

KINGDOM OF BAHRAIN



National Oil And Gas Authority Annual Report 2007



الهيئة الوطنية للنفط والغاز
NATIONAL OIL AND GAS AUTHORITY





**H.M.KING HAMAD BIN ISA AL KHALIFA
THE KING OF THE KINGDOM OF BAHRAIN**



75 *Years of Achievements*



H.H.SHAIKH KHALIFA BIN SALMAN AL KHALIFA
THE PRIME MINISTER





H.H. SHAIKH SALMAN BIN HAMAD AL KHALIFA
THE CROWN PRINCE & DEPUTY SUPREME COMMANDER
OF THE BAHRAIN DEFENCE FORCE





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*Dr. Abdul Hussain bin Ali Mirza
Minister of Oil & Gas Affairs and
Chairman of National Oil & Gas Authority*



INTRODUCTION

It is my great pleasure to introduce this 11th Annual Report, highlighting the activities and achievements of the National Oil & Gas Authority (NOGA). This is the 3rd issue by NOGA since the promulgation of Royal Decree No. 63, establishing the National Oil & Gas Authority, which substituted the Ministry of Oil and assumed all its responsibilities. This report will shed light on the leading role being played by NOGA in Bahrain's developmental progress and document the various activities of exploration and search for oil and gas, the petroleum industry's development and modernization projects, as well as the progress made in the structural organization of the oil and gas sector, including legislations and management development. The report also covers various activities such as petroleum conferences, seminars and workshops that were organized during 2007. Other sections in the report include oil and gas statistics in terms of production and reserves, in addition to studies, researches and periodicals published by NOGA.

The most significant feature of 2007 was the inauguration of the Low Sulphur Diesel Production project, under the gracious patronage of His Highness the Prime Minister. This important event coincided with the Kingdom's celebrations of the 75th Anniversary of the discovery of oil in Bahrain. The total cost of this project was US\$725 million, the largest in the history of Bahrain's oil industry. Another feature of 2007 was the incorporation of the Oil & Gas Holding Company, as the investment and financial arm of NOGA.

The year 2007 also witnessed the launch of the offshore blocks for exploration for oil and gas within the Kingdom's regional waters. Several international petroleum companies won exploration contracts and are scheduled to commence exploration associated operations in 2008. Simultaneously, the onshore Bahrain Oilfield is set for development by international companies and final tenders will be finalized in 2008.

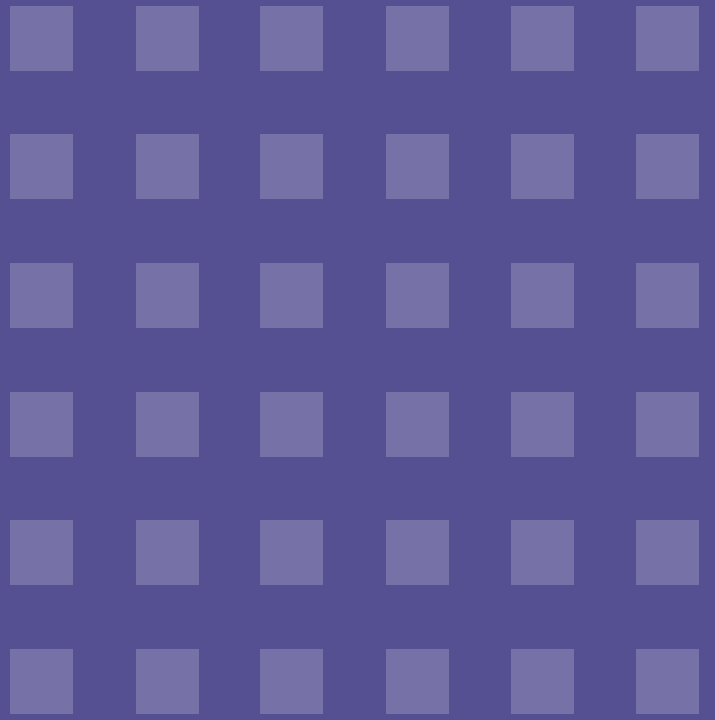
In terms of petroleum sector support services, the Kingdom witnessed a record number ever of conferences, exhibitions and other petroleum activities. Administratively and organizationally, a number of succession plans were completed for petroleum sector higher executive leaderships. The petroleum sector is now ahead of any other manufacturing sector in succession planning.

It is my great pleasure to present this Annual Report to all researchers and to all those interested in the oil and gas affairs, as a documentary publication, highlighting one of the input of the most effective economic sectors. We have endeavoured to present this report in a simple manner for readers to easily refer to the achievements and projects made over the year.

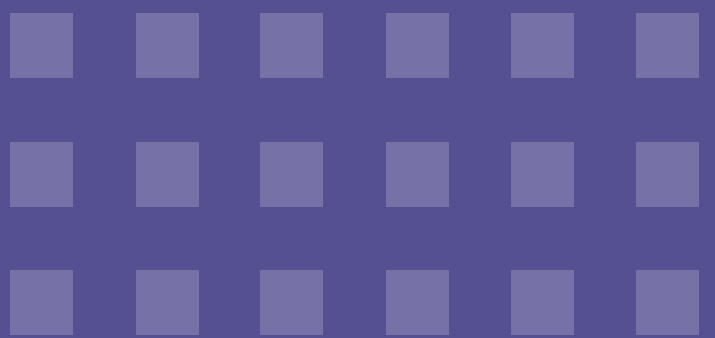
I would like to record a message of thanks and gratitude to our political leadership under the guidance of His Majesty the King, His Highness the Prime Minister and His Highness the Crown Prince and Deputy Supreme Commander of the Bahrain Defence Force, for their continued follow-up, support and insightful directives for furthering our petroleum sector.

