the Organization of Arab Petroleum Exporting Countries (OAPEC). It consists of 13 chapters and provides an analysis of the economic developments in the Arab countries during 2013. The main theme of the 2014 report is “Energy Support Reforms in the Arab Countries”. The report also tackles Arab cooperation in the field of energy efficiency.

In the section on oil and energy developments, prepared by OAPEC Secretariat General, the report indicates that the oil market has witnessed a relative stability and balance in 2013 in spite of the slow recovery of the world economy. Oil demand on all levels went up to about 89.9 million b/d as well as oil supplies that have risen to about 90 million b/d. Oil prices witnessed a slight drop for the first time since 2009 as annual OPEC crude basket price reached \$105.9 per barrel in light of abundant supplies especially from outside OPEC. Oil prices have been affected by many factors whether market-related or not like geopolitical conditions and instability in a number of Arab countries.

In 2013, the Arab countries have made 36 oil discoveries and 12 gas discoveries. Arab countries’ share of proven oil reserves has dropped to 55.8%, which is the case with their share of natural gas that dropped to 27.3%. Arab crude oil production has dropped as well to account for 30.3% of the world’s total production in 2013. Arab share of marketed gas has increased to 17.2% of the world’s total production in 2012.

The report highlights the increase of Arab countries energy consumption in 2013 by 4.9% to reach 14.1 million barrels of oil per day. Oil and gas remained the main energy sources for Arab countries, as together they constitute 98.5% of the total energy sources. Annual rates of export oils prices in the Arab countries have dropped for the first time since 2009. All these factors have reflected on the total value of Arab countries’ oil exports, which dropped by 6% in that year.



## The Arab Petroleum Investments Corporation (APICORP)



The Arab Petroleum Investments Corporation (APICORP), an OAPEC joint venture, announced on 15 February 2015 that it has participated in a \$200 million refinancing arrangement for National Petroleum Services Group (NPS), in conjunction with a number of Arab and foreign banks. The refinancing was for a \$150 million fixed rate Islamic facility and a working capital facility of \$50 million.

## Arab Shipbuilding & Repair Yard (ASRY)



has received recently Jabriyah-II tanker of Kuwait Oil Tankers Company (KOTC). It will be the first tanker to be repaired under the \$33 million-worth agreement signed recently between the two sides, which allows KOTC to have 19 of its tankers maintained on regular basis at ASRY maintenance facilities over the next two and a half years.

The Chairman of the Board of Directors of ASRY HE Sheikh Daij Bin Salman Al Khalifa visited the ship accompanied by a number of ASRY officials. “This agreement not only makes history in the regional maritime industry, but is also a strong demonstration of GCC cooperation,” said Sheikh Daij during his visit. He explained “Leaders like KOTC and ASRY working together are an example of premier regional industrial businesses finding common ground for mutual growth.” He added that this agreement is a proof of ASRY’s good reputation in ship repairing in the Arabian Gulf region.





## إصدارات الأمانة العامة لمنظمة الأقطار العربية المصدرة للبترول (أوابك)



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## 1. Oil Market

### 1. Prices

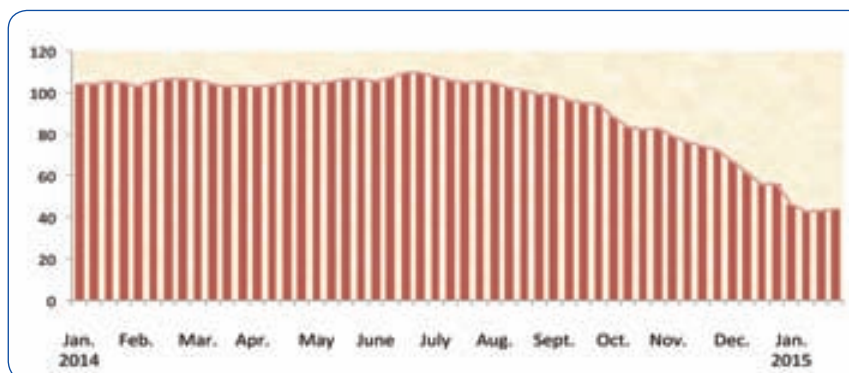
#### 1-1Crude Oil Prices

Weekly average price of OPEC basket decreased during the first week of January 2015, recording \$46.2/bbl, and continued to decline in the second week, to reach its lowest level of \$42.7/bbl. Then it went up during the second half of the month, to reach \$43.8/bbl in the fourth week, as shown in **figure 1**:

On monthly basis, OPEC Reference Basket averaged \$44.4/bbl, the lowest level since February 2009, representing a decrease of \$15.1/bbl or 25.3% comparing with previous month, and a decrease of \$60.3/bbl or 57.6% from the

same month of previous year. Concerns about the pace of global economic growth, supply glut, slowing Chinese oil demand growth, strong US dollar and a high record crude inventory build in the US, were major stimulus for the decrease in oil prices during the month of January 2015.

