

Kingdom of Bahrain



الهيئة الوطنية للنفط و الغاز
NATIONAL OIL & GAS AUTHORITY

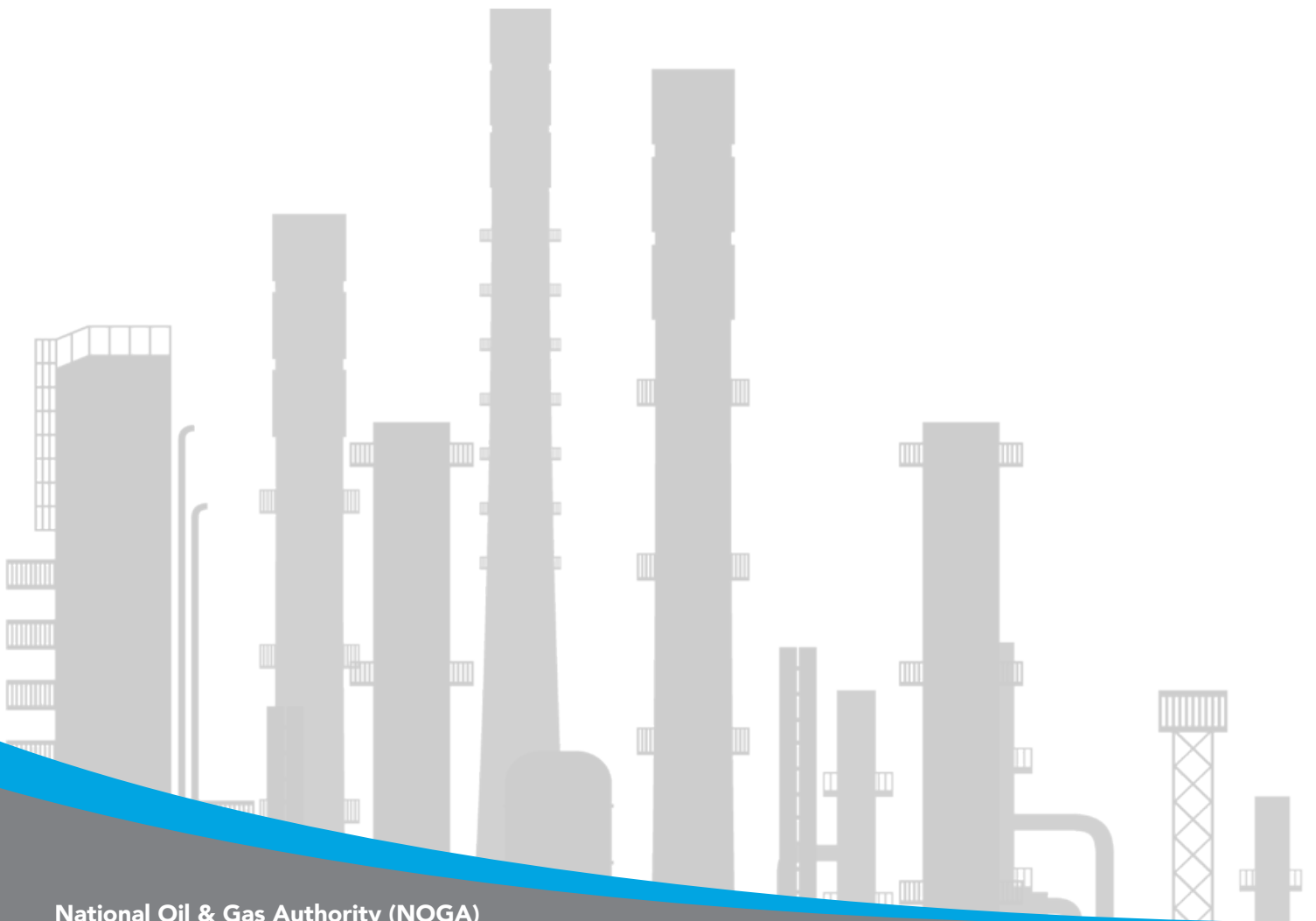
NATIONAL OIL & GAS AUTHORITY (NOGA)

ANNUAL REPORT

2015



2030
البحرين
BAHRAIN



National Oil & Gas Authority (NOGA)

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February 2016



His Royal Highness
Prince Khalifa bin Salman Al Khalifa
The Prime Minister



His Majesty
King Hamad bin Isa Al Khalifa
The King of The Kingdom of Bahrain



His Royal Highness
Prince Salman bin Hamad Al Khalifa
The Crown Prince, Deputy
Supreme Commander and
First Deputy Prime Minister



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Dr. Abdul Hussain bin Ali Mirza
Minister of Energy

Foreword

I am pleased to present the 11th Annual Report of the National Oil and Gas Authority (NOGA), which highlights the achievements and activities of the Authority since its founding in 2005 following the Royal Decree No. (63), of 2005. The decree established NOGA as the organization responsible for the oil and gas sector in the Kingdom of Bahrain, which reflects its leading role in the development process of our beloved country. This report codifies the oil strategy of the Kingdom of Bahrain, international cooperation, projects, joint ventures, international participation, oil and gas agreements, conferences and exhibitions organized or co-organized by NOGA as well as developments related to the production volume and export of oil and gas, legislation, orders and administrative modernization in the sector.

It is my pleasure to present this report to all oil and gas sector enthusiasts, observers and specialists as well as the media as a document that defines key information about one of the leading sectors of our national economy. We have taken care to make it an important reference guide to follow-up on our achievements and oil projects, to access data and statistics and explore future trends.

The most important achievement of the oil and gas sector in Bahrain during the year was the signing of a gas supply agreement between the Bahrain Petroleum Company (Bapco), and Aluminium Bahrain (Alba), which is the largest gas deal since the establishment of NOGA ten years ago. It represented a certain historical launch of a new development phase in Alba, by adding a sixth production line.



The year saw the signing of an agreement for laying a new oil pipeline connecting Bahrain and Saudi Arabia replacing a decades-old pipeline. This was again a big event in the modern history of oil due to its significance in supporting the oil and gas sector in the country. The year also saw the signing of the liquefied natural gas (LNG) terminal agreement, which will cost 250 million dinars. Government of Bahrain, represented by nogaholding signed the LNG terminal construction and operation agreement.

I am confident to say that all the 2015 achievements was made possible by the grace of God and the unfailing support and guidance from the country's leadership to this vital sector, and the dedication of the NOGA management and all employees in the oil and gas sector, whose efforts and contributions, which were behind the accomplishment.

May God grant all of us more determination to achieve our ambitious goals for the advancement of the economy of our dear country under the earnest guidance of our wise leaders.