I would also take this opportunity to extend my thanks to the members of the Board of Directors of NOGA for their efforts, and to the Executive Management and staff of the oil and gas sector. It is their hard work and positive attitudes that have effectively contributed to making these achievements possible. We pledge to continue our hard work to attain our national objectives under the guidance of our political leadership.

Dr. Abdul Hussain bin Ali Mirza
Minister of Oil & Gas Affairs and
Chairman of National Oil & Gas Authority



Board of Directors





***H.E. Dr. Abdul Hussain Bin Ali Mirza
Chairman***



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



***Dr. Shaikh Mohammed Bin
Khalifa Al-Khalifa
Member***



***Dr. Mustafa Ali Mohammed
Al Sayed
Member***



***Mr. Majeed Abu Al Qaseem
Shafi'a
Member***



***Mr. Ahmed Saleh
Al-Noaimi
Member***



***Mr. Abdul Rahman Abdul
Hussain Jawaheri
Member***

Oil & Gas Sector Organization Chart & Government Participation

National Oil & Gas Authority (NOGA)

Oil & Gas Holding Company

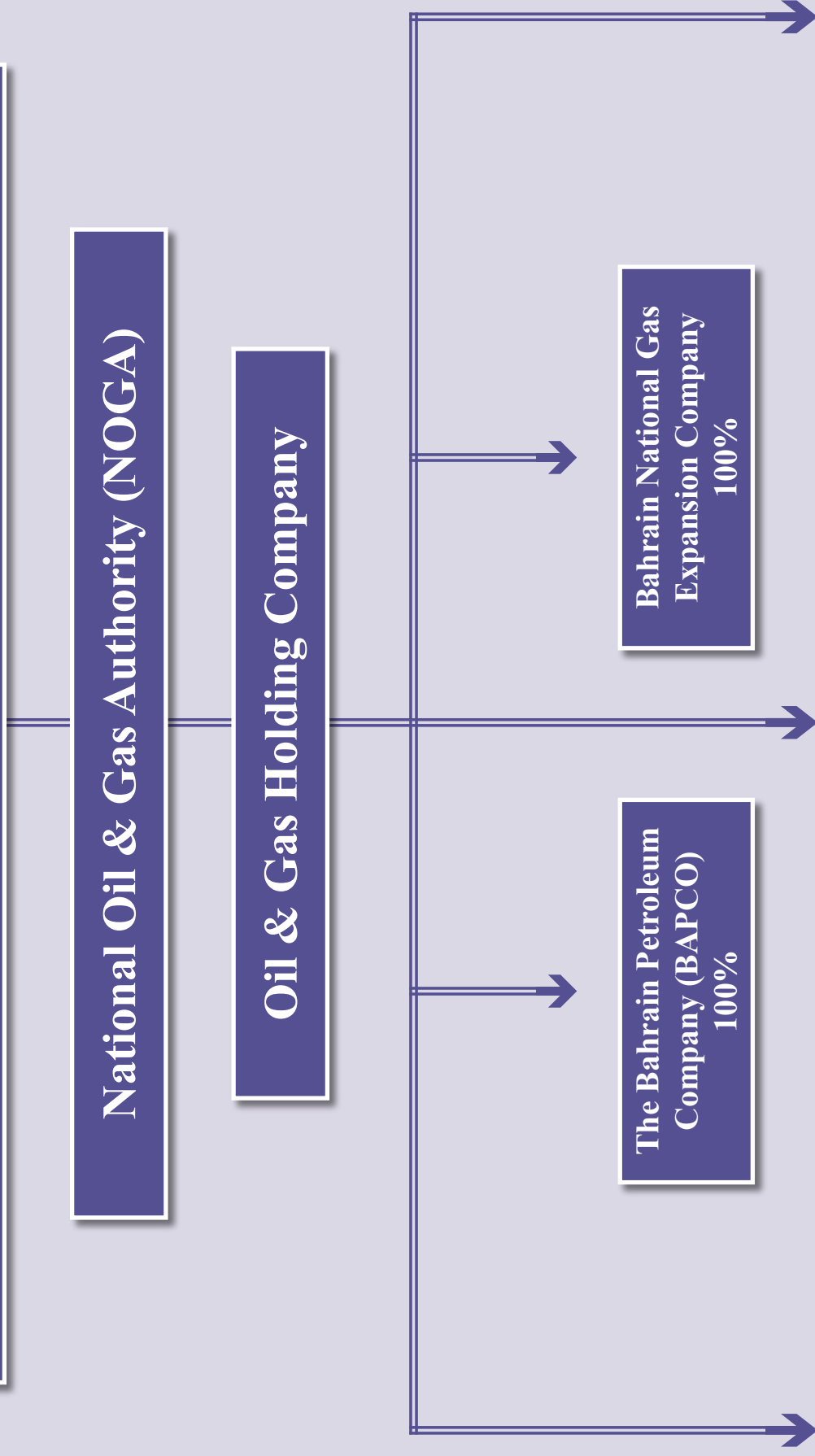
The Bahrain Petroleum
Company (BAPCO)
100%