**Figure - 1** Weekly Average Spot Price of the OPEC Basket of Crudes 2014 - 2015 (\$/bbl)



### Key Indicators

- ✎ In January 2015, **OPEC Reference Basket** decreased by 25.3% or \$15.1/bbl from the previous month level to stand at \$44.4/bbl.
- ✎ **World Oil Demand** in January 2015, decreased by 1.5% or 1.4 million b/d from the previous month level to reach 93.2 million b/d.
- ✎ **World oil supplies** in January 2015, increased by 0.1% or 0.1 million b/d from the previous month level to reach 96.6 million b/d.
- ✎ **US crude oil imports** in December 2014, increased by 2.8% from the previous month level to reach 7.5 million b/d, and **US product imports** increased by 27.3% to reach about 2.1 million b/d.
- ✎ **OECD commercial inventories** in December 2014 decreased by 5 million barrels from the previous month level to reach 2701 million barrels, whereas **Strategic inventories** in OECD-34, South Africa and China increased by 2 million barrels from the previous month level to reach 1758 million barrels.
- ✎ **The average spot price of natural gas** at the Henry Hub in January 2015 decreased by \$0.19/million BTU from previous month level to reach \$3.00/ million BTU.
- ✎ **The Price of Japanese LNG imports** increased in December 2014 by \$0.03/m BTU to reach \$15.6/m BTU, the **Price of Chinese LNG imports** increased by \$0.5/m BTU to reach \$12.1/m BTU, and the **Price of Korean LNG imports** increased by \$0.2/m BTU to reach \$16.1/m BTU.
- ✎ **Arab LNG exports to Japan, Korea and China** were about 5.412 million tons in December 2014 (a share of 37.2% of total imports).

\* Prepared by the Economics Department.



Table (1) and figure (2) show the change in the price of the OPEC basket versus last month and the corresponding month of last year :

**Table 1** Change in Price of the OPEC Basket of Crudes, 2014-2015 (\$/bbl)

	Jan 2014	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan 2015
OPEC Basket Price	104.7	105.3	104.2	104.3	105.4	107.9	105.6	100.8	96.0	85.1	75.6	59.5	44.4
Change From previous Month	-3.0	0.7	-1.2	0.1	1.2	2.5	-2.3	-4.9	-4.8	-10.9	-9.5	-16.1	-15.1
Change from same month of previous Year	-4.6	-7.4	-2.2	3.2	4.8	6.9	1.2	-4.8	-12.7	-21.6	-29.4	-48.2	-60.3

\* Effective June 16,2005 OPEC replaced its seven-crude basket with one comprised of eleven crudes, one from each member country (weighted according to production and exports to major markets). Effective 1 January and mid of October 2007, Angola's Girassol and Ecuadorian Oriente crudes have been incorporated to become the 12th and 13th crudes comprising the new OPEC Basket. As of Jan.2009, the basket excluded the Indonesian crude.

**Figure - 2** Change in the Price of the OPEC Basket of Crudes, 2014-2015 (\$/bbl)

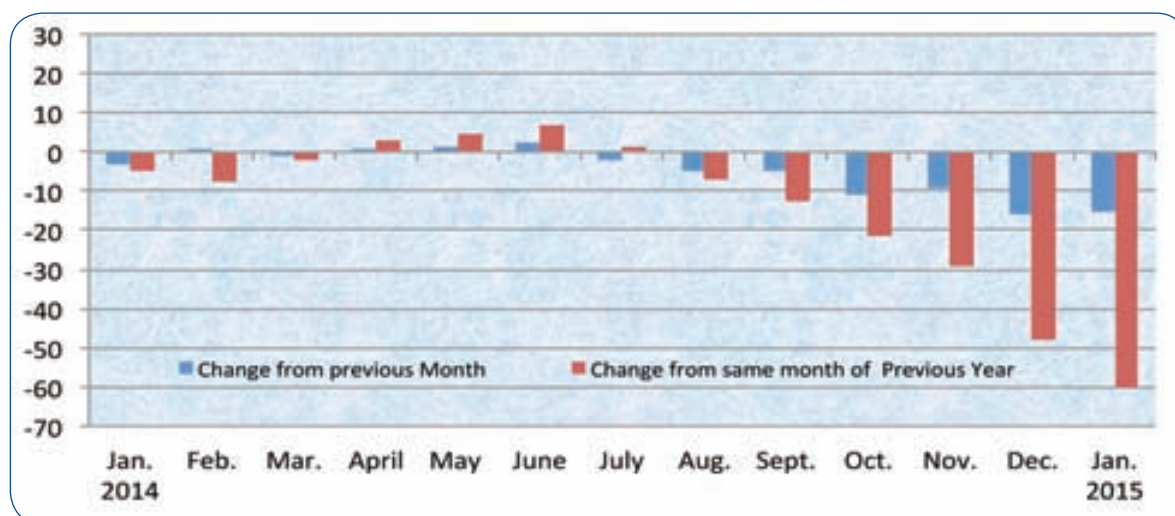


Table (3) in the annex show spot prices for OPEC basket and other crudes for the period 2013-2015.

## 1-2 Spot Prices of Petroleum Products

### - US Gulf

In December 2014, the spot prices of premium gasoline decreased by 24.7% or \$23.2/bbl comparing with their previous month levels to reach \$70.8/bbl, spot prices of gas oil decreased by 22.2% or \$20.8/bbl to reach \$72.7/bbl, and spot prices of fuel oil decreased by 23.2% or \$16.1/bbl to reach \$53.3/bbl.





### - Rotterdam

The spot prices of premium gasoline decreased in December 2014, by 23.5% or \$22.5/bbl comparing with their previous month levels to reach \$73.3/bbl, spot prices of gas oil decreased by 19.5% or \$18.8/bbl to reach \$77.5/bbl, and spot prices of fuel oil decreased by 26% or \$17/bbl to reach \$48.6/bbl.

### - Mediterranean

The spot prices of premium gasoline decreased in December 2014, by 24.8% or \$22.7/bbl comparing with previous month levels to reach \$68.7/bbl, spot prices of gas oil decreased by 18.8% or \$17.9/bbl to reach \$77.5/bbl, and spot prices of fuel oil decreased by 23.7% or \$15.7/bbl to reach \$50.6/bbl.

### - Singapore

The spot prices of premium gasoline decreased in December 2014 by 20.5% or \$18.5/bbl comparing with previous month levels to reach \$71.9/bbl, spot prices of gas oil decreased by 17.8% or \$17/bbl to reach \$78.5/bbl, and spot prices of fuel oil decreased by 22.6% or \$16.2/bbl to reach \$55.5/bbl.