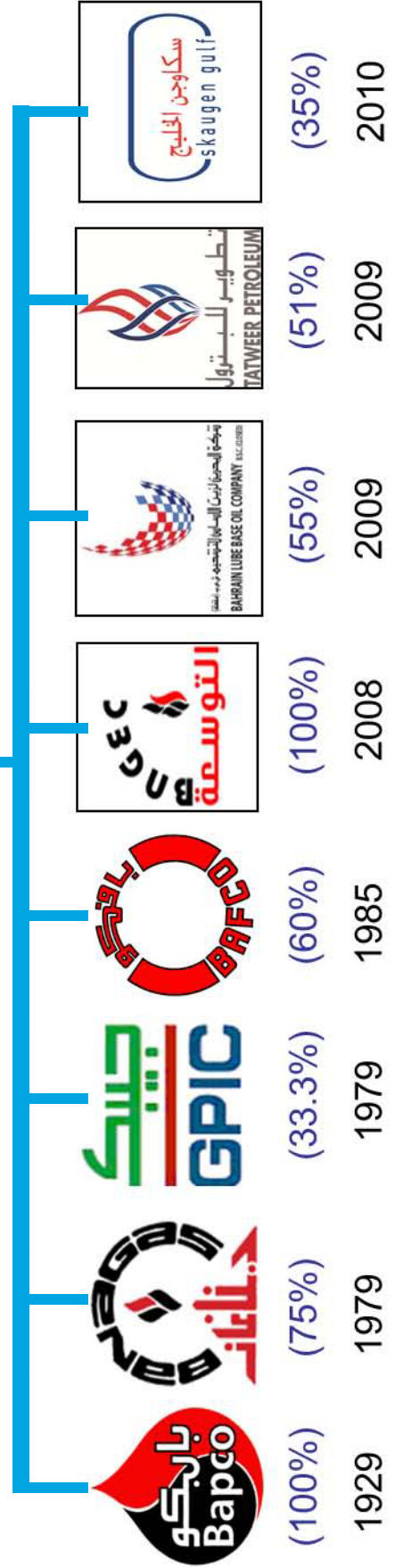
Oil & Gas Organizational Structure

Fuelling Economic Growth



الهيئة الوطنية للنفط و الغاز
NATIONAL OIL & GAS AUTHORITY

2005



Board of Directors



H.E. Dr. Abdul Hussain bin Ali Mirza

Chairman



**H.E. Mr. Rasheed
Mohammed Al - Me'araj**

Member



**H.E. Shaikh Mohammed
bin Khalifa bin Ahmed
Al-khalifa**

Member



**H.E. Mr. Yousif Abdul
Hussain Khalaf**

Member



**H.E. Dr. Fayez Hashim
Al Sada**

Member



**H.E. Shaikh Tariq bin
Mohammed Al-Khalifa**

Member

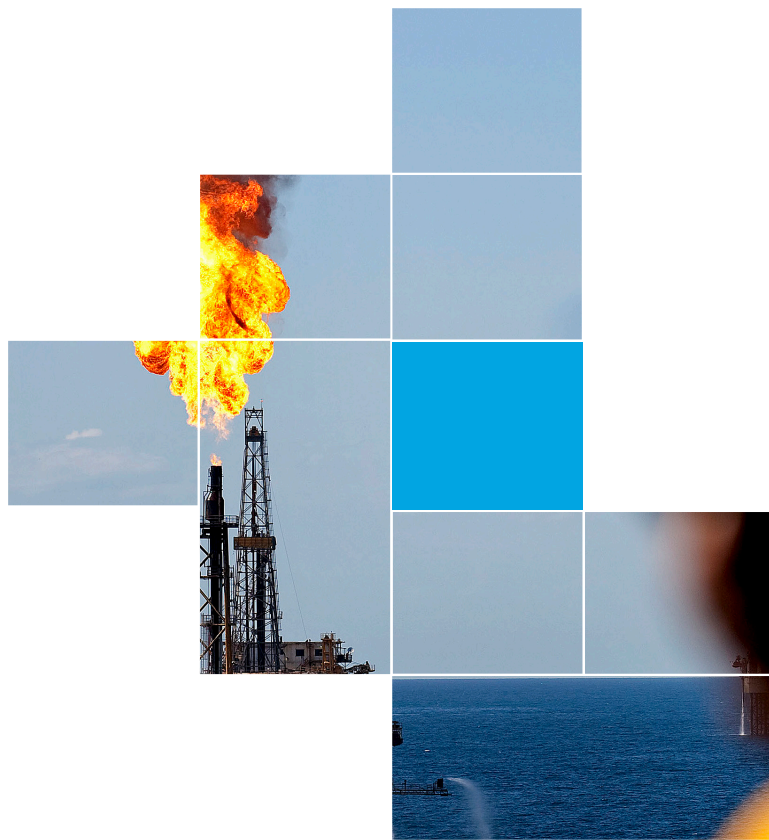


**H.E. Youssef Abdullah
Hamoud**

Member

First

Oil Statistics



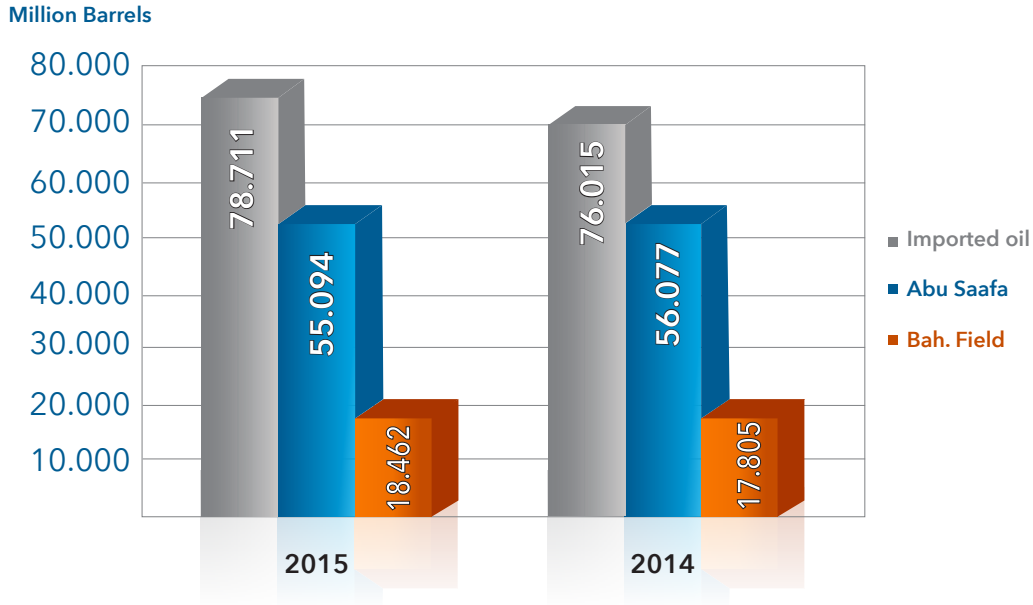
Oil Statistics for 2015 Against 2014

Details	2015	2014	2015	2014
	(Million barrels)		Daily Average	
Bahrain Field	18.462	17.805	50,581	48,780
Abu Saafa Field	55.094	56.077	150,942	153,637
Total	73.556	73.882	201,523	202,417
Crude Oil Import	78.711	76.015	215,648	208,262
Crude Oil Run to Refinery + Feedstock	97.767	97.280	267,854	266,521
Refinery Production	100.987	100.233	276,676	274,612
Local Sales	10.480	10.057	28,712	27,553
Aviation Jet-fuel	3.388	3.070	9,281	8,411
Petroleum Product Export	87.637	87.861	240,102	240,714

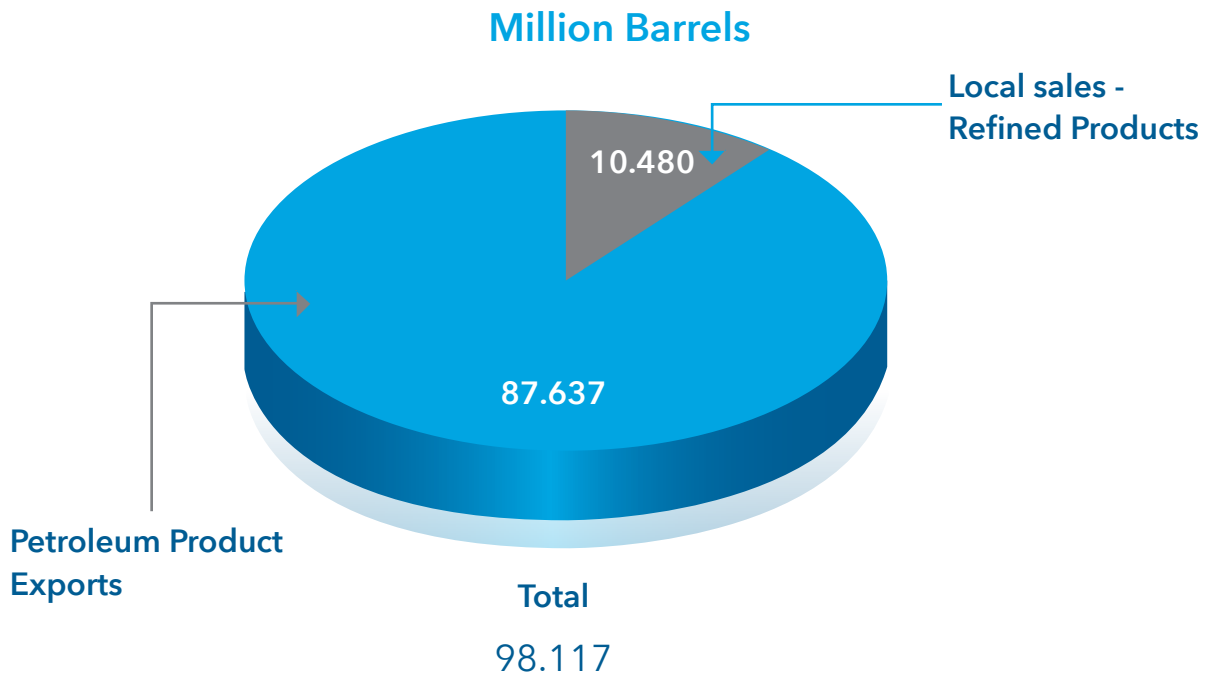
Gas Production Statistics for 2015 Against 2014

Details	Billion Cubic Feet			%
	2015	2014	Diff	
National Gas	519.553	521.613	(2.060)	(0.4)
Associated Gas	232.062	206.812	25.250	12.2
Total	751.615	728.425	23.190	3.2

Oil Production & Imported Crude 2014 - 2015

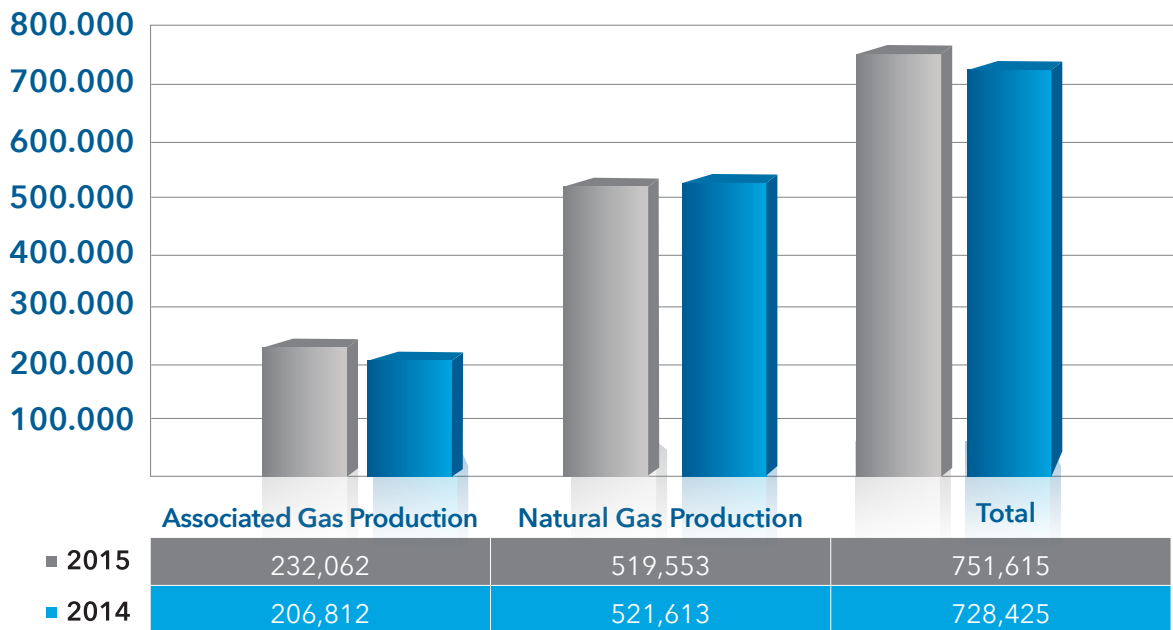


Refinery Production for 2015

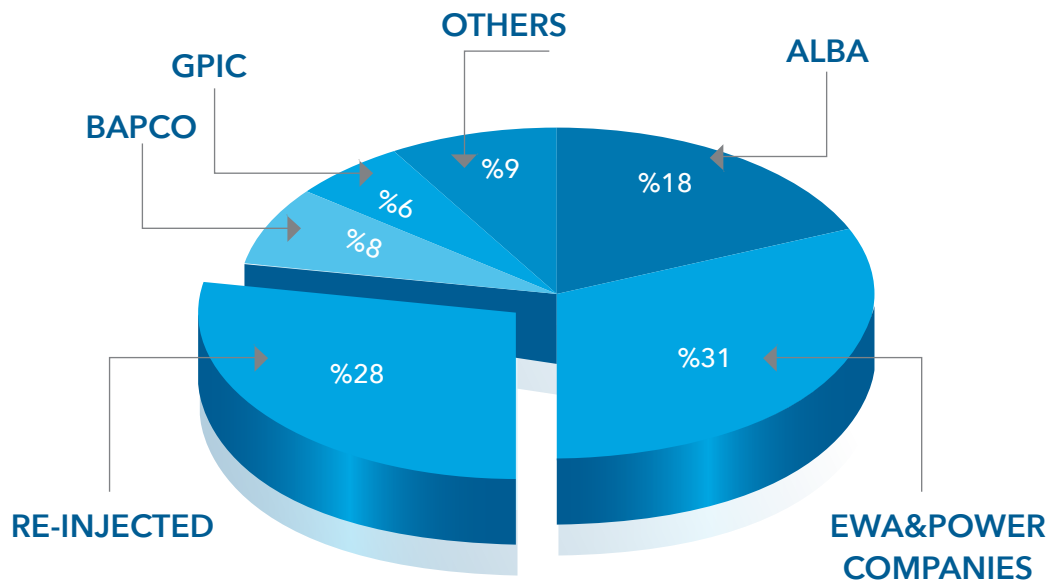


Gas Production During 2015 Against 2014

Million Cubic Feet



Distribution of Gas Consumption for 2015



GULF PETROCHEMICAL INDUSTRIES COMPANY (GPIC)
(PRODUCTION & EXPORT FOR THE YEARS 2015 & 2014 (MT))