Bahrain National Gas
Expansion Company
100%

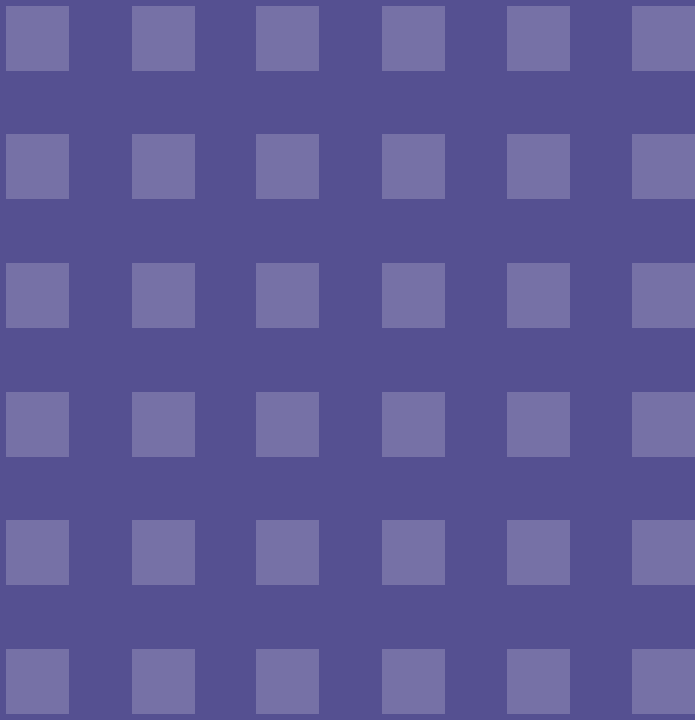
Bahrain National Gas
Company (BANAGAS)
75 %

The Bahrain Aviation
Fuelling Company (BAFCO)
60 %

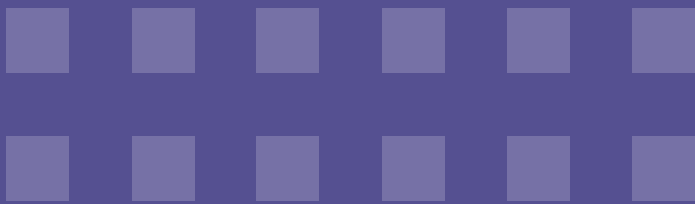
Gulf Petrochemical Industries
Company (GPIC)
33.33 %



Section

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One

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Oil And Gas Statistics

75 Years of Achievements

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TABLE No. 1

OIL & GAS STATISTICS OF 2007 AGAINST 2006

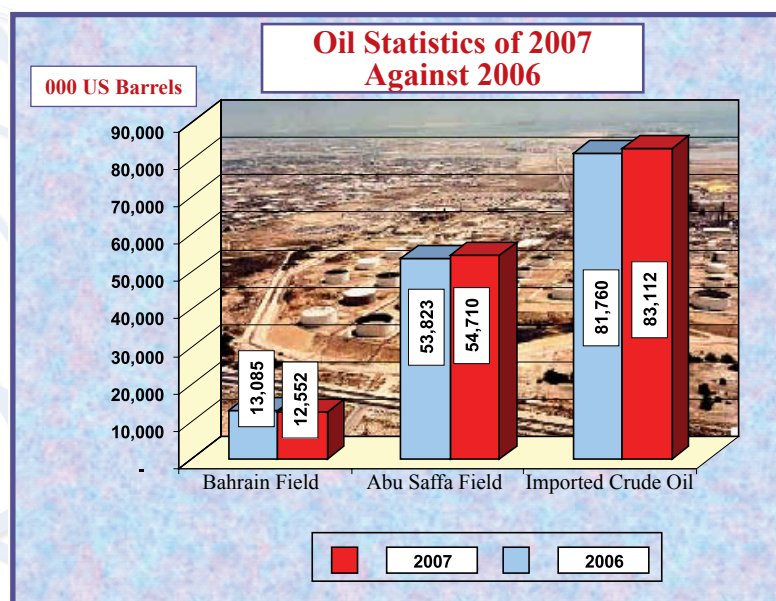


DESCRIPTION	2007 (000 BARRELS)	2006 (000 BARRELS)	DAILY AVERAGE	
			2007	2006
BAHRAIN FIELD	12,552	13,085	34,389	35,849
ABU SAAFA FIELD	54,710	53,823	149,890	147,461
TOTAL	67,262	66,908	184,279	183,310
IMPORTED CRUDE	83,112	81,760	227,703	224,000
CRUDE RUN TO REFINERY	95,163	94,429	260,720	258,709
REFINERY PRODUCTION	97,904	96,217	268,230	263,609
LOCAL SALES	8,327	7,629	22,815	20,903
PETROLEUM PRODUCTS EXPORTS	91,500	88,045	250,685	241,220

1- OIL PRODUCTION

➤ The total Bahrain Oil Field production in 2007 amounted to 12.552 million barrels, at a daily rate of 34,389 barrels, against 13.085 million barrels in 2006. The reduction in production is attributable to the aged of wells. The National Oil & Gas Authority (NOGA) endeavours to maintain the production levels of oil and gas in the 75-year old Bahrain Oil Field.