Figure (3) shows the price of Premium gasoline in all four markets from December 2013 to December 2014.

**Figure - 3** Monthly Average Spot Prices of Premium Gasoline, 2013-2014 (\$/bbl)

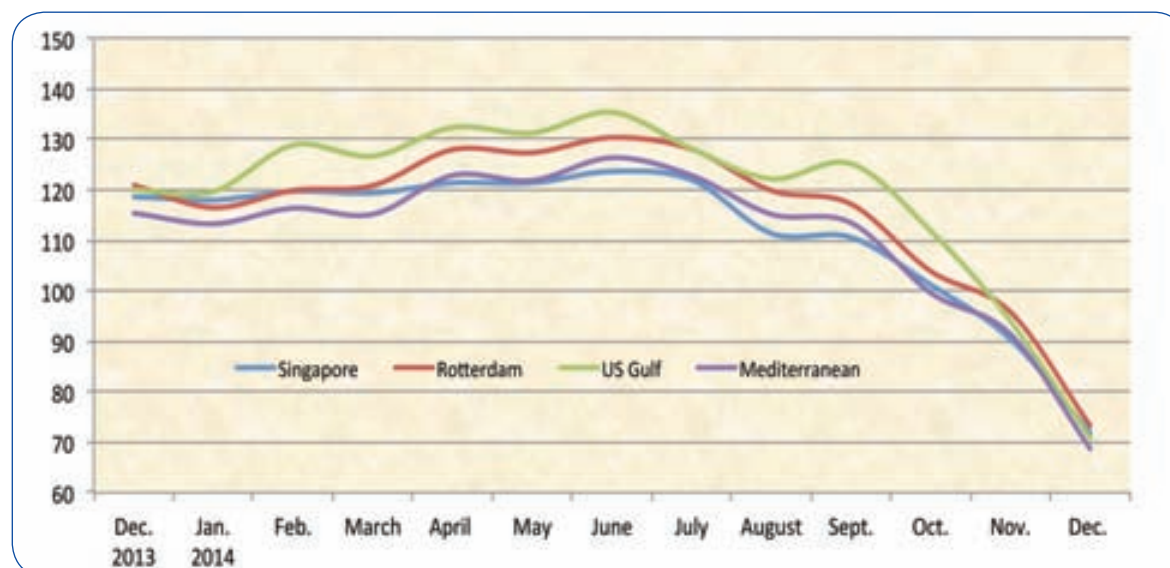


Table (4) in the annex shows the average monthly spot prices of petroleum products, 2013 and 2014.



### 1-3 Spot Tanker Crude Freight Rates

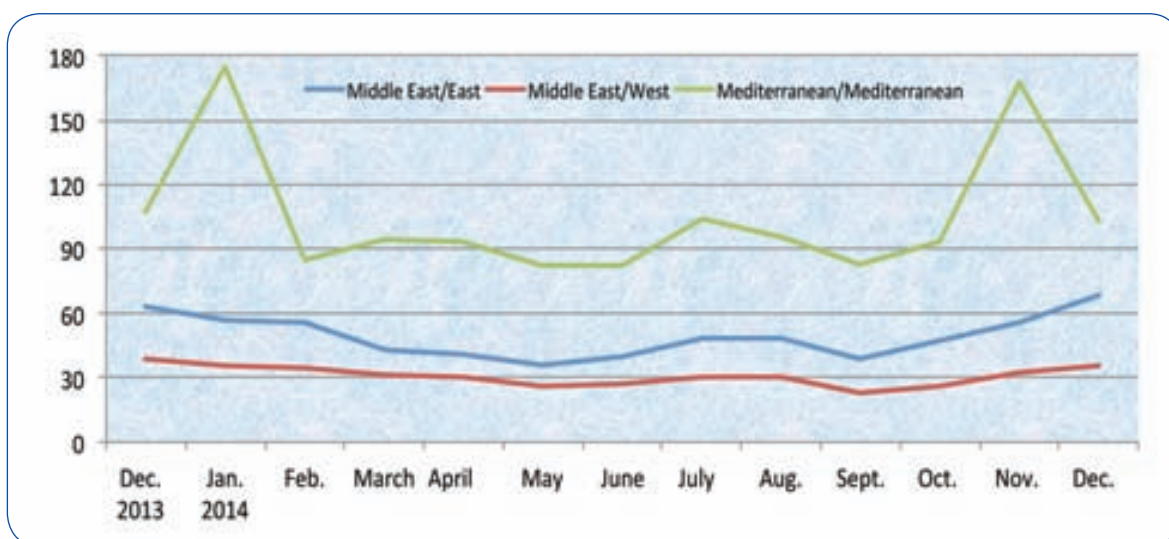
In December 2014, Freight rates for crude oil for tanker size (230-280 thousand deadweight tons (dwt)), leaving Middle Eastern ports to the East, increased by 13 points or 23.2% comparing with previous month to reach 69 points on the World Scale (WS\*), freight rates for crude oil for tanker size (270-285 thousand deadweight tons (dwt)), leaving Middle Eastern ports to the West, increased by 3 points or 9.1% comparing with previous month to reach 36 points on the World Scale (WS), whereas freight rates for inter - Mediterranean for small to medium sized tankers (80-85 thousand deadweight tons (dwt)), decreased by 65 points or 38.7% comparing with previous month to reach 103 points on the World Scale (WS).

Figure (4) shows the freight rates for crude oil to all three destinations from December 2013 to December 2014.

Figure - 4

Monthly Spot Crude Oil Tanker Freight Rates, 2013 -2014

(World Scale)\*



\* World Scale is a method for calculating freight prices. One point for the WS means 1% of the standard price of freight in the direction in the WS book, which is published annually by the World Scale Association. The book contains a list of prices in the form of US dollar per ton, called "World Scale 100," for all the major routes in the world.