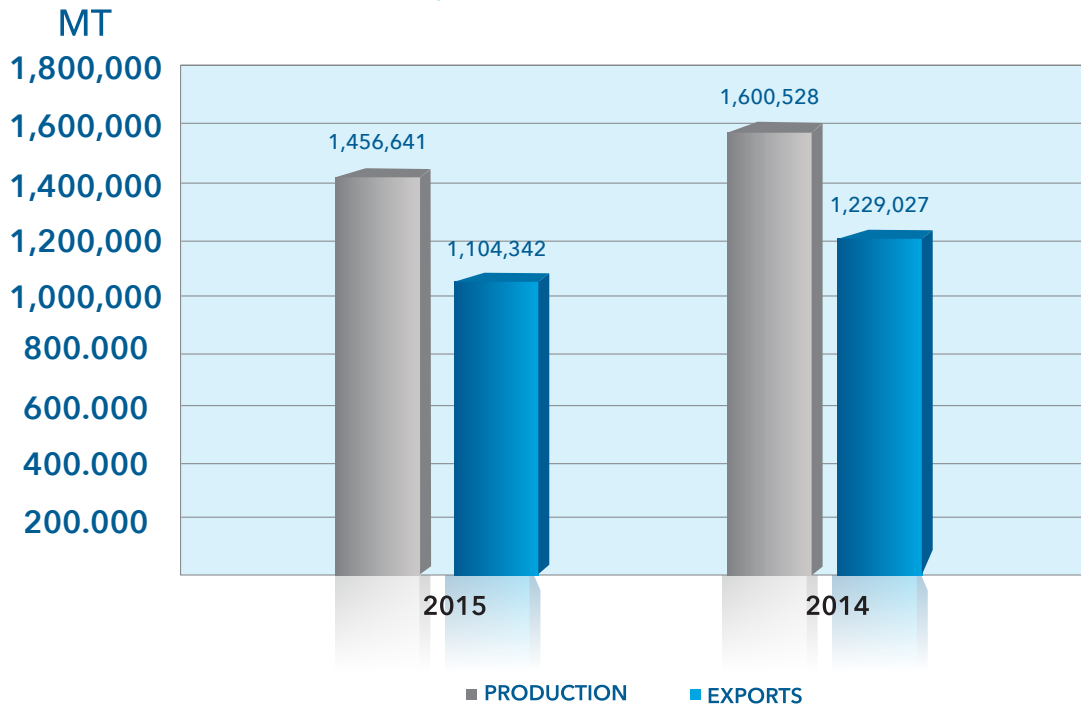
PRODUCTION	2015	2014	DIFF	%
AMMONAI	415,688	453,694	(38,006)	-8
METHANOL	404,478	452,770	(48,292)	-11
UREA	645,475	694,064	(48,589)	-7
TOTAL	1,465,641	1,600,528	(134,887)	-8
EXPORT				
AMMONAI	41,210	70,230	(29,020)	-41
METHANOL	414,806	459,438	(44,632)	-10
UREA	648,326	699,359	(51,033)	-7
TOTAL	1,104,342	1,229,027	(124,685)	-10

BAHRAIN NATIONAL GAS COMPANY (BANAGAS)
(PRODUCTION AND EXPORT FOR THE YEARS 2015 & 2014 (BBLs))

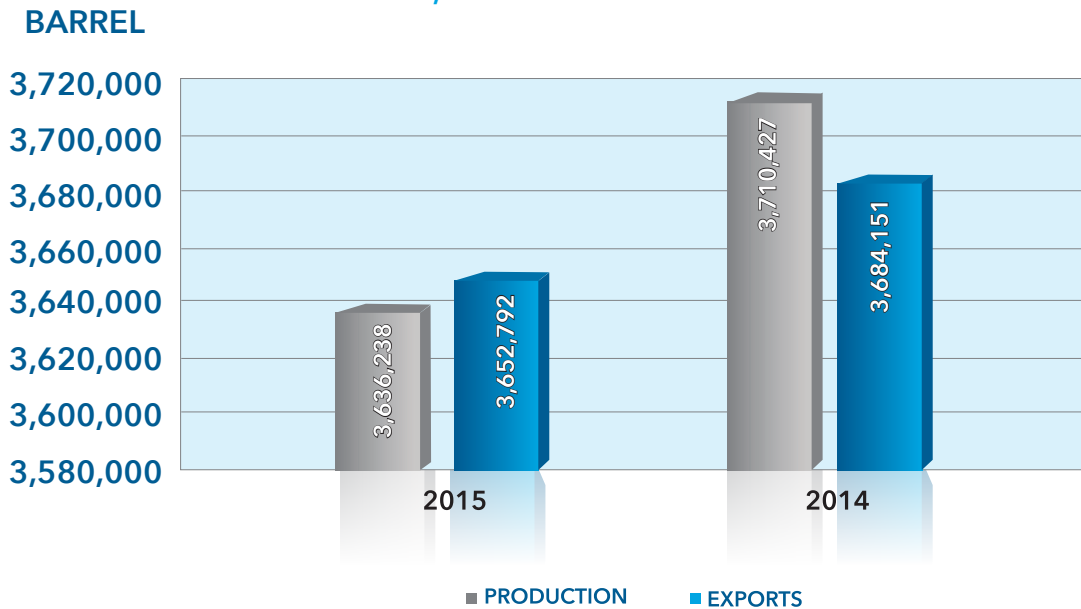
PRODUCTION	2015	2014	DIFF	%
PROPANE	999,599	994,832	4,767	0.5
BUTANE	816,453	832,055	(15,602)	-2
NAPHTHA	1,820,186	1,883,540	(63,354)	-3
TOTAL	3,636,238	3,710,427	(74,189)	-2
EXPORT				
PROPANE	928,759	956,272	(27,513)	-3
BUTANE	833,075	842,421	(9,346)	-1
NAPHTHA	1,890,958	1,885,458	5,500	0.3
TOTAL	3,652,792	3,684,151	(31,359)	-1



GPIC PRODUCTION & EXPORTS OF AMMONIA, METHANOL & UREA 2015 - 2014



BANAGAS PRODUCTION & EXPORTS OF PROPANE, BUTANE & NAPHTHA 2015 - 2014



Second

Oil Projects, Agreements and International Cooperation



Oil Projects:

1. Modernization Project of the Refinery:

This project is of strategic importance and is aimed to raise the productivity level of the Refinery. Established in 1936, the Bahrain Refinery is the first of its kind in the Gulf Cooperation Council (GCC) region. This project aims to enhance the refining capacity of the Refinery and raise its productivity from 260,000 barrels a day to 360,000 barrels a day. The modernization project will contribute to the production of value-added, clean and eco-friendly products.

2. Bahrain LNG Terminal Project:

NOGA & Nogaholding Company signed a LNG Terminal Construction and Operation Project for Bahrain with a consortium of Canadian company Teekay LNG Partners (Teekay LNG), Korean company Samsung C&T and of Kuwait based Gulf Investment Corporation (GIC). The project will be developed on a BOOT (Build-Own-Operate-Transfer) basis. Located in the Hidd industrial area, the project will work towards meeting the growing demand in Bahrain for natural gas for industrial use and urban development.

The project will be developed as a floating gas terminal off northeast coast of Bahrain as a limited liability company, and a joint venture of nogaholding with Teekay LNG, Samsung C&T and GIC. Nogaholding will have 30 % stockholding in the new venture, where Teekay LNG, Samsung C&T and GIC will be 70% joint stakeholders. The cost of the project is BD 250 million, which will be funded by a consortium of regional and international banks.

The project will consist of a Floating Storage Unit (FSU), an offshore LNG receiving jetty, breakwater, and regasification platform, subsea gas pipelines from the platform to shore, onshore gas receiving facility, and onshore nitrogen production facility. The terminal will have an initial capacity of 400 million standard cubic feet per day (expandable to 800 million standard cubic feet per day). It will be owned and operated under a 20-year agreement commencing on third quarter, 2018.



3. New Oil Pipeline Project between Kingdom of Bahrain and Kingdom of Saudi Arabia:

In the presence of Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza contracts for a new oil pipeline project between Kingdom of Bahrain and Kingdom of Saudi Arabia were signed by both the countries at a ceremony. Bahrain Petroleum Company (Bapco) Chairman (late) Shaikh Mohammed bin Khalifa bin Ahmed Al Khalifa and Deputy Board Chairman of Saudi Aramco Mr. Fahad Al Hilal signed the contracts on September 17, 2015.

Saudi Al Rabie Holding company won the contract for building the land line while the UAE based National Petroleum Construction Company will be in charge of the under-sea part of the project.



The agreement is considered a landmark given the key role of the new pipeline in supporting the oil and gas sector and supporting develops in the energy sector and boosting sustainable development in both the countries. The new 115-km pipeline (41 km under water and 74 km on land) is expected to cater to the growing crude oil demand in Bahrain following Bapco Refinery modernisation.

4. Gas Dehydration Unit at Tatweer Petroleum:

Bahrain's Tatweer Petroleum signed a US\$ 100 million contract with Britain's Petrofac to build a Gas Dehydration facility with a capacity of 500 million standard cubic feet per day. It is expected to meet the growing demand for gas in the country.

5. Associated Gas Plant project:

Bahrain National Gas Company (Banagas) is planning to set up an Associated Gas Plant. It issued tenders for engineering, procurement, construction and commissioning of the project to 3 international companies. The tenders were issued through open auctions and was monitored by responsible government bodies for public procurement of contracts in the Kingdom of Bahrain, on December 3, 2015 for the construction work of Banagas LNG plant.

6. Deep gas project:

The project aims to explore deep gas resources in the Kingdom of Bahrain in the context of key initiatives to serve the needs of and meet the growing gas and energy demand in the country. NOGA has invited international companies to participate in deep gas exploration.

B. Agreements:

1. Gas supply agreement between Bahrain Petroleum Company (Bapco) and Aluminium Bahrain (Alba):

A natural gas supply agreement was signed at the NOGA office on November 26, 2015 between Bahrain Petroleum Company (Bapco) and Aluminium Bahrain (Alba) in the presence of Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza and Alba Chairman H.E. Shaikh Daij bin Salman bin Daij Al Khalifa.



The Minister congratulated the wise leadership of the Kingdom of Bahrain and as well as Bapco and Alba for signing the key agreement, sealing one of the largest gas supply deals signed since the founding of NOGA ten years ago.

H.E. Dr. Mirza said that supplying gas for Alba's sixth smelter indicated the leadership's keenness to support industrial development in the Kingdom, so as to achieve the goals outlined in the Bahrain Economic Vision 2030 regarding diversification of revenue sources.

2. Establishing Co-owned Company:

An agreement was signed to establish a co-owned company by nogaholding and Kuwait's Petrochemical Industries Company, in a key project to improve contribution to national economy so as to help the development of oil, gas and petrochemical sector.

3. Memorandum of Understanding between NOGA and Bahrain Businessmen's Association:

Under the patronage of Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza, a Memorandum of Understanding (MoU) was signed between the National Oil and Gas Authority (NOGA) and Bahraini Businessmen's Association (BBMA) on June 23. H.E. Dr. Mirza signed the MoU on behalf of NOGA and BBMA Board Chairman Mr. Ahmed Abdulla bin Hindi signed it for the association at a ceremony held at the NOGA office.

This was the first joint cooperation between NOGA and BBMA in areas such as business promotion and boosting Bahrain's economy. The Minister said the move would enhance strong relations between government sector and business community and stimulate sustainable development programs Bahrain government hopes to achieve.

4. NOGA Signs MoU with United Nations Environment Programme:

A Memorandum of Understanding (MoU) was signed at the NOGA office on May 19, 2015 between National Oil and Gas Authority (NOGA) and the United Nations Environment Programme (UNEP). The MoU was signed by Energy Minister H.E. Dr. Abdul Hussain bin Ali Mirza on behalf of the NOGA and by the Regional Director and West Asia Representative of UNEP, Dr. Iyad Abumoghli.

The MoU aims to promote cooperation between NOGA and UNEP in environmental management for companies including ecosystems, clean energy, energy efficiency, climate change, clean production, technology transfer, hazardous chemicals and solid waste management. The project will be implemented through joint initiatives and events.

C. International Cooperation:

1. Canadian Company Katch Kan Opens Middle East office in Bahrain:

Minister of Energy H.E. Dr. Abdul Hussain bin Ali Mirza opened the office of Canadian oil and gas industry solution provider Katch Kan on February 8, 2015 in the presence of the Canadian Ambassador to Saudi Arabia, Bahrain, Oman and Yemen H.E. Thomas MacDonald, Katch Kan CEO Mr. Quinn Holtby and a number of invitees. The company will provide security and safety solutions to oil well workers and protect the environment using the latest technology and modern devices.