➤ The share of the Government of Bahrain in Abu Saafa Oil Field production in 2007 amounted to 54.710 million barrels, at a daily rate of 149,890 barrels. Abu Saffa's production increased by almost 2% in 2007 (887,000 barrels) against 2006.



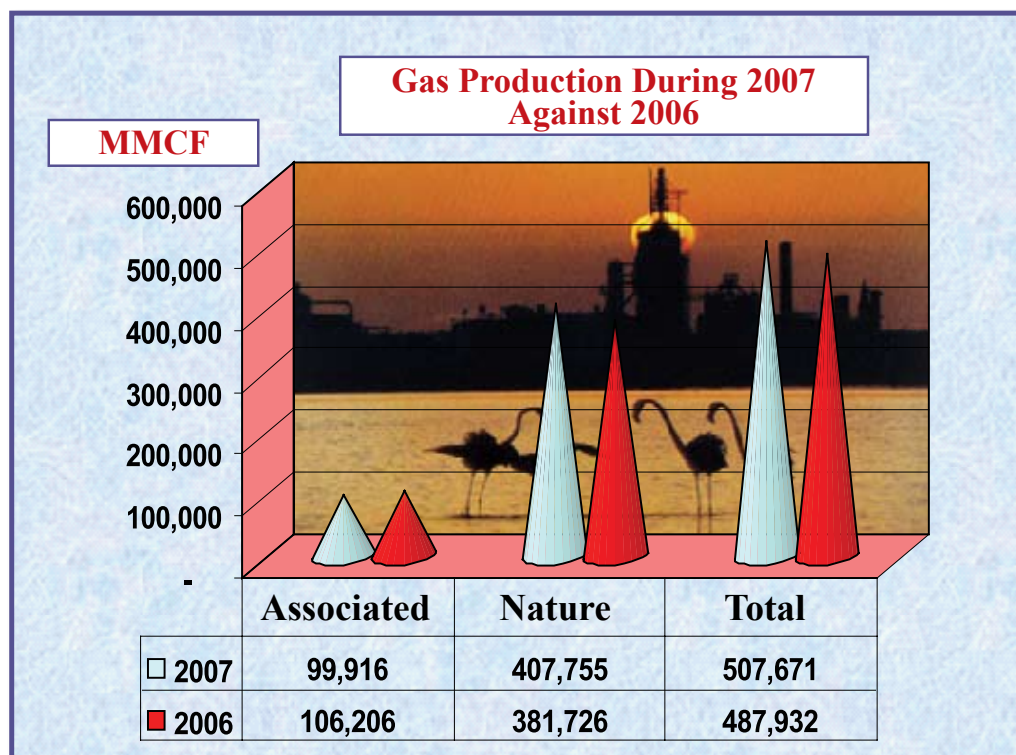


- During 2007, the Arabian crude imports reached about 83,112 million barrels, against 81.760 million barrels for the same period in 2006, an increase of 1.6%, or 1.352 million barrels. The daily crude oil imports amounted to nearly 228,000 barrels per day.
- The crude run to the Refinery in 2007 was 95.163 million barrels, against 94.429 million barrels in 2006, an increase of 1%. The crude run to the Refinery represents the total of the crude oil imported from Saudi Arabia and the crude oil produced from Bahrain Oil Field. The daily average amounted to nearly 261,000 barrels.
- The Bahrain Refinery output during 2007 was 268,000 barrels per day. This daily output is 250,000 barrels higher than the Refinery normal daily average output of 250,000 barrels. The increase of 18,000 barrels per day is equivalent to 7.2%.
- The total amount of the petroleum product exports in 2007 was 91.500 million barrels, against 88.045 barrels in 2006. The daily average of exports amounted to 250,685 barrels, against 241,220 barrels in 2006. The exports include several petroleum products – naphtha, gasoline, kerosene, jet fuel, diesel, fuel oil, sulphur and asphalt.
- The local sales of refined petroleum products increased in 2007 by 9.1% over 2006, to 8.327 million barrels, against 7.629 million barrels in 2006. The daily consumption of these products was nearly 23,000 barrels per day in 2007, against 21,000 barrels per day in 2006. The increase is attributed to the higher number of vehicles arriving from neighbouring countries, an indication of promoted family tourism in Bahrain, as well as the increase in the number of local vehicles. It is also due to the construction boom covering roads and commercial and residential complexes throughout the Kingdom.