### 1-4 Spot Tanker Product Freight Rates

In December 2014, monthly spot Tanker freight rates for petroleum products [for tanker size 30-35 thousand deadweight tons (dwt)], leaving Middle Eastern ports to the East, decreased by 11 points, or 8.7% comparing with previous month to reach 115 points on WS. freight rates for Petroleum



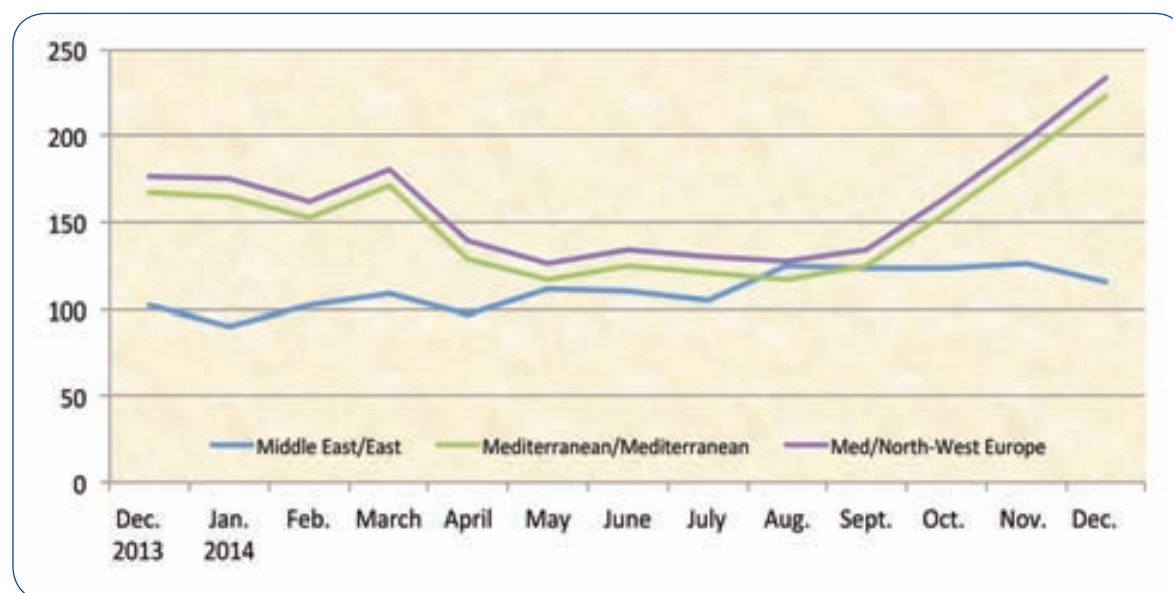
Products across Mediterranean [for tanker size 30-35 thousand deadweight tons (dwt)], increased by 35 points, or 18.6% to reach 223 points on WS, similarly freight rates for petroleum products [for tanker size 30-35 thousand deadweight tons (dwt)], leaving Mediterranean to North-West Europe increased by 35 points, or 17.7% to reach 233 points on WS.

Figure (5) shows the freight rates for oil products to all three destinations from December 2013 to December 2014.

Table (5) and (6) in the annex show crude and products Tankers Freight Rates, 2012-2014.

**Figure - 5 Monthly Spot Product Tanker Freight Rates, 2013 -2014**

(World Scale)



## 2. Supply and Demand

Preliminary estimates in January 2015 show a decrease in world oil demand by 1.5% or 1.4 million b/d, comparing with the previous month to reach 93.2 million b/d, representing an increase of 0.8 million b/d from their last year level.

Demand in OECD countries decreased by 2.6% or 1.2 million b/d comparing with their previous month level to reach 45.5 million b/d, representing an increase of 0.2 million b/d from their last year level. and demand in Non-OECD countries decreased by 0.4% or 0.2 million b/d comparing with their previous month level to reach 47.7 million b/d, representing an increase of 0.6 million b/d from their last year level.





On the supply side, preliminary estimates show that world oil supplies for January 2015 increased by 0.1% or 0.1 million b/d comparing with the previous month level to reach 96.6 million b/d, a level that is 3.8 million b/d higher than last year.

In January 2015, OPEC crude oil and NGLs/condensates total supplies decreased by 0.3% or 0.1 million b/d comparing with the previous month level to reach 37.1 million b/d, a level that is 1.1 million b/d higher than last year. and Preliminary estimates show that Non-OPEC supplies increased by 0.3% or 0.2 million b/d comparing with the previous month level to reach 59.5 million b/d, a level that is 2.7 million b/d higher than last year.

Preliminary estimates of the supply and demand for January 2015 reveal a surplus of 3.4 million b/d, compared to a surplus of 1.9 million b/d in December 2014 and a surplus of 0.4 million b/d in January 2014, as shown in [table \(2\)](#) and [figure \(6\)](#):

[Tables \(7\)](#) and [\(8\)](#) in the annex show world oil demand and supply for the period 2012-2014.