The Minister said NOGA welcomed foreign investments, and played a vital role in attracting investments in energy sector support services. He said the country was keen to overcome all challenges by creating a fertile environment for business growth and investment so as to achieve development and prosperity.



2. Opening of New Headquarters of Well Flow International:

Minister of Energy opened on October 7, 2015 the new headquarters of Well Flow International, an independent wellbore clean-up solutions provider, at Fakhro Towers in Sanabis, as the company celebrated its 16th anniversary in partnership with holding company (Group 42). The Minister opened on October 7, 2015 the new Well Flow office in the presence of Mr. Paul Bell, the Chief Executive Officer of the company and global head of its parent company Group 42. Also present at the occasion were a number of dignitaries and officials from the oil and gas sector companies in Bahrain. Group 42 is a US based international innovative energy services provider. Established in 1997, the company works with multinational energy companies and has many years of experience in the application of technology-oriented solutions.

3. Visit of Hungarian Oil Company Delegation to Bahrain:

Minister of Energy gave a detailed presentation about oil companies in Bahrain highlighting investment opportunities in the energy sector in the country to a visiting high-level Hungarian oil company delegation. Speaking to the delegation, who were in Bahrain in October, the Minister pointed out NOGA's upcoming and most promising strategic projects and developmental programs. The delegation discussed with the Minister various oil and gas issues and the global oil market. They discussed the scope of sharing expertise, investment and business opportunities and trade cooperation between Bahrain and Hungary for the economic benefit of the friendly nations. Hungarian side briefed the Minister about the visiting companies and their business areas, affirming the keenness of the companies to collaborate with oil firms operating in the Kingdom.

4. Chinese Delegation Visits Kingdom of Bahrain to Strengthen Investment Cooperation:

Minister of Energy H.E. Dr. Abdul Hussain bin Ali Mirza received in his NOGA office on Tuesday, January 13, 2015 a delegation of senior oil sector officials from the People's Republic of China and discussed ways to strengthen cooperation between the two friendly nations engaging in cooperation opportunities available in both sides. The visit came in response to a Bahraini oil, gas and petrochemicals delegation visit to China in 2014. A number of senior officials of the China National Energy Administration (NEA) and major oil, gas and petrochemicals company officials had earlier visited Bahrain under the Sino-Bahraini Joint Committee for Oil and Gas established under a memorandum of understanding (MoU) signed between the two countries during the auspicious visit of His Majesty the King of Bahrain to Beijing in September 2014.



5. Visit of Canadian Delegation to Kingdom of Bahrain:

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza received at Bapco club in Awali on November 5 a Canadian delegation consisting of oil and gas companies including representatives from Pradeep DASS, CAN-K Pumps, Sonoro Energy, Integral Energy Services, CWT, Miquelon Meter Services and RTI Cryogenics. The visit took place in the presence of Dr. Ahmed Ali Al Sharyan, the NOGA General Secretary and Mr. Abdul Hussain Monfaridy, Advisor to Minister of Energy.

During the meeting, the Minister explained to the delegation, oil companies from the Alberta and Ontario provinces, the structure of the oil and gas sector in Bahrain and the role of the 9-oil and gas companies in the country. He discussed investment opportunities available in the oil and gas sector in Bahrain highlighting the most promising strategic projects of NOGA. He invited the Canadian companies to participate in the oil sector events organized in Bahrain by NOGA.

The Minister said NOGA was keen to provide every support to the Canadian companies wishing to invest in oil and gas, and energy in Bahrain and take advantage of the special package, facilities and services provided by the government to investors and venture capitalists so as to improve the existing relations between the two sides and enhance the prospects of future cooperation.

Third

Oil
Conferences,
Exhibitions
and Events



1. 'Power Within' Conference Focus on Productivity

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza opened on January 28, 2015 'Power within', an annual conference focussing on stress management at work for better employee performance. The conference, held at Ritz Carlton Hotel, was attended by more than 250 participants from 37 organizations. A number of international, regional and local speakers joined the event organized by Origin Group with Bahrain Occupational Health Association as its strategic partner.

In his opening speech, the Minister quoted a 2014 American Psychological Association report, which stated the leading causative agents of psychological pressure as work stress, human relations, finance, media, sleep deprivation, health and malnutrition. The Minister pointed out that the world was moving at a very fast pace, where many amenities that were just ideas a few years ago were commonplace in our daily lives, among them communication devices such as iPad, iPhone, smart phones, GPS, and advanced tools in medical science, which have changed our lives in the past decade. However, the rapid change has also been one of the leading psychological distress factors, he pointed out.



The conference highlighted the topmost pressures faced by employees in work environment, causing emotional stress and physical strain, and ways to deal with them. Workshops held as part of the conference included physical exercises, meditation, breathing exercises, yoga, reiki energy treatment and cognitive behaviour therapies. According to the American Institute of Stress, 82% of employees globally suffer from work pressure in an environment where they become susceptible to many negative effects of stress. Stress sets in when employees are unable to handle high pressures or deal with them in a positive manner, leading to hostile response from each other. These are caused by work pressures from organizations, especially if there are negative aspects, which affect the functionality and productivity of the employees and their behaviour within institutions. This also costs the organization huge financial losses other than the loss of man hours and days spent in treating the resulting diseases.

2. Options for Energy Conservation in Oil Refining Industry Conference

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza opened in Bahrain on February 3, 2015, 'Options for Energy Conservation in the Oil Refining Industry Conference'. Organization of Arab Petroleum Exporting Countries (OAPEC) in cooperation with Japan Cooperation Centre Petroleum (JCCP) and National Oil and Gas Authority (NOGA) organised the event. The inaugural ceremony was attended by industry experts, engineers and senior technicians, involved in various oil refining phases.



The Minister pointed out the growing need for energy conservation during falling oil prices, which has made it a necessity for the energy-intensive refining industry to be more cautious. The refining sector uses about half of all the energy consumed by the oil and gas industry. Though energy efficiency and conservation were distinctly different, both played important roles in reducing energy use, lowering investment and operating costs, he said.

He said energy intensity in production had increased with the advent of non-conventional methods, and advanced energy intense refining processes. It was encouraging to see refineries now proactively reduce energy intensity by switching to more efficient technologies, equipment and processes, which would not only improve productivity and lower operating costs, but would also reduce environmental impacts, he said.

H.E. Dr. Mirza pointed out that the World Energy Investment Outlook 2014 published by the International Energy Agency (IEA), had said there were more than \$1.6 trillion investment in 2013 to provide energy to the world, with a rising investment share in energy efficiency projects. The share was projected at US \$ 8 trillion by the end of 2035, most of it to be used to secure energy efficiency in transportation and buildings, and 10% in fine tuning oil refining. H.E. Kiyoshi Asako, Ambassador of Japan in Bahrain, H.E. Abbas Ali Al Naqi Secretary General of OAPEC and Mr. Eiji Hiraoka Special Advisor-JCCP also spoke at the opening session.

3. 2nd Bahrain International Corporate Social Responsibility Conference and Exhibition

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza opened on February 9, at the Gulf International Convention Centre in Gulf Hotel the 2nd Bahrain International Corporate Social Responsibility Conference and Exhibition 2015. The event was organized by GPIC and BSE in collaboration NOGA.

The Minister also opened a specialist exhibition held on the side-lines of the conference, which was attended by more than 25 companies, and highlighted the important role of community partnership and charity contribution for the development of the poorer sections of the society. He said a growing awareness among the private sector about corporate social responsibility (CSR) was important. The Minister gave examples of CSR activities of companies discussing the projects and programs of GPIC, Banagas, Bapco, Alba, SABIC, Arab Potash Company, Bahrain Airport Company, Ahli United Bank and many other companies and institutions.

More than 450 participants from 14 Gulf, Arab and Other countries attended the event and shared the joy of giving in Bahrain, celebrating charity and social responsibility of corporates, characterized by the establishment of the principle of sharing in business and life, making it an amazing occasion.

Social responsibility was a collective and shared responsibility we must fulfil, coordinating our joint efforts in order to obtain the highest levels of achievement in terms of strategic objectives, the Minister said. Rather than focus only on commercial orientation, companies should willingly play their environmental and humanitarian roles, invoking newer CSR models, understanding the distinction between commercial and charitable business.



It is important to encourage employees to participate in philanthropic endeavours and encourage family participation and dissemination of the concept in community, the Minister said. There was a need to create social partnership between civil society and charitable institutions while implementing various public welfare campaigns and in development projects that are in line with the core values of institutions. This, in turn, will contribute to creating loyalty to the product and services of these companies. It will also enhance staff morale, talent, and make them a source of inspiration and pride for themselves and for the organization and the community.



4. Renewable Energy for Sustainable Development Seminar

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza inaugurated a seminar on renewable energy for development and sustainability on February 15, 2015 in Bahrain. The event was organized by the University of Bahrain in cooperation with NOGA and EWA with the support of Bapco and GPIC. The event was held from February 15 to 18, 2015.

The Minister said the theme of the seminar - 'Renewable Energy for Sustainable Development' - was important for the energy sector, which was working hard to meet the needs of future generations and encourage rational use of resources. He said he was glad to see that the industrial world had woken up to the growing global concerns about human and environment deterioration and their effects on economic and social development, which raised questions about alternatives to fossil fuel. In spite of the many advantages of renewable energy, it will not completely replace conventional fuel even in non-oil-producing countries, he said. Global policies for sustainable development are falling in place, whether in the environmental or economic scene.

Bahrain had made environment sustainability an important national priority this year, in pursuit to achieve the United Nations Millennium Development Goal targets. The country had the potential to undertake energy efficiency initiatives to extend the life of oil and gas reserves and enable centralized energy databanks that provided complete standardized information for different economic sectors. Though the renewable energy business was well established in many countries around the globe, in the Middle East, it was still an emerging industry, which offered great investment opportunities to small enterprises in the field, and created jobs for local youth.

5.19th Middle East Oil and Gas Show (MEOS 2015)

Under the patronage of His Royal Highness Prime Minister Prince Khalifa bin Salman Al Khalifa, the 19th Middle East Oil & Gas Show (MEOS 2015) was opened in Bahrain by the Energy Minister Dr. Abdul Hussain bin Ali Mirza. GCC energy ministers and H.E. Abdalla S. El-Badri, Secretary-General of the Organisation of the Petroleum Exporting Countries (OPEC) attended the event held from March 8 to 11. A number of senior GCC officials, researchers, practitioners, CEOs and oil and gas specialists attended. Delegated from around the world took part the conference and exhibition.

H.R.H. the Prime Minister had delegated Deputy Prime Minister His Highness Shaikh Ali bin Khalifa Al Khalifa to open the accompanying MEOS 2015 Exhibition. Shaikh Ali expressed his great appreciation to H.R.H. the Prime Minister for delegating him as he opened the show on March 9. He praised his great support, interest and keenness to patronise global events hosted by Bahrain, which strengthened the position of the Kingdom and its strategic location in the region for organizing specialized global events.



H.H. Shaikh Ali toured the exhibition, and was briefed on the latest technology used in the field of oil and gas exploration and production, innovations and new developments in the refining industry. He praised the innovative technology exhibited.

He said those earned MEOS a good reputation internationally, and helped attract prominent international oil and gas companies to participate. The Energy Minister also expressed his appreciation to the Deputy Prime Minister for opening the exhibition.