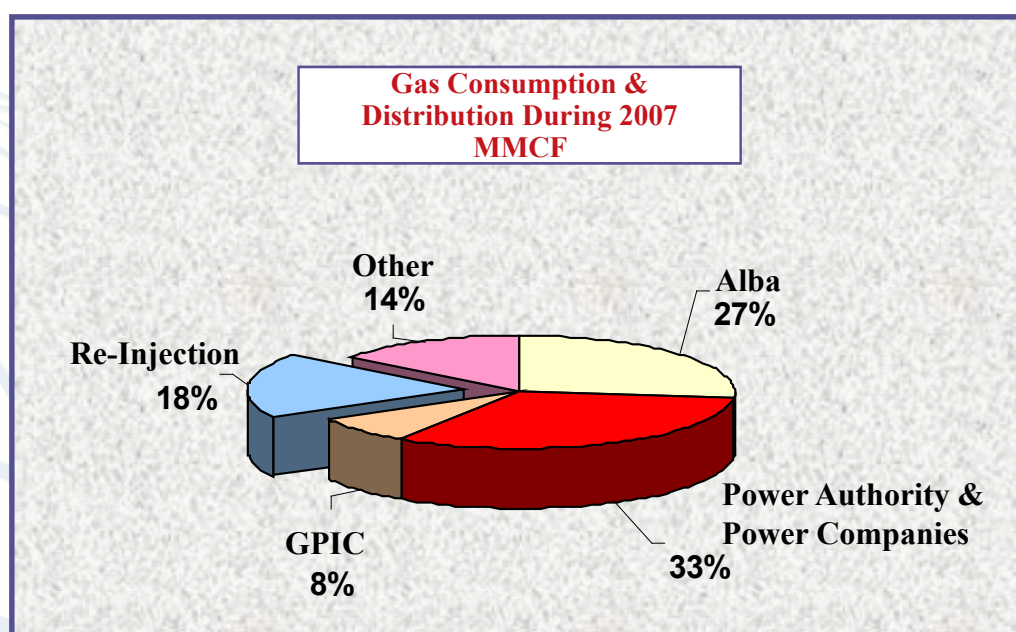
2- Gas Production And Consumption

Table No. (2)
Gas Production During 2007 Against 2006

DESCRIPTION	2007 (MMCF)	2006 (MMCF)	(MMCF) DIFFERENCE	%
NATURAL GAS	407,755	381,726	26,029	6.8%
ASSOCIATED GAS	99,916	106,206	(6,290)	5.9%
TOTAL	507,671	487,932	19,739	4%



The total production of both natural and associated gas in Bahrain during 2007 was 507,671 million cubic feet (MMCF), against 487,932 MMCF in 2006, an increase of 19,739 MMCF or 4%. The total production of the associated gas was 99,916 MMCF in 2007, against 106,206 MMCF in 2006, a decrease of 5.9%. The total production of the natural gas was 407,755 in 2007, an increase of 26,029 MMCF barrels, or 6.8% over 2006.





Bahrain's production of gas is totally consumed locally by power stations and by industrial companies. It is used as feedstock for power generation, in addition to being used in oil well re-injection operations to maintain production levels. Consumption of gas by the Electricity & Water Authority and other power companies is the highest, 33% of the total production (16% by the Electricity & Water Authority, 12% by Hidd Electricity Company and 5% by Izel Electricity Company), followed by Aluminium Bahrain (ALBA), 27%, and Bapco, 18%, for oil well re-injection operations, followed by the Gulf Petrochemical Industries Company (GPIC), 8%. The balance of 14% is distributed to other industrial companies operating in Bahrain.

3- *Production of the Petroleum Companies*

➤ *Gulf Petrochemical Industries Company (GPIC)*

The company was able to achieve a total production of 1.373 million metric ton in 2007, against 1.482 million metric tons in 2006. GPIC manufactures three different types of products ammonia, methanol and urea. The highest production of the total output was that of urea, 43%.

➤ *Bahrain National Gas Company (BANAGAS)*

The company's output of associated gas liquids (propane, butane and naphtha) during 2007 was nearly 3.503 million barrels, against 3.703 million barrels in 2006. The highest production is that of naphtha, 47%, followed by propane, 27%, and by butane, 26%.

➤ *Bahrain Aviation Fuelling Company (BAFCO)*

The company's jet fuel sales at Bahrain International Airport during 2007 reached 4.658 million barrels, similar to that of 2006, at a daily average of 12,763 barrels.

4- *Inspection of Exported Petroleum Shipments*

The total number of petroleum tankers inspected during the year was 387, against 369 in 2006. The average monthly number of tankers inspected in 2007 was nearly 32.

Table No. (3)