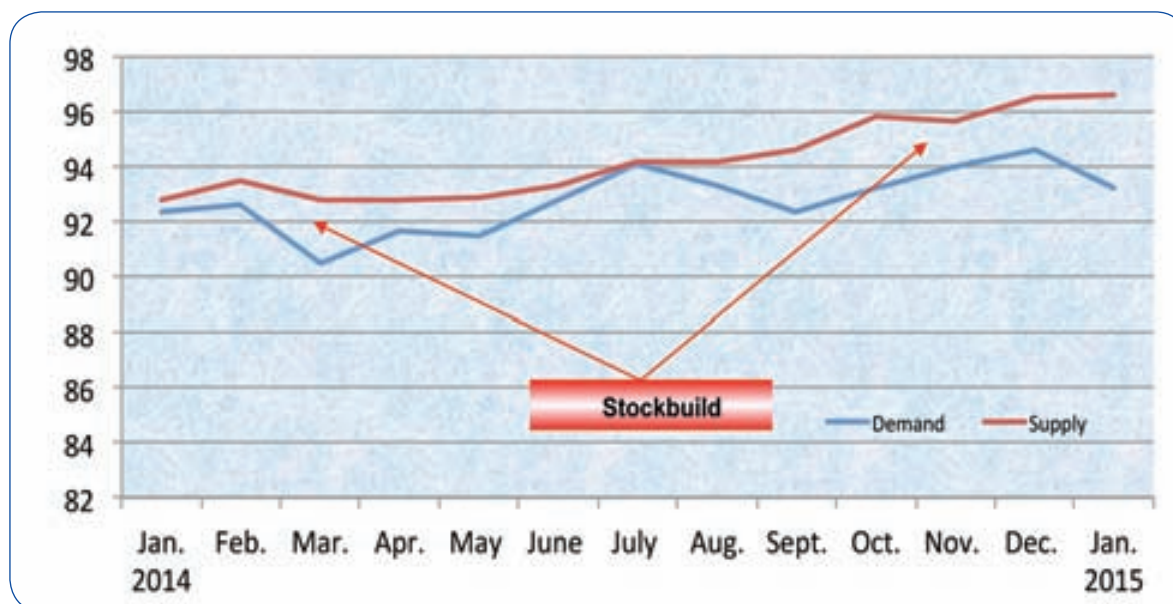
**Table 2** **World Supply and Demand** (Million b/d)

	<i>January 2015</i>	<i>December 2014</i>	<i>Change from December 2014</i>	<i>January 2014</i>	<i>Change from January 2014</i>
<i>OECD Demand</i>	45.5	46.7	-1.2	45.3	0.2
<i>Rest of the World</i>	47.7	47.9	-0.2	47.1	0.6
<i>World Demand</i>	<b>32.2</b>	<b>94.6</b>	<b>-1.4</b>	<b>92.4</b>	<b>0.8</b>
<i>OPEC Supply:</i>	37.1	37.2	-0.1	36.0	1.1
<i>Crude Oil</i>	30.3	30.5	-0.2	29.6	0.7
<i>NGL's &amp; Cond.</i>	6.8	6.7	0.1	6.4	0.4
<i>Non-Opec Supply</i>	57.2	57.0	0.2	54.4	2.8
<i>Processing Gain</i>	2.3	2.3	0.0	2.4	-0.1
<i>World Supply</i>	<b>96.6</b>	<b>96.5</b>	<b>0.1</b>	<b>92.8</b>	<b>3.8</b>
<i>Balance</i>	<b>3.4</b>	<b>1.9</b>		<b>0.4</b>	

Source: Energy Intelligence Briefing February 6, 2015.


**Figure - 6 World Supply and Demand**

(Million b/d)



### 3.Oil Trade

#### USA

In December 2014, US crude oil imports increased by 208 thousand b/d or 2.8% comparing with the previous month level to reach 7.5 million b/d, and US oil products imports increased by 451 thousand b/d or 27.3% to reach about 2.1 million b/d.

On the export side, US crude oil exports decreased by 12 thousand b/d to reach about 381 thousand b/d, and US products exports decreased by 118 thousand b/d or 3.4% comparing with the previous month level to reach 3.4 million b/d. As a result, US net oil imports in December 2014 were 789 thousand b/d or nearly 15.6% Higher than the previous month, averaging 5.9 million b/d.

Canada remained the main supplier of crude oil to the US with 43% of total US crude oil imports during the month, followed by Saudi Arabia then Mexico with 10%. OPEC Member Countries supplied 34% of total US crude oil imports.

#### Japan

In December 2014, Japan's crude oil imports increased by 476 thousand b/d or 15.5% comparing with the previous month to reach 3.6 million b/d. Whereas Japan oil product imports decreased by 15 thousand b/d or 2.1% comparing with the previous month to reach 685 thousand b/d.



On the export side, Japan's oil products exports decreased in December 2014, by 30 thousand b/d or 6.7% comparing with the previous month, averaging 514 thousand b/d. As a result, Japan's net oil imports in December 2014 increased by 490 thousand b/d or 15.2% to reach 3.7 million b/d, the Highest level since March 2014.

Saudi Arabia remained the main supplier of crude oil to Japan with 31% of total Japan crude oil imports, followed by UAE with 23% and Russia with 11% of total Japan crude oil imports.

### China

In December 2014, China's crude oil imports increased by 972 thousand b/d or 16% to reach 7.2 million b/d, and China's oil products imports increased by 152 thousand b/d or 16% to reach 1.1 million b/d.

On the export side, China exported 57 thousand b/d of crude oil following three months with no exports. China's oil products exports increased by 71 thousand b/d or 10% to reach 771 thousand b/d. As result, China's net oil imports reached 7.5 million b/d, representing an increase of 15.4% comparing with the previous month.

Saudi Arabia remained the main supplier of crude oil to China with 15% of total China's crude oil imports during the month, followed by Angola with 13% and Russia with 12% of total China's crude oil imports.

Table (3) shows changes in crude and oil products net imports/(exports) in December 2014 versus the previous month:

**Table 3** USA, Japan and China Crude and Product Net Imports / Exports ( Million bbl/d)

	Crude Oil			Total Products		
	December 2014	November 2014	Change from November 2014	December 2014	November 2014	Change from November 2014
USA	7.150	6.930	0.220	-1.288	-1.857	0.569
Japan	3.553	3.077	0.476	0.170	0.156	0.014
China	7.115	6.200	0.915	0.343	0.081	0.081

Source: OPEC Monthly Oil Market Report, various issues 2014.