The Minister expressed his gratitude to H.R.H. the Prime Minister for his constant patronisation of such a vital international oil and gas gathering ever since it was launched in 1979. He praised the Premier's support and wise guidance for making the event a grand success.

H.E. Dr. Mirza, said the volatile oil price and the increasing production of non-traditional energy sources such as shale required more cooperation among all sides in addressing production and price issues to ensure a stable oil market.

The MEOS conference saw a marked increase in participant numbers, which crossed 2,000 as compared to 1,800 s in 2013. More than 300 companies from 30 countries participated in the MEOS exhibition, higher than in 2013. The number visitors crossed 8,000, an increase by 700 participants from 2013.

A Ministerial session was held during MEOS, which was attended by H.E. Dr. Mirza, H.E. Dr. Ali Saleh Al Omair, Minister of Oil-Kuwait, H.E. Eng. Suhail Mohamed Faraj Al Mazrouei, Minister of Energy - United Arab Emirates, and H. E. El-Badri, OPEC Secretary-General. This was the first ministerial session organized during MEOS.



6. 'Risk Management and Business Resilience' Symposium

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza opened a 'Risk Management and Business Resilience' symposium on March 31 at the Bahrain Society of Engineers (BSE). The event organized by the society in cooperation with NOGA was attended by a number of delegates from various organizations, industries, financial companies and institutions as well as representatives of ministries and government offices dealing with risk management and oil industry specialists in Bahrain.

The Minister said risk management and business resilience were two different aspects which were also interdependent. He urged organizations to monitor, analyse and exchange research findings that would help draw plans and strategies to mitigate risks according to its magnitude, ease of dispensation and clever techniques, leading to quick results. He stressed the key factors to alleviate risks in a partnership between the public and private sectors. Innovation and working partnerships would help implement business flexibility and risk management to improve and deal with various challenges.

H.E. Dr. Mirza referred to the findings of the GCC Ministerial Meeting on electricity and water held in Bahrain in September 2013 in which he had proposed a discussion on the GCC water link project, as well as emergency situations that may arise in the event of pollution which could affect the Arabian Gulf due to events such as nuclear radiation, water pollution resulting from the potential of nuclear reactor accidents from neighbouring countries, oil spill caused by the wars that may occur in the region and natural disasters, including climate change. He expressed happiness that such moves were welcomed, which reflected GCC cooperation in managing future risks and protecting business continuity.

7. 2nd Bahrain International Corporate Governance Conference

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza inaugurated the '2nd Bahrain International Corporate Governance Conference' on April 8, 2015 at the Regency InterContinental Hotel. The event was organized by the Prince Events Management in collaboration with NOGA and with the support of a number of Union Chambers from the GCC countries.

The Minister said that the theme of the conference was not far from corporate social responsibility as good governance was a key aspect in corporate social responsibility (CSR). While CSR was by nature voluntary and undemanding and complied with the laws of self-regulation, corporate governance was mandatory and compliance came with legal provisions.

Corporate governance is about striking a balance between economic and social goals and between individual and collective goals so as to promote effective use of resources while adhering to accountability, aligning individual interests with businesses and society. Corporate governance works well within the context of a framework of regulations, performances and procedures through which investors, corporate management and other stakeholders are able to evaluate the direction and performance of companies. Corporate governance systems varies depending on the country and the sector. Sometimes it differs within companies from the same sector, or even within the same company over time. The Minister cited different corporate governance models from the United States, the United Kingdom, Germany and Japan, as examples.



8. 3rd GCC Leadership Conference

Minister of Energy opened the 3rd GCC Leadership Conference on April 15, 2015 at the Mövenpick Hotel. The event was held under the slogan 'Developing Energy Leaders'. It was organized by Expressions Marketing Communications in collaboration with NOGA and EWA and was supported by Bafco, Bapco and Banagas. A number of professionals, managers, engineers and energy enthusiasts in Bahrain and other GCC countries took part.

The NOGA Policy supports mentoring future leaders for high positions in the administrative structure, and attaches great importance to training. NOGA sends a number staff members to training programmes every year, to participate in specialized courses both within Bahrain and abroad. All NOGA oil companies diligently train future leaders and allot impressive training budgets for various skills training programs and specialized courses, whether internal or external in order to keep pace with efficient replacement needs. The oil sector aims to enable young national competencies to fill positions according to a structured leadership plan suited for the vital sector.

The conference came at an opportune time with unforeseen developments in the energy sector which call for advanced planning and work so as to build a cadre of qualified and trained human resource with knowledge, experience and professionalism to keep up with the current transformations and future requirements. The clear vision of the political leadership of the country and wise optimal investment in next generation leadership mentoring is required. Companies need to develop their workforce and overall performance through continuous training and management of their human resources.



This would make a significant contribution in elevating Bahrain to international standards and establishing the Kingdom as a training ground for qualified leaders who are capable of taking charge of key positions in the hierarchy of institutions in the oil, gas and energy sector as well as in the banking, service and others.

9. Minister of Energy Reviews History of Oil and Sustainable Energy Strategies at Bahrain British Business Forum

H. E. Dr. Abdul Hussain bin Ali Mirza was the keynote speaker at the Bahrain British Business Forum (BBBF) event hosted by the Kingdom of Bahrain on May 19, 2015. The forum was attended by more than 450 members, including Bahraini and British businessmen and managers from production and service sectors.

The Minister reviewed the history of the oil in Bahrain since the discovery of crude in the country in 1932, before the rest of the GCC. He highlighted the key role British oil companies played in developing the oil and gas sector in the Kingdom, stressing how training programmes organised by oil companies to hone the skills and abilities of employees for the advancement of Bahraini competencies to increase their contribution. Dr Mirza also spoke about the oil and gas sector structure in Bahrain. He spoke about the establishment of NOGA following Royal No. Decree (63) for the year 2005 to develop the oil sector in a way that secured the domestic oil and gas needs, supported national industries and boost national economy.

10. International Leadership Conference 2015

Minister of Energy opened International Leadership Conference 2015 on May 26 at the Crowne Plaza hotel in Bahrain. The conference was held with the theme 'Leadership and Knowledge Management'. The event was organized by the Bahrain Management Society (BMS) in cooperation with NOGA, and a wide participation of local, regional and international CEOs, managers and specialists from various sectors. Researchers and scholars in strategic studies and management science from various universities and institutes around the world exchanged knowledge and experience on all aspects of administrative processes and managerial skills.

The Minister said 2015 was a milestone year for NOGA as it completed 10 years since its establishment following the 2005 Royal Decree No. (63). NOGA was keeping abreast all relevant oil industry developments and working towards bringing about radical changes in its management style, putting emphasis on leadership excellence and modernization in government sector in line with international standards. He said the Royal Decree No. (19) for the year 2015 issued in April regarding restructuring the Board of Directors of NOGA and nogaholding and adopting modern management approaches in both organisations helped advance the country's prosperity through the oil and gas sector, which remained the backbone of national economy.

H.E. Dr. Mirza said the institutional leadership experience of Bahrain was encouraging, which had always tried to integrate tested methods to develop future leaders. This in turn had helped companies discover managerial skills very early in young talents who are then developed into smart decision-makers in their respective organizations. He praised the initiative of His Royal Highness Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister to evolve the Kingdom of Bahrain into a world-class talent hub through his scholarship program for gifted students launched in 2007.

11. Annual Leadership Forum on Transformational Leadership

H.E. Dr. Abdul Hussain bin Ali Mirza opened on June 14, 2015 an annual leadership forum 'Becoming a Transformational Leader' held at Art Rotana Hotel, organized by Origin group. The Minister made an opening speech at the forum, which included a presentation on leadership models and foundations of successful leadership. He said transformational leadership was associated with and was highly related to the leader's ability and determination to implement developmental and modernization plans and policies with precision and professionalism. Referring to a recent study, he pointed out that to be an outstanding leader one must have several key qualities, the most important being vision, consideration, ability to take swift action, courage, decision making skills to make the right decision at the right time, as well as talent to deal with issues in such a way as to meet goals and provide relief to staff by guiding them to work for the success and growth of the institution.



The Minister also talked about the ability of a leader to communicate well with others in order to promote labour relations that bind successful leadership in the workplace and better relations with subordinates, affiliates and stakeholders of the company. He said leaders should demonstrate specific standards and leadership skills such as fairness and impartiality and have clear goals for the team in order to achieve set objectives. They should always plan for success in an ongoing basis, develop and encourage others to achieve common work goals and want to satisfy all parties involved in the production process.

US leadership expert Sarah Michel, who specializes in effective leadership and communication, spoke about ways to strengthen relations at the functional and individual level. She said the focus should be on effective communication as a new method to strengthen leader relations with team members. Effective leadership strengthened employee relations with subordinates, colleagues, clients and others. A seminar held on the side-lines of the forum was attended by a number of leadership experts and speakers in the field from Bahrain and elsewhere.

12. 7th Middle East Non-Destructive Testing Conference and Exhibition 2015

Minister of Energy Dr. Abdul Hussain bin Ali Mirza, opened on September 13, the 7th Middle East Non-Destructive Testing (NDT) Conference and Exhibition 2015 in the Kingdom of Bahrain, which was attended by a number of dignitaries and officials from the oil and gas industry, including researchers and engineers, from the global, Gulf and Bahraini companies. The event was organized by the Bahrain Society of Engineers (BSE) in cooperation with the Saudi Arabian section of the American Society for NDT supported by NOGA and sponsored by many Gulf and international oil companies.



The Minister said non-destructive tests were an important part of oil industry and played a prominent role in ensuring safe and efficient equipment and assets. They helped safe operations of machinery, helped detect faults at oil and gas sector facilities, maintained reliability, prevented installation failures and helped treatment plants perform in accordance with international standards and procedures. He said it also provided a chance to compare costs and consider eco-friendly alternative procedures for the oil and gas equipment, which operated in hostile environments under severe stress conditions, withstanding extreme pressure and temperature variations.

The 16 pre-conference technical workshops were attended by 600 participants from the Gulf countries and elsewhere, which were designed to help NDT practitioners understand the application of tests in various work environments to develop the industry in a sustainable manner.

An NDT Exhibition was opened on September 13 at the Gulf Hotel, which was attended by more than 75 international specialist companies, who showcased the latest NDT technology.

13. 3rd Middle East Process Engineering Conference (MEPEC 2015)

Delegated by H.R.H. Prince Khalifa bin Salman Al Khalifa, the Prime Minister, Minister of Energy opened the 3rd Middle East Process Engineering Conference (MEPEC 2015) hosted by the Kingdom of Bahrain.

The conference was held from September 15 to 17, 2015 under the patronage of the H.R.H. the Prime Minister. It was organised by (BECA) in cooperation with American Institute of Chemical Engineers, and supported by Middle East Energy Events, and NOGA.



The Energy Minister expressed his gratitude and appreciation to H.R.H. the Prime Minister for his great support and encouragement to MEPEC 2015. He thanked him for patronising the MEPEC series since its launch in 2011, which he said, helped upholding its prestige in global forums as one of the leading specialists oil events to promote knowledge and expertise sharing among participating professionals, including a large number of engineers and technicians from various national, regional and global oil and gas companies. MEPEC was held in Bahrain for the third consecutive year, which increased the prestige of the country. The conference gained high reputation among similar technical events and attracted a large turnout and growing participation from the Middle East exhibitors in the fields of energy, as well as global oil giants and prominent international institutions.