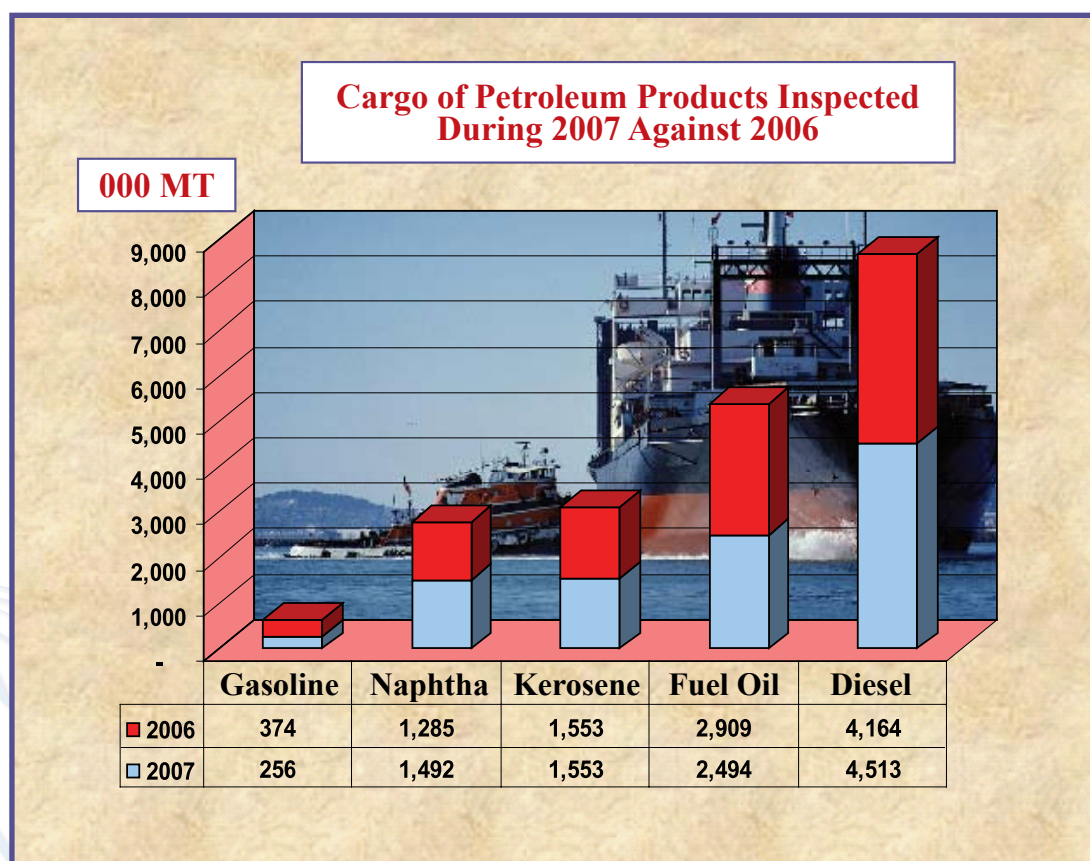
Total Number of Tankers and Shipments of Products Inspected in 2007 Against 2006

Year	No. of Tankers	Products (000, Metric tons)					Total
		Naphth	Gasoline	Kerosene	Diesel	Fuel Oil	
2007	387	1,492	256	1,553	4,513	2,494	10,308
2006	369	1,285	374	1,553	4,164	2,909	10,285
Difference	18	207	(118)	-	349	(415)	(23)
%	4.9%	16.1%	(31.5%)	-	8.4%	(15.9%)	-

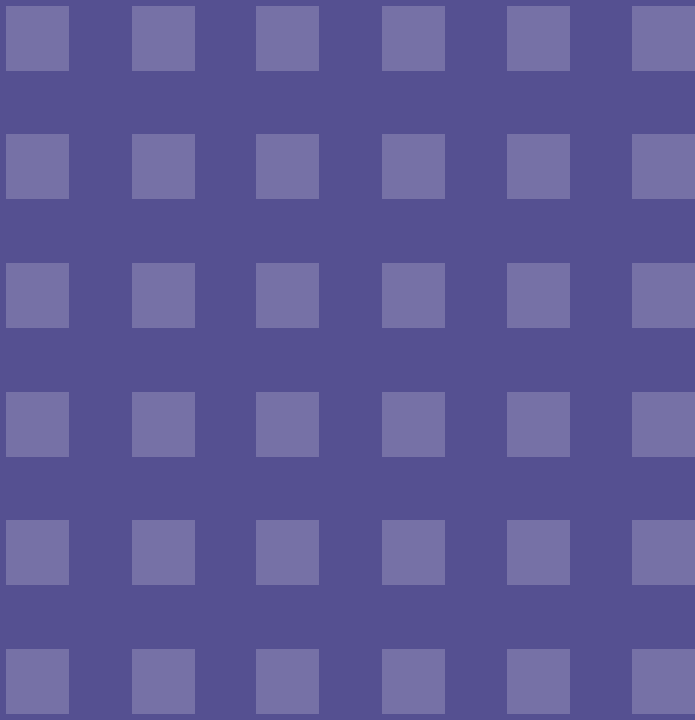


The volume of petroleum shipments loaded on these tankers and exported from the Kingdom of Bahrain to GCC, other Arab, Asian, African and European Union countries in 2007 was nearly 10.308 million metric tons, against 10.285 million tons in 2006. The shipments consisted mainly of five products – naphtha, gasoline, kerosene, diesel and fuel oil.

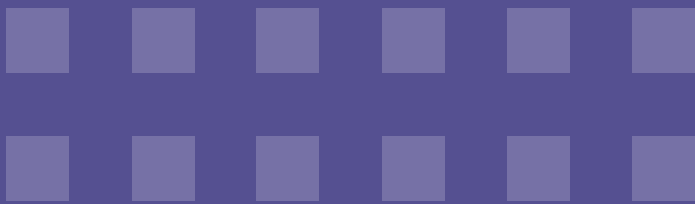
The average charges of oil tanker inspections generated by NOGA is in the region of BD320,000 per year. These payments are charged for inspection of the tanker's storage facilities before and after loading to ensure proper and safe shipment, for ensuring compliance of exports with quality and quantity specifications and for preparation of technical reports. Inspection of tankers is overseen by the Oil Tanker Inspection Unit, the members of which are all qualified Bahrainis.