## 4. Oil Inventories

In December 2014, OECD commercial oil inventories decreased by 5 million barrels to reach 2701 million barrels – a level that is 135 million barrels higher than a year ago. It is worth mentioning that during the month, commercial crude inventories in OECD increased by 2 million barrels to reach 998 million barrels, whereas commercial oil products inventories decreased by 7 million barrels to reach 1703 million barrels.

Commercial oil inventories in Americas increased by 24 million barrels to reach 1446 million barrels, of which 546 million barrels of crude and 900 million barrels of oil products. Commercial oil Inventories in Europe decreased by 7 million barrels to reach 870 million barrels, of which 298 million barrels of crude and 572 million barrels of oil products. Commercial oil inventories in Pacific decreased by 22 million barrels, to reach 385 million barrels, of which 154 million barrels of crude and 231 million barrels of oil products.

In the rest of the world, commercial oil inventories increased by 51 million barrels to reach 2572 million barrels, and the Inventories at sea increased by 1 million barrels to reach 1044 million barrels.

As result, Total Commercial oil inventories in December 2014 increased by 46 million barrels comparing with the previous month to reach 5273 million barrels – a level that is 441 million barrels higher than a year ago.

Strategic inventories in OECD-34, South Africa and China increased by 2 million barrels comparing with the previous month to reach 1758 million barrels – a level that is 15 million barrels higher than a year ago.

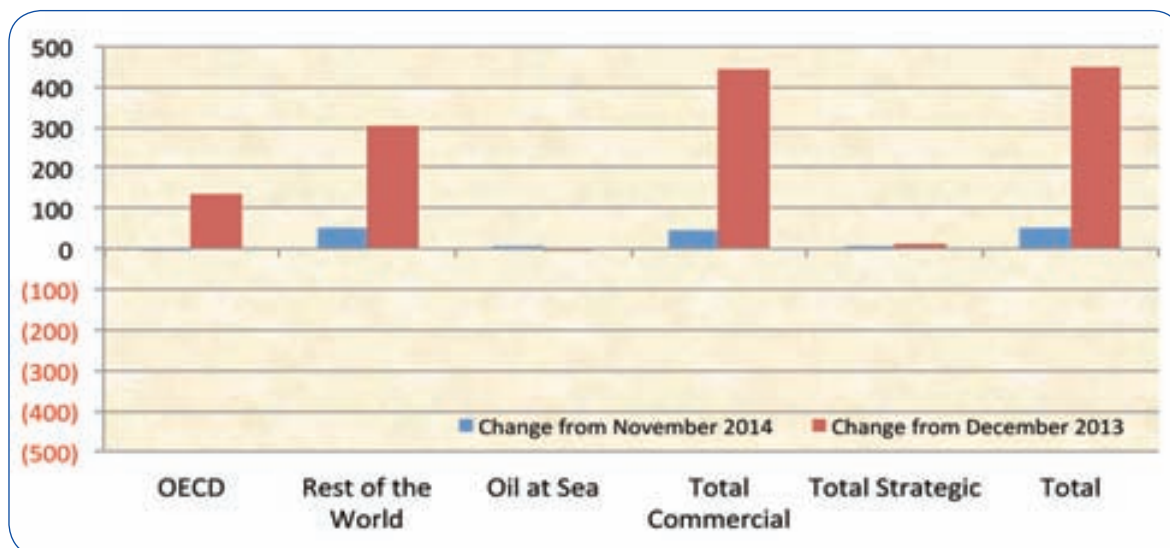
Total world inventories, at the end of December 2014 were at 8075 million barrels, representing an increase of 49 million barrels comparing with the previous month, and an increase of 451 million barrels comparing with the same month a year ago.

Table (9) in the annex and figure (7) show the changes in global inventories prevailing at the end of December 2014.



**Figure - 7** Changes in Global Inventories at the End of December 2014

(Million bbl)



## II. The Natural Gas Market

### 1- Spot and Future Prices of Natural Gas in US market

The monthly average of spot natural gas price at the Henry Hub in January 2014 decreased by \$0.19/million BTU comparing with the previous month to reach \$3.00/ million BTU.

The comparison, shown in table (4), between natural gas prices and those for the WTI crude and low sulfur fuel oil reveal differential of \$5.2/ million BTU in favor of WTI crude and \$6.1/ million BTU in favor of low sulfur fuel oil.

**Table 4** Henry Hub Natural Gas, WTI Crude Average, and Low Sulfur Fuel Oil Spot Prices, 2014-2015 (Million BTU<sup>1</sup>)

	Jan. 2014	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. 2015
Natural Gas <sup>(2)</sup>	3.3	5.8	3.8	4.7	4.6	4.1	3.8	3.9	3.9	3.9	4.1	3.2	3.0
WTI Crude <sup>(3)</sup>	16.4	17.4	17.3	17.6	17.6	18.1	17.7	16.6	16.1	14.6	13.1	10.3	8.2
Low Sulfur Fuel Oil (0.3%)	19.0	20.7	18.3	18.0	17.1	16.9	17.4	16.4	15.9	14.2	13.2	11.0	9.1

1. British Thermal Unit.

2. Henry Hub spot price.

3. WTI – West Texas Intermediate Crude oil price, in dollars per barrel, is converted to dollar per million BTU using a conversion factor of 5.80 million BTU/bbl.