The Minister, in his opening speech, expressed his highest praise while congratulating H.R.H. the Prime Minister on the occasion of being honoured with the prestigious International Telecommunication Union Award, a top recognition for his crucial role in achieving sustainable development goals in Bahrain and for the Kingdom's remarkable progress in developing information and communication technology, and for other landmark achievements of the government in bolstering development in all fields.

He pointed out that the conference theme of the year suited more than 1,500 international delegates, out of which over 80% were engineers from various technical disciplines. The conference addressed several procedural issues, reviewed administrative and technical solutions, exchanged individual experiences and reviewed best practices in the field so as to contribute in improving the future of process engineering world over.

H. E. Dr. Mirza said NOGA was implementing a number of vital projects in support of the oil and gas sector development in Bahrain. Among them were the strategic Bahrain Refinery modernization project to upgrade GCC's first refinery, established as early as 1936. He spoke about the crude oil pipeline expansion project, which would replace the 75-year-old pipeline connecting the oil fields in Saudi Arabia and the Bahrain Refinery. He said the Bahrain Petroleum Company (Bapco) was currently promoting the unique features of the project at specialized global events, and inviting oil giants to participate in the tendering process to begin in the first half of 2016.



H.E. Shaikh Mohammed, while speaking at the opening session, expressed his delight in Bahrain being a unique and attractive location for big conferences such as MEPEC under the Patronage of H.R.H. the Prime Minister, which in turn underlined his support for oil and gas sector events held in the Kingdom.

H.E. Dr. Mirza also inaugurated the accompanying MEPEC Exhibition, in which more than 150 companies from petrochemicals, refining, and oil and gas industries participated with exhibits spread over an estimated area of 8000 square meters, and displays from companies and institutions around the world.

Leadership Excellence Women Awards (LEWA) in Oil & Gas Industry Academic Excellence and Leadership On the side-lines of MEPEC 2015

Under the patronage of Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza, an honouring ceremony was hosted by Leadership Excellence Women Awards for (LEWA) to celebrate distinguished women in oil and gas industry. The award was dedicated to recognizing professional excellence in women for leadership qualities and achievements in the academic field. The event was held on September 15 at the Four Seasons Hotel in Bahrain.

H.E. Dr. Mirza expressed his pleasure that the Kingdom of Bahrain was hosting such outstanding initiatives and events that reflected the conviction of the country's wise leadership, which held highly strategic leadership role of women in the field of oil and gas industry, including the academic field.



The Minister congratulated the awardees, wishing them further excellence in their chosen field. Women who performed professionally and had leadership qualities as per regional and international standards and those who helped create a solid support base for sustainable human development initiatives and better prospects for economic development for women received awards. He wished the awardees success in achieving their professional dreams. The Minister also praised the LEWA initiative, and congratulated the head of the event Ms Nabilah M. Al Tunisi for the outstanding efforts of the team in the dissemination of leadership culture and excellence in women. He said it encouraged innovation, leadership and talent among women professionals in the oil and gas sector, in academic, industrial and business segments in various categories and technical expertise.

14. Third Middle East Operational Excellence Conference

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza opened the 3rd annual Middle East Operational Excellence Conference 2015 on October 19 at the Gulf Hotel conference hall. The event was organized by World Refining Association, Energy Exchange, Clarion Events and supported by Bahrain Petroleum Company (Bapco), Aluminium Bahrain (Alba) and the American Society for Operation Excellence in cooperation with NOGA.

H.E. Dr. Mirza patronised the event and gave the opening speech, which included an audio-visual presentation of the oil and gas sector developments. The Minister pointed out that the oil and gas industry world over was currently facing many complex challenges, which had to be overcome with strong project operations. He said that in a recent survey nearly 1,000 CEOs around the world had confirmed that operational excellence was the fourth top challenge in developed nations, while some emerging nations in Asia and Latin America considered it the second most challenging.



The Minister discussed the progress of some unique petrochemical industry projects in the Kingdom of Bahrain, among them offshore oil exploration. Bahrain recently awarded contracts to build a new oil pipeline to connect to the Kingdom to Saudi Arabia. The Minister said he was proud that regional companies won the \$ 300 million bid of the project after tough competition with international companies, which is expected to be ready in 2018.

H.E. Dr. Mirza said that Gulf Petrochemical Industries Company (GPIC) was named the GCC's best-performing industrial organisation, receiving a manufacturing excellence award. The Bahrain Petroleum Company (Bapco) Refinery Lab received a Certificate of Merit in a worldwide testing programme and received wide appreciation for conforming to international standards, which was another example of the adoption of operational excellence in the Kingdom of Bahrain.

15. 23rd Annual Technical Conference of Gas Processors Association

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza, opened on November 3 the 23rd Annual Technical Conference of Gas Processors Association – GCC (GPA) Chapter at the Gulf International Convention Centre, Gulf Hotel. The conference was attended by a number of researchers, engineers and technicians from GCC oil companies, and the region. This event was held in coordination with NOGA, and was sponsored by Saudi Aramco and a number of national, Gulf and international oil companies.

The Minister said in his opening speech that the theme of the conference 'Effective Technology Solutions to Gas Industry Challenges' had taken an altogether new dimension in the rapidly changing fuel price scenario. He said there was a growing need for investments in sustainable technology and non-traditional austerity measures to deal with the emerging tough market conditions.

The GCC (GPA) was established in 1993 as a forum to exchange ideas, technology, and information for the benefit of both the upstream and downstream gas processing industries, as well as suppliers, to help improve plant operations, health, safety and environmental performance in the region.

16. Middle East Public Relations Strategies & Mass Communications Conference

Mr. Ali Abdul Jabar Al Sawad, General Manager, Strategies and Planning at the National Oil and Gas Authority (NOGA) opened on November 4 the Middle East Public Relations Strategies & Mass Communications Conference at the Radisson Blu Hotel. The event was organized by ProMedia in cooperation with NOGA.



Mr. Al Sawad spoke about the achievements of the oil and gas sector in the Kingdom of Bahrain and the high position it enjoyed under the leadership and guidance of Dr. Abdul Hussain bin Ali Mirza, Minister of Energy, who believed in uninterrupted communication with local, regional and global media. He said media relations were key to building up oil companies and had great appreciation for the media role as strategic partners providing fair representation and promotion of all nine NOGA oil companies. This, in turn, served as platforms to highlight oil and gas sector milestones. He praised the major role played by media and public relations in the oil industry by ensuring free interaction between all relevant parties.

17. Middle East Heavy Oil Congress

Minister of Energy opened on November 25, 2015 the Middle East Heavy Oil Congress at the Gulf Hotel in the presence of a number of dignitaries and senior officials from regional and international oil companies. A number of researchers, engineers and professionals, as well as local and international specialists in the energy sector participated in the conference. This event is organized D.M.G events in coordination with NOGA and the support of Saudi Aramco, Bapco, Tatweer Petroleum and Kuwait Oil Company.

In the opening speech, the Minister said that though the Middle East was not a high activity region in the world of heavy oil extraction, the past few years had seen increased activity. To go by rough estimates, the region contained 970 billion bbl of discovered heavy, and mostly undeveloped extra heavy crudes.



The Minister said that though the world's proven conventional oil reserves amounted to a thousand billion barrels, there was not enough supply for 50 years at the current rate of production. Conventional oil and gas finds were harder to find and extract these days. Heavy oils account for 25% of the world's petroleum resources, equivalent to approximately 20 additional years of hydrocarbon reserves. Unconventional oils are now an essential component of the future energy mix but are not a strategic resource that can be produced intensely to supplement the global supply of conventional hydrocarbons, he pointed out. H.E. Dr. Mirza also opened the Heavy Oil exhibition, organised on the side-lines of the conference, which showcased exhibits and products which used latest technology in the heavy oil industry.

18. 2nd Energy Management Conference and Exhibition

Minister of Energy opened on December 6, 2nd Energy Management Conference and Exhibition 2015 in the Kingdom of Bahrain. The event was held from December 6 to 8 at the Gulf International Convention Centre, Gulf Hotel under the theme 'Sustainable energy for developing countries'. The conference was jointly organized by NOGA and BSE with Saudi Aramco as the main sponsor. Other key supporters included Ahli United Bank and Saudi Electricity Company, who were the Diamond Sponsors and National Bank of Bahrain as the platinum sponsor. Several other companies supported the event, among them (UNEP), (WFEO), and (UN-ESCWA).



The Minister welcomed the conference delegates, among them more than 600 participants from Saudi Arabia, Bahrain and countries from the Gulf, region and others. NOGA gives a great importance for energy & renewable energy specially solar energy.

He praised the initiatives launched by the H.R.H Prince Salman bin Hamad Al Khalifa, Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister, on the side-lines of the Paris Climate Change conference (COP21), in which he had announced the readiness of the Kingdom of Bahrain to host a regional centre for a Green Climate Fund to serve West Asia. He also pointed out the importance of creating effective funding channels to support all initiatives aimed to reduce the effects of climate change, and transfer of eco-friendly technology.



The Minister said it was a happy coincidence for the Middle East to discuss sustainable energy policies at the energy management conference in Bahrain, while environmentalists, world leaders and academicians were engaged in a crucial climate change dialogue in Paris, at the World Climate Summit, where they discussed a path to sustainable future for planet earth and the life it held, including the human race. H.E. Dr. Mirza said that during the past decades of fast economic expansion in the Gulf countries the emphasis was more on energy diversification than productivity. The region's high growth rates had come at a high price and an increased share of domestic fuel consumption. With fossil fuel exports still constituting the main source of income for the GCC countries, a balance between economic growth and energy consumption was critical for sustaining development programs. Enhancing energy productivity through efficiency measures was the best bet for maintaining such a balance.

He referred to the preliminary results of Energy Productivity of the Arab Region Project jointly undertaken by the King Abdullah Petroleum Studies and Research Centre (KAPSARC) and (UN-ESCWA) presented during the conference, which focussed on the social and economic benefits of enhanced energy investments in the improving productivity in GCC countries. The Minister expressed his appreciation for the Conference Chairman Engineer Ms. Nabilah Al Tunisi from Saudi Aramco for her inspiring role, and for all the key speakers at the opening ceremony. Ms. Al Tunisi, Mr. Marwan Abdel Hamid - President, World Federation of Engineering Organizations and Mr. Masoud Al Hermi - BSE President, who spoke at the opening ceremony. H.E. Dr. Mirza also opened exhibition and thanked the more than 30 companies who showcased a number of modern energy conservation, preservation, management and sustainability technology.

Fourth

International Participation



1. 2nd GCC Petroleum Media Forum

H.E. Dr. Abdul Hussain bin Ali Mirza participated in the 2nd GCC Petroleum Media Forum. He also took part in a dialogue session with other GCC energy ministers of held on the side-lines of the forum after the official opening on March 22, 2015.

H.E. Dr. Mirza said petroleum media played a prominent role in shaping public opinion by highlighting the contribution of oil revenues in the economic and social development of the GCC countries as well as the role of oil in the growth of global economy.

The Minister said he supported the proposal put forward by the Saudi Petroleum Minister H.E. Eng. Ali bin Ebrahim Al Naimi during the panel discussion calling for the establishment of a specialized Petroleum Media Association with qualified media specialists in the oil and energy affairs. He said the changes in the oil markets and the circumstances surrounding these needed to be publicised. He pointed out that media specialists could project a positive image and provide credible reports on a global scale.