Section

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New And Current Strategic Projects

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75 Years of Achievements



The year 2007 witnessed the completion of most significant project in the US\$1.233 billion Bahrain Refinery Modernization Programme. The Low Sulphur Diesel Production complex is the largest in this series of Bahrain Refinery development plan. The Bahrain Petroleum Company (BAPCO) is currently implementing certain complementary projects, as follows:

A. New Projects

(1) Construction of a Petroleum Product Storage and Export Facility

On Wednesday, 28th February 2007, at the head office of the National Oil and Gas authority (NOGA), a Memorandum of Understanding was signed by BAPCO, Independent Petroleum Group (IPG) of Kuwait, ENOC/Horizon Terminals of the UAE and Arab Petroleum Investments Corporation (APICORP). The purpose was to undertake a feasibility study on the construction of petroleum product storage and export facilities in the vicinity of the petroleum wharf at Sitra.

The project is for the building of storage facilities with an initial capacity of 500,000 cubic metres, at an estimated cost of US\$95 million. It is anticipated that the project will contribute to creating new employment opportunities for Bahrainis, and will provide a leading role for Bahrain in the field of oil storage services and associated petroleum trading. The project is part of NOGA's policy to upgrade this strategic industry, to diversify income and to increase investments in the petroleum sector, in addition to expanding trade to and from the Kingdom of Bahrain.

(2) Process of Refinery Gas and Bahrain Oilfield Associated Gas

The Board of Directors of NOGA, at its meeting held on 9th October 2007, approved the conduct of a detailed study on a project for the treatment of the Refinery gas and the associated gas from Bahrain Oilfield. The initial cost of the project is estimated at nearly US\$261 million. A study conducted by Foster Wheeler on the treatment of the 25 million cubic feet (MMCF) per day Refinery extra gas and the anticipated increase in Bahrain Oilfield associated gas, estimated at 450 MMCF per day, from the plant of the Bahrain National Gas Company (BANAGAS), envisaged that the proposed project would generate a yearly profit return of some 39% of the estimated cost of the project.

(3) Renovation of the Saudi Arabia Bahrain (A-B) Pipelines to Bahrain Refinery

This project is now in the stage of detailed study. The estimated cost of the project is US\$300 million. The aim is to replace and relocate the 55 km crude oil pipeline from Saudi Arabia to Bahrain Refinery. The replacement and relocation of the pipeline is attributable to strategic, security and other considerations, mainly the fact that urban areas have now extended to the routes of the pipeline. The pipeline was originally constructed more than 60 years ago to carry more than 230,000 barrels of crude oil per day from Abqaiq in Saudi Arabia to the Kingdom of Bahrain.

(4) Sewage Water Treatment Plant

The project is under initial design consideration and is scheduled for completion by 2010 at an estimated total cost of US\$120 million. Relevant information and documents are being prepared for inviting public tenders.

(5) Lubricant Base Oil Production

The project is still in the tendering stage. The estimated cost of the project is US\$168 million, and implementation is expected to start during the second quarter of 2008 for completion by 2011. An annual investment return of 22% is expected from the project.

The purpose of the project is to develop high value products for conversion into lubricants in view of the high demand for such products in Europe and North America.

This is a joint venture between the Bahrain Oil & Gas Holding Company with 55% stake and responsibility for operating the plant through BAPCO and Neste Oil of Finland, a leading organization in the manufacture and marketing of lubricants, holding 45%.

B. Bahrain Refinery Modernization Projects (under construction):

(1) Refinery Gas Desulphurization Project

The total cost of this project is US\$155 million. It aims at eliminating sulphuric substances from Refinery gases to ensure compliance with new environmental legislations. The project will improve the quality of air emissions and of water. The project was awarded in September 2005 and is scheduled for completion by 2008.