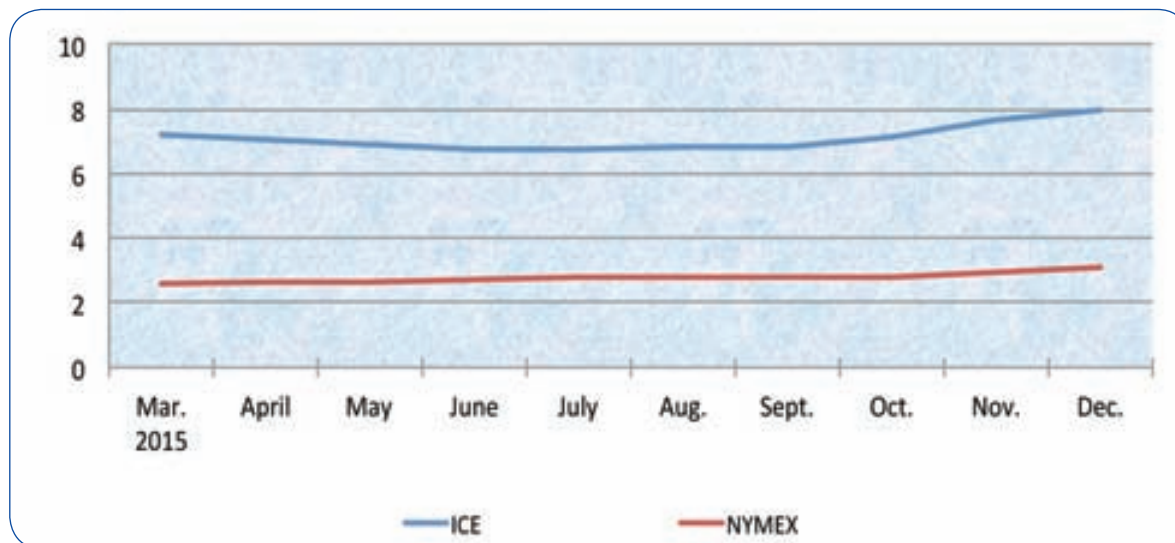
Source: World Gas Intelligence February 4, 2015.



Futures gas prices recorded on February 9, 2015, indicate that those quoted at the London's ICE were higher than those quoted at the NYMEX for the period from March 2015 to December 2015, with maximum differential of \$4.87/ million BTU in December 2015. These developments are shown in figure (8).

**Figure - 8 Gas Futures, February 9, 2015**

(\$/Million BTU)



Source: World Gas Intelligence February 11, 2015.

## 2- Asian LNG Markets

In December 2014, the price of Japanese LNG imports increased by \$0.03/million BTU comparing with the previous month to reach \$15.6/ million BTU, the price of Chinese LNG imports increased by \$0.5/million BTU comparing with the previous month to reach \$12.1/ million BTU, and the price of Korean LNG imports increased by \$0.2/million BTU comparing with the previous month to reach \$16.1/ million BTU.

Total Japanese, Korean and Chinese LNG imports from various sources, increased by 25.9% or 2997 thousand tons from the previous month level to reach 14.563 million tons.

The Arab countries LNG exports to Japan, Korea and China totaled 5.412 million tons - a share 37.2% of total Japanese, Korean and Chinese LNG imports.

Table (5) shows the prices and quantities of LNG imported by Japan, South Korea, and China for the period 2009-2014.



**Table 5** LNG Prices and Imports: Korea, Japan, and China 2009-2014

	Imports				10.Average Import Price		
	(thousand tons)				(\$/million BTU)		
	Japan	Korea	China	Total	Japan	Korea	China
<b>2009</b>	<b>64492</b>	<b>25847</b>	<b>5532</b>	<b>95871</b>	<b>9.0</b>	<b>10.0</b>	<b>4.4</b>
<b>2010</b>	<b>70008</b>	<b>32466</b>	<b>9295</b>	<b>111769</b>	<b>10.8</b>	<b>10.4</b>	<b>6.1</b>
<b>2011</b>	<b>78411</b>	<b>36679</b>	<b>12215</b>	<b>127305</b>	<b>14.7</b>	<b>12.5</b>	<b>9.1</b>
<b>2012</b>	<b>87184</b>	<b>36399</b>	<b>14698</b>	<b>138281</b>	<b>16.6</b>	<b>14.5</b>	<b>10.8</b>
<b>2013</b>	<b>87490</b>	<b>40175</b>	<b>17997</b>	<b>145662</b>	<b>16.0</b>	<b>14.7</b>	<b>11.1</b>
<b>Jan. 2013</b>	8230	3982	1505	13717	15.9	14.8	11.5
<b>February</b>	7525	4144	1412	13081	16.5	15.0	13.3
<b>March</b>	7739	4174	1257	13170	16.3	15.2	10.5
<b>April</b>	7050	3513	1559	12122	16.2	14.3	10.9
<b>May</b>	6421	2915	1352	10688	16.2	14.6	9.1
<b>June</b>	6442	2788	1250	10480	16.6	14.9	11.0
<b>July</b>	7412	2426	1347	11185	16.2	14.9	10.8
<b>August</b>	7249	3271	1689	12209	15.6	14.7	11.5
<b>September</b>	6582	2476	1517	10575	15.0	14.9	11.8
<b>October</b>	7538	3189	1356	12083	15.2	14.4	9.4
<b>November</b>	7217	3277	1318	11812	15.4	14.5	9.5
<b>December</b>	8085	4020	2435	14540	16.4	14.6	13.8
<b>Jan. 2014</b>	8179	4451	2652	15282	16.7	15.5	13.3
<b>February</b>	7511	4194	1498	13203	16.8	16.5	11.7
<b>March</b>	8044	4115	1479	13638	16.6	16.5	12.0
<b>April</b>	7212	3220	1375	11807	16.8	16.4	10.8
<b>May</b>	6495	2212	1579	10286	16.3	16.3	11.4
<b>June</b>	6821	2207	1343	10371	16.1	16.6	11.2
<b>July</b>	7838	2182	1835	11855	16.1	16.3	10.3
<b>August</b>	7050	2543	1582	11175	15.7	16.2	11.7
<b>September</b>	7276	2302	1394	10972	15.2	16.5	12.2
<b>October</b>	6944	2755	1381	11080	15.9	16.2	12.3
<b>November</b>	6877	2932	1757	11566	15.6	15.9	11.6
<b>December</b>	8258	4289	2016	14563	15.6	16.1	12.1

Source: World Gas Intelligence various issues.