The first GCC petroleum media forum was held in Kuwait in 2013, while the second forum was hosted by KSA from March 22 to 24, 2015. The main objectives of the forum this year included discussing cooperation issues and challenges, raised for the first time during a dialogue session this year. The forum was attended by the GCC ministers of oil and energy. In addition, an exhibition was put together, and was attended by national oil companies in the GCC countries, with representation from other oil companies. Bahrain was represented at the exhibition by noga holding, Bapco, GPIC and Banagas.

2. 2nd United Nations 'Sustainable Energy for All' Forum

Engineer Jassim Isa Al Shirawi, NOGA General Manager, Oil and Gas Affairs participated in the 2nd United Nations Sustainable Energy for All Forum, which was titled 'Financing Sustainable Energy for All', held in New York from May 18 to 21, 2015. The forum was attended by a large number of Ministers, senior officials and experts from around the

world, who discussed topics related to renewable energy and energy efficiency. An international ministerial dialogue was held on the side-lines of the forum for the first time, where Eng. Al Shirawi spoke on the efforts and achievements of Bahrain in the field of sustainable energy and about future investment plans of the Kingdom in the area.

More than 2,500 participants from different countries including a number of regional and international organizations such as World Bank, attended. Participants shared ideas, aspirations and experience of organizations working in the field of renewable energy and energy efficiency in their respective countries.

3. 34th Gulf Cooperation Council Oil Ministers Meeting

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza participated in the 34th Gulf Cooperation Council (GCC) Oil Ministers Meeting held on September 10 in the Qatari capital Doha.

The GCC annual meeting was held to highlight the importance of consultations and discussions on scheduled topics to help promote cooperation and idea exchange on the global oil market and other oil and gas sector issues. Speaking on the occasion the Minister said the meetings brought about positive results and served the interest of the oil and gas based GCC economies.



H.E. Dr. Mirza said that the issues listed in the meeting agenda to discuss in the council were highly relevant. The topics included were as follows:

Review possibility of unification of price of petroleum products in the GCC States, review the GCC energy team meetings, discuss global trade issues and regional free trade agreements, review the GCC Petroleum media specialists committee and petroleum media specialists meetings with the Organization of Arab Petroleum Exporting Countries (OAPEC), review reports of the GCC mining officials meeting and that of the GCC Working Group assigned to study and follow up the developments of the United Nations Framework Convention on Climate Change, review the GCC protocol meetings, oil strategy meetings and review further renewable energy cooperation among the GCC countries.

The Ministerial Meeting was preceded by the 15th GCC Oil Undersecretaries Meeting on September 9. The Bahrain delegation was headed by Dr. Ahmed Ali Al Sharyan, the General Secretary of National Oil and Gas Authority (NOGA), and joined by Mr. Faihan Mohammed Faihani, Director of Oil Policies and Statistics.

4. 95th Organization of Arab Petroleum Exporting Countries (OAPEC) Ministers Meeting

Egyptian President Abdel Fattah Al Sisi received, at the presidential palace in Cairo, Ministers from the Organization of Arab Petroleum Exporting Countries (OAPEC) attending the 95th Ministerial Meeting, including His Excellency Dr. Abdul Hussain bin Ali Mirza, Minister of Energy of the Kingdom of Bahrain. Also present at the reception were Minister of Petroleum and Mineral Resources of the Republic of Egypt Engineer Tariq Al Mulla and a number of other Ministers from the Gulf Arab states. H.E. Dr. Mirza conveyed to the Egyptian President greetings from His Majesty the King of Bahrain, His Royal Highness the Prime Minister and His Royal Highness the Crown Prince, and wished the leadership of Egypt lead the country to greater prosperity.



The OAPEC ministerial meeting was held on December 20, 2015.

OAPEC meeting was chaired by H.E. Dr. Mohammed Saleh Al Sada, the Minister of Energy and Industry, State of Qatar, and Chairman of the ministerial session. The OAPEC Secretary General Mr. Ali Abbas also spoke at the meeting.

The meeting passed the following decisions:

- Budget for OAPEC Secretariat General and Judicial Tribunal for 2016.
- Reappointed Tareq Al Osaimi & Partners as auditor to OAPEC Secretariat General and Judicial Tribunal for 2016. Reviewed reports of the OAPEC General Secretariat in the following areas:

- Follow up of environmental affairs and climate change, notably COP-21, where the State Parties adopted the "Paris agreement", an ambitious and legally binding global agreement set to come in force after ratification by 55 countries in order to seal carbon emissions to below 55% of the total greenhouse gases. The new agreement will replace the Kyoto Protocol expiring in 2020.
- 23rd Meeting to discuss oil and gas industry fundamentals.
- Studies carried out by the Secretariat during 2015.
- Operation and expansion of the data bank
- Events organized or participated by the Secretariat in 2015.
- Council reviewed the annual report, and activities of OAPEC affiliated companies from 2014 to the first half of 2015, including Arab Maritime Petroleum Transport Company (AMPTC), Arab Petroleum Investments Corporation (APICORP), Arab Shipbuilding and Repair Yard Company (ASRY) and Arab Petroleum Services Company (APSCO).
- Decided to extend the term of Republic of Iraq for the administration of the Arab Petroleum Training Institute (APTI) for another year effective from January 1, 2016, through Resolution No. 3/95.



- Presidency to be decided at the next Council of Ministers session in Kuwait, in 2016, in accordance with Article XIII of OAPEC.
- Ministers to look at the current oil market conditions and its effects on low oil prices in their respective countries.
- Decision to hold the next OAPEC Ministers Meeting on December 11, 2016.

Fifth

Legislation and Orders



First: Decrees and Ministerial Orders:

❖ Decree to form government in the Kingdom of Bahrain:

His Majesty King Hamad bin Isa Al-Khalifa issued Royal Decree 83 / 2014 to form a new cabinet, and after constitutional considerations of Royal Order 57 / 2014 issued on November 30, 2014, appointed His Royal Highness Prince Khalifa bin Salman Al-Khalifa as Prime Minister, assigning him to nominate the new cabinet.

Article One appointed His Royal Highness Prince Salman bin Hamad bin Isa Al Khalifa, Crown Prince and Deputy Supreme Commander, as First Deputy Prime Minister. Article Two appointed H.H. Shaikh Mohammad bin Mubarak Al Khalifa, H.H. Shaikh Ali bin Khalifa Al Khalifa, H.E. Jawad bin Salim Al Arrayedh and H.E. Shaikh Khalid bin Abdulla Al Khalifa as Deputy Prime Ministers. Article Three reappointed H.E. Dr. Abdul Hussain bin Ali Mirza, as the Minister of Energy and appointed a number of Ministers and other ministerial positions.

❖ Decree No. (19) for the year 2015 restructuring National Oil and Gas Authority Board of Directors

His Majesty King Hamad bin Salman Al Khalifa, King of Bahrain, issued Royal Decree No. (19) 2015 to re-constitute National Oil and Gas Authority Board of Directors, with Minister of Energy H.E. Dr. Abdul Hussain bin Ali Mirza as the Chairman and the following as board members:

- Mr. Rasheed Mohammed Al Me'araj
- Shaikh Mohammed bin Khalifa bin Ahmed Al Khalifa
- Shaikh Tariq bin Mohammed bin Mubarak Al Khalifa
- Mr. Yousif Abdul Hussain Khalaf
- Dr. Fayez Hashim Abdul Latif Al Sada
- Mr. Yusif Abdulla Hamoud

Board Membership is for a period of three years, subject to renewal.

- ❖ Order No. (1) 2015 on fuel price at Bapco fuel stations.
- ❖ Order No. (2) 2015 appointed coordinator for the implementation of Supreme Audit observations on all NOGA companies, including Bapco and Banagas.
- ❖ Order No. (3) 2015 for adjustment of natural gas price.

Order comprised the following:

Article I

Unify sale of natural gas to all existing and new consumers in the local market with price set to US\$ 2.5 per million BTUs as on April 1, 2015.

Article II

Increase sale price of natural gas to all consumers gradually at a rate of 25 cents per million BTUs annually from April 1, 2016 until April 1, 2021 and increase further up to \$ 4 per million BTUs from April 1, 2021, in the following manner:

- (A) US\$ 2.75 per million BTU as of April 1, 2016
- (B) US\$ 3.00 per million BTU as of April 1, 2017
- (C) US\$ 3.25 per million BTU as of April 1, 2018
- (D) US\$ 3.50 per million BTU as of April 1, 2019
- (E) US\$ 3.75 per million BTU as of April 1, 2020
- (F) US\$ 4.00 per million BTU as of April 1, 2021

Article III

Continue implementation of contractual obligations of deals established before the issuance of the decision in accordance with the provisions contained therein.

Article IV

The implementation of the resolution - by the respective stakeholders - shall take effect from April 1, 2015, and as published in the Official Gazette.

- ❖ **Order No. (4) of 2015 to form a working team for the electronic transition**
- ❖ **Order No. (5) of 2015 restructuring of the Board of Directors of Bahrain Petroleum Company (Bapco)**

Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza, and Chairman of the National Oil and Gas Authority, passed Order No. (5) 2015 on restructuring the Bapco Board of Directors.

Article I of the order constituted the Bahrain Petroleum Company (BSC Closed) Board headed by Shaikh Mohammed bin Khalifa bin Ahmed Al Khalifa, Chief Executive Officer of nonholding company and as members: Dr. Dawood Nassif, Mr. Abdul Majeed Al Awadhi, Mr. Faisal Al Mahroos, Mr. Mohammed Al Jamea, Mr. Adel Khalil Al Moayyed and Eng. Abdul Majeed Al Gassab. Article II stipulated that beginning July 1, 2015, the decision will be in effect for three years, subject to renewal.

- ❖ **Order No. (6) 2015 appointed Mr. Mohamed Saad Al Hajri as the Director of Human and Financial Resources Directorate, Article 1 stated the decision to be in place as of June 30, 2015.**
- ❖ **Order No. (7) 2015 to form a working committee to prepare a national strategy for natural gas.**
- ❖ **Order No. (8) 2015 regarding the formation of an Appeals Committee.**
- ❖ **Order No. (9) was postponed.**
- ❖ **Order No. (10) for amendment of diesel and kerosene sale price:**

Order was issued on 12/28/2015 as follows:

Article I

1. Subject to the provisions of paragraph (2) of the Article, diesel sale price for domestic consumption is modified at the rate of use on land and sea as of January 1, 2016, as follows:
 - A) 120 fils per litre with effect from January 1, 2016
 - B) 140 fils per litre with effect from January 1, 2017
 - C) 160 fils per litre with effect from January 1, 2018
 - D) 180 fils per litre with effect from January 1, 2019

However, this price will continue to be amended as per further decision.

Diesel is sold to Bahraini fishermen at a subsidised price lower than (30) fils per litre as mentioned in paragraph (1) of the Article, according to the quantity determined by the National Oil and Gas Authority assessment.

Article II

- Taking into account paragraphs (2) and (3) of the article, sale price of kerosene for domestic consumption will be modified, which includes kerosene used as aviation fuel as of January 1, 2016, as follows:
 - A) 120 fils per litre with effect from January 1, 2016.
 - B) 140 fils per litre with effect from January 1, 2017.
 - C) 160 fils per litre with effect from January 1, 2018.
- Continue the current system for the sale price of kerosene for bakeries by 25 fils per litre, according to the quantity determined by NOGA.
- Continue the current system of sale price of kerosene for aviation fuel supply companies at the Bahrain International Airport in commercial rates.