## Oman

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Omani Oil and Gas Ministry's monthly report said that Oman crude oil and condensates production in January 2015 was 29,769,604 barrels, or 960,310 barrels per day. And the total Oman crude oil volume exported in January 2015 reached about 25,223,568 barrels, or 813,663 barrels per day, marking an increase of 5.10% compared to December 2014 when calculating daily average.

## Korea

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Consumption of petroleum products in South Korea hit a three-year low in 2014 despite a sharp fall in oil prices. A total of 823 million barrels of domestically refined petroleum products were sold in 2014, down 0.38 percent from 2013, according to data by the Korea National Oil Corporation (KNOC).

The state-funded Korea Energy Economics Institute (KEEI) forecast that the domestic petroleum consumption will gain 1.8 percent this year when assuming the Korean economy grows 3.4 percent and the average price of Dubai crude stays at \$63.3 per barrel.

## Pakistan

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The Pakistani Government awarded Kuwait Foreign Petroleum Exploration Company K.S.C. (KUFPEC) an exploration license and petroleum concession agreement for exploration rights in the Paharpur Block northern the country.

The Paharpur Block is located in D.I. Khan District and covers an area of approximately 2,261 Square Km. According to the agreement, as the Operator, KUFPEC will partner with State Oil and Gas Company of Khyber Pakhtunkhwa and other national exploration and production companies of Pakistan. Paharpur Block will be KUFPEC's second operated asset in the country and its first in Khyber Pakhtunkhwa. KUFPEC also operates the Jati Exploration Block in Sindh.

On another note, Pakistan announced on 13 March 2015 that it signed an agreement with Qatar for the import of Liquefied Natural Gas (LNG) in order to reduce the cost of power generation. Federal Minister for Petroleum and Natural Resources said that the first shipment of LNG will reach Pakistan by the end of March. He added that the power generation cost through LNG will reduce by 40 per cent as compared to diesel.



**Tables Annex**





## OAPEC AWARD FOR SCIENTIFIC RESEARCH FOR THE YEAR 2016

Pursuant to its policy of encouraging scientific research by awarding two prizes on a biennial basis (First Prize KD 7000, Second Prize KD 5000, equivalent to USD \$24000 and USD \$17000), upon the resolution number 1/139 of OAPEC Executive Bureau at its meeting dated 12/10/2014. The Organization of Arab Petroleum Exporting Countries (OAPEC) is pleased to announce that the research topic selected for the “OAPEC Award for Scientific Research for the Year 2016” is:

### “Re-Refining of Used Lubricating Oils and its Economic & Environmental Implications”

#### Research Theme

OAPEC members’ increasing interest in re-refining of used lubricating oils comes in line with their efforts to improving the performance of oil industry, seizing the added value opportunities, and maximizing the utilization of their natural resources, in addition to enhance their compliance with the requirements of the legislation related to environment protection.

The following main issues are suggested for the research, to which the researcher is encouraged to add other suitable aspects:

- 1- Historical overview of used lube oils re-refining processes.
- 2- Sources and evaluation of used lube oils.
- 3- Types of used lube oils re-refining processes.
- 4- Environmental implications of re-refining of used lube oils.
- 5- Economic viability of the re-refining process and its role in improving the added value of oil industry and natural resources conservation.
- 6- Examples and case studies of used oils re-refining projects worldwide and in Arab countries.
- 7- Conclusions and recommendations.

#### Conditions for Submitting the Research

- 1- The research may be submitted by one or more author(s). Institutions and organizations are excluded.
- 2- The research submitted must be new and original, and has not been granted an award previously.
- 3- The author(s) shall agree in advance to give OAPEC the right to print and publish the research in case his/her/their win one of the prizes. A signed statement to this effect must be submitted with the research (sample provided below). The author(s) will maintain all other rights, including patent rights (if applicable). OAPEC shall not exercise its right to publish the winning research for a period of six months commencing with the date of advising the winning author (s) with the decision of the Award Committee.

- 4- A statement by the author(s), attesting that the research is original. Segments fully or partially adopted from other sources should be properly cited. A detailed list of all references used must also be attached.
- 5- Four hard copies and a digital copy of the research (either in Arabic or English) should be submitted, along with the Curriculum Vitae of each researcher, to the Organization of Arab Petroleum Exporting Countries.
- 6- The deadline for submitting the research is 31st May, 2016. No submission will be accepted after that date.
- 7- Prizes are awarded to individuals of all nationalities advised of the Award Committee's decision.
- 8- **The award will not be presented twice consecutively to the same recipient.**
- 9- Any research that does not fulfill the above conditions shall be disregarded.

Researchers will be notified by OAPEC Secretariat of the Award Committee's decision. The winners will be officially announced at the end of the OAPEC's Ministerial Council in 2016.

For further information you may contact the OAPEC General Secretariat at:

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**Organization of Arab Petroleum Exporting Countries (OAPEC)**  
**OAPEC AWARD FOR SCIENTIFIC RESEARCH FOR THE YEAR 2016**

**TOPIC**

**“Re-Refining of Used Lubricating Oils and its Economic and Environmental Implications”**

Statement of relinquishment of printing and publication right for the research

I, undersigned:

Hereby undertake to relinquish all printing and publications right of the research submitted by me entitled:

to the Organization of the Arab Petroleum Exporting Countries (OAPEC), in the event of winning one of the two prizes of OAPEC Award for Scientific Research for the year 2016.

Name: .....

Signature: .....

Date:    /    /