❖ Order No. (11) On the formation of a supreme committee to supervise the process of the withdrawal of two Development and Production Sharing Agreements with Occidental and Mubadala:

The order was issued on 30.12.2015

The order is as follows:

Article I

Form a supreme committee to consider further implementation of commitments to participate in the exploration and production activities. The committee will be headed by Dr. Abdul Hussain bin Ali Mirza, Minister of Energy, with membership of:

- Shaikh Mohammed bin Khalifa Al Khalifa – Chief Executive Officer of nogaholding
- Mr. Anwar Salman Khalaf – Advisor to Minister of Energy for exploration

- Mr. Faisal Al Mahroos – Board of Director of Bahrain Petroleum Company
- Dr. Pete Bartlett – Chief Executive of Bahrain Petroleum Company
- Mr. Abdul Rahman Abdullah Kamal – Chairman of Bahrain Aviation Fuel Company.

Article II

The committee shall supervise all stages of the withdrawal process of both Occidental and Mubadala Development Production Sharing agreements (DPSAs) to protect the rights of the Kingdom of Bahrain, according to the above mentioned agreements, and without prejudice to the generality.

The terms of reference of the committee includes, and not limited to, the following:

- Develop a strategic plan to ensure the continuation of the oil and gas production operations during and after the transition phase during 2016 and 2017.
- Study available options to determine who will be responsible for running the Bahrain Field after the end of June 2016 and to recommend appropriate measures.
- A review of the terms of DPSA agreement to confine any technical or contractual obligations not completed by the partners and to develop plans to deal with it in a way that preserves the rights of the Kingdom of Bahrain.
- Limited points of disagreement with partners on petroleum development and on work completion during the first half of 2016.
- Review and approve NOGA proposals on field operations to ensure that production processes are not affected during the transition period.
- Develop contractual guarantees, which obliges partners not to transfer to the Kingdom of Bahrain any financial or contractual obligations before the date of withdrawal of the partners or beyond.

❖ **Order No. (12) on the formation of a sub-committee to oversee the process of taking over the Bahrain Field after the withdrawal of both Occidental and Mubadala production agreements:**

This order was passed on 30.12. 2015, as follows:

Article I

A sub-committee to be formed to follow up the handing over process of Bahrain Field, headed by Mr. Abdul Rahman Abdullah Kamal, Chairman of Bahrain Aviation Fuel Company (Bafco), with the following members:

- Mr. Hisham Khalil Zubari – Deputy Chief Executive Officer of Tatweer Petroleum.
- Mr. Ghassan Ali Al Muhanna - G.M. of Exploration and Petroleum Engineering, Bahrain Petroleum Company (Bapco).

Article II

The committee shall follow up all stages Bahrain recognizes as required in the field of oil and gas in the light of the withdrawal of Occidental and Mubadala DPSAs, to preserve the rights of the Kingdom, according to the above mentioned agreement, without prejudice to the generality. The terms of reference of the committee includes, and not limited to, the following:

- Evaluation of the companies entrusted with the operation of the Bahrain Field for necessary requirements before the withdrawal date of partners to ensure continuity of business operations of the Bahrain Oil and Gas Field.
 - Develop a plan to ensure necessary provisions during the first half of 2016.
 - Inventory of all information to be received and formally audited during the first half of 2016, including technical, financial and contractual information.
 - Ensure an information technology (IT) structure is enabled to receive information from the companies directly and deal with promptly before the end of March 2016.
- ❖ **Order on amending the Ministerial Decree for the year 2010 with respect to gas cylinders - specifications and manual tests for liquefied petroleum gas cylinder valves.**
 - ❖ **Order on the adoption of two special gas cylinders - specifications and manual tests for liquefied petroleum gas cylinder valves by a local expert.**
 - ❖ **Administrative decision to form advanced institutional structures with the help of the Information and Communication Technology team at NOGA.**

Second: Draft Laws and Acts prepared during 2015:

1. Petroleum Project Resources Act
2. A draft law to issue the executive regulations to criminalize and combat the smuggling of subsidized oil products
3. A draft law to stop illegal trade of oil products
4. Draft law to stop organized sale of oil products

Sixth

Administrative
Developments
& Modernization



1. 'Fuel Safely' Campaign

Under the patronage of Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza, the National Oil and Gas Authority (NOGA) launched a 'Fuel Safely' awareness campaign promoting safety measures to be practised at refuelling stations in the Kingdom of Bahrain. The campaign aimed to raise the safety and security level at refuelling stations and a commitment to adhere to global safety standards through fuel stations. The application of a number of precautionary measures would ensure, with commitment from all employees and users of these terminals that procedures and safety requirements are adhered to.

NOGA launched the campaign under the slogan 'Fuel Safely' to sensitize motorists on the need to take security measures by providing them with safety procedures to follow at fuel stations. The campaign continued for a full month with huge participation at refuelling stations.



The goal was to emphasize the importance of complying with all safety procedures and requirements while refuelling. Instructions included turning off the car engine before refuelling, not smoking or using any other source of ignition at refuelling stations, not using mobile phones while refuelling, using only approved containers to refuel and putting them on the ground during the filling process, and not refuelling buses loaded with passengers.

2. NOGA YouTube channel launch

The National Oil and Gas Authority (NOGA), in view of the media's prominent role in shaping public opinion launched a YouTube channel to keep up with the Internet reach for dissemination of information. Strategies and Planning Affairs of NOGA set up a YouTube account under the name NOGABH, where events and activities in the oil and gas sector held in the Kingdom of Bahrain by the Authority will be uploaded as documentaries for public viewing and for the benefit of those who are looking for oil sector related content.

YouTube, one of the most important social media message delivery tools, is the largest site on Internet that allows users to upload, watch and share video clips for free.

The aim of the NOGABH channel is to promote the production and documentation of NOGA activities and events ranging from conferences, exhibitions, seminars and international reports.

3. Celebrations to mark tenth anniversary of NOGA founding

Under the patronage of Minister of Energy His Excellency Dr. Abdul Hussain bin Ali Mirza, National Oil and Gas Authority (NOGA) celebrated the 10th anniversary to mark its founding in 2005. As part of the celebrations, NOGA honoured outstanding staff members with incentives and rewards for their noteworthy contributions and achievements. The Minister also awarded heads of nogaolding company, Bahrain Petroleum Company (Bapco), Bahrain National Gas (Banagas) and Gulf Petrochemical Industries Company (GPIC) for their cooperation in NOGA events.



The Minister spoke about NOGA achievements in the oil and gas sector of the Kingdom of Bahrain during the past 10 years since the issuance of the Royal Decree No. (63) 2005. He spoke about the various investment projects, joint ventures in oil companies, exploration projects in the Bahrain Oil Field, numerous oil projects that promoted environmental safety, as well as various draft laws and legislation that were proposed to regulate the energy sector. He praised the competent role of NOGA in managing oil and gas affairs in coordination with a number of specialized international companies. He said NOGA had played a great role in developing the oil sector in the Kingdom, in addition to strengthening Bahrain's position as a major regional hub for organising international conferences and exhibitions. A number of international oil and gas events were organised by globally established companies in Bahrain, ranging from oil exploration to specialist events for oil sector professionals to servicing companies. The huge participation of companies from around the world in such events had a positive impact in revitalizing the economy of the country, the Minister said.

Ms. Fahima Abdul Karim, Head of Financial Resources Department in NOGA thanked the Minister in her speech. She also thanked the organizing committee for the arrangements made for the celebration on behalf of those recipients of bonuses and incentives.

H.E. Dr. Mirza distributed awards and certificates to 46 employees from NOGA and its affiliated oil companies. Prizes were distributed to employees as part of the celebration. Staff members also exchanged Ramadan greetings during the event.

4. Distribution of Ramadan Safety Campaign Competition Prizes

National Oil and Gas Authority (NOGA) distributed prizes to winners of the Ramadan Safety Campaign to promote safety. The drive was launched by the Minister of Energy in April 2015. Prizes were distributed to the winners at a ceremony held at the NOGA headquarters by Mr. Faihan Mohammed Faihani, Director of Oil Policies and statistics in the presence of Eng. Abdul Aziz Abdul Qader and Ms Ezz Mannai. Ms. Fatima won the first prize of 100 dinars, Mr. Ali won 70 dinars as second prize and Ms Khulood won 50 dinars as third prize.



Mr. Faihani congratulated the winners and greeted them on the occasion of Eid Al Fitr. He wished them success in their careers. He praised the campaign and thanked the overall public support for the event organised to create awareness and commitment to apply the safety procedures at fuel stations.

5. Distribution of Ramadan Weekly Competition Prizes

National Oil and Gas Authority (NOGA) Strategies and Planning Affairs during the holy month of Ramadan held a weekly quiz contest, which included a variety of questions from the oil and gas sector in the Kingdom of Bahrain, which was keenly participated by staff members competing to answer all questions to enter the competition to win fuel coupon worth 30 dinars.



Mr. Ali A. Jabar Al Sawad, General Manager, Strategies and Planning Affairs presented the Ramadan weekly prize to winners. He said it was the responsibility of the Authority to spread oil information among the local community so as to improve efficient use of the country's energy resources. He praised the winners and urged the NOGA staff to educate, guide and introduce the local community key programs to make them understand the importance of energy preservation in the advancement, prosperity and development of the country. He said it was a duty to make the public aware of the laws and procedures to follow, which were set forth to maintain our oil resources. The initiative was launched to highlight the importance of energy conservation through media and social networking sites for the dissemination of petroleum culture and create awareness about the importance of oil in the Bahraini society and the Gulf, and highlight the oil sector as the main engine of our national economy.

6. Special Report on Labour Force Training and Bahrainisation in Oil and Gas Sector in 2014

National Oil and Gas Authority (NOGA) issued an annual report about the labour force training and Bahrainisation ratios in the oil companies under the NOGA umbrella until the end of December 2014. The report was prepared by the Strategies and Planning Affairs. It contains labour force data in the oil and gas sector as well as trainee numbers in the local oil companies and approved budgets for training local staff.

This report shows Bahrainisation ratios in NOGA and its affiliate oil companies. The percentage of Bahrainisation in some oil companies reached 99.04% during the year, which is considered the highest among economic sectors in the Kingdom of Bahrain and across the Gulf Cooperation Council (GCC).

Company names	Bahraini		Non-Bahraini		Total
	No.	%	No.	%	
1. Bahrain Petroleum Company (Bapco)	1,865	78.1	523	21.9	2,388
2. Gulf Petrochemical Industries Company (GPIC)	443	83.4	88	16.6	531
3. Bahrain National Gas Company (Banagas)	442	90	50	10	492
4. Bahrain Aviation Fuel Company (Bafco)	103	99.04	1	0.96	104
5. Tatweer Petroleum Company	569	72.3	218	27.7	787
Total	3,422	79.5	880	20.5	4,302

7. NOGA Issues 2014 Annual Report Highlighting Achievements of the Year

National Oil and Gas Authority (NOGA) issued its 9th annual report for 2014 since the issuance of the Royal Decree No. (63) for its establishment, in Arabic and English. The NOGA Annual Report 2014 deals with the overall activities and achievements of the Authority during 2014, so as to reflect the pivotal role played by the oil and gas sector as one of the main pillars of the national economy.

The report also has oil statistics and oil and gas projects and programs in Bahrain, field visits to companies as well as posts on international participation and cooperation, including conferences, and local events organized or co-organized by NOGA. The report includes legislation and orders, as well as development and administrative modernization programs in the oil and gas sector in Bahrain.

8. Training programs at National Oil and Gas Authority

A total of 154 training programs were organised by NOGA for its staff this year, aimed at skills development and to provide appropriate opportunities for performing assigned tasks with precision.