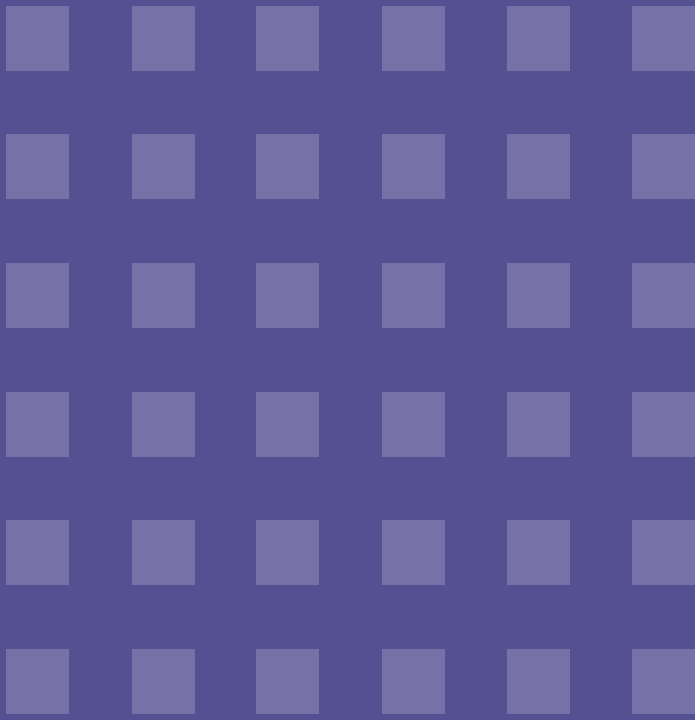
(2) Sulphur Pelletizing Project

This is one of the new projects being implemented by Bahrain Refinery. Construction of the US\$37.5 million project was started by the contractor in March 2006. The project was 95% completed in October 2007. The new plant was partially operated to manufacture pellets from degassed sulphur produced by the Refinery.

(3) Power Generators Project

BAPCO's Board Committee approved this US\$70 million project, which is scheduled for completion by 2009.

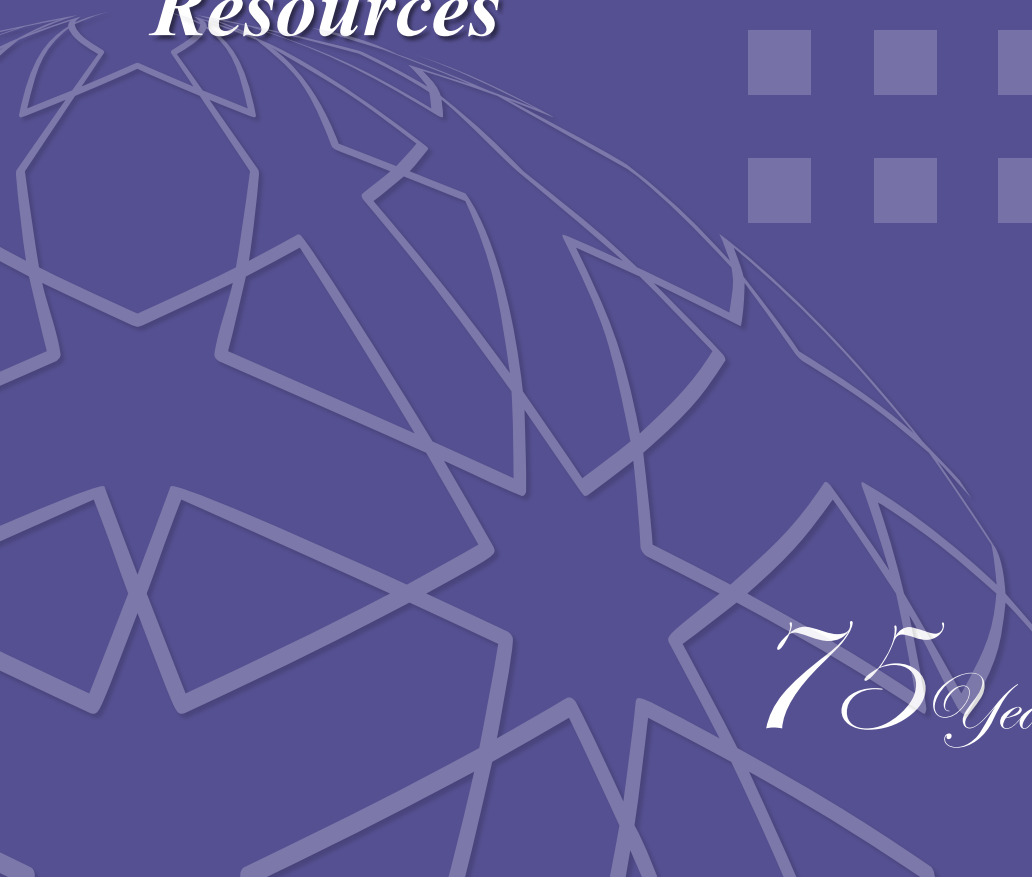
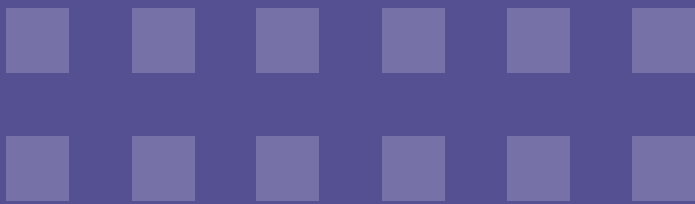




Section

Three

*Programmes Of Increasing Oil & Gas
Resources*



75 Years of Achievements

1. *Launch of Offshore and Onshore Areas for Exploration to International Petroleum Companies*

At a press conference held on Sunday, 12th March 2007, at Bahrain International Exhibition Centre during the Middle East Oil & Gas Exhibition & Conference (MEOS 2007), His Excellency Dr. Abdul Hussain bin Ali Mirza, Minister of Oil & Gas Affairs, and Chairman of the National Oil & Gas Authority (NOGA), announced that offshore and onshore areas would be opened for international petroleum companies to participate in oil and gas exploration, development and production. This offer is part of NOGA's endeavours to increase the Kingdom's hydrocarbons and to enhance oil and gas reserves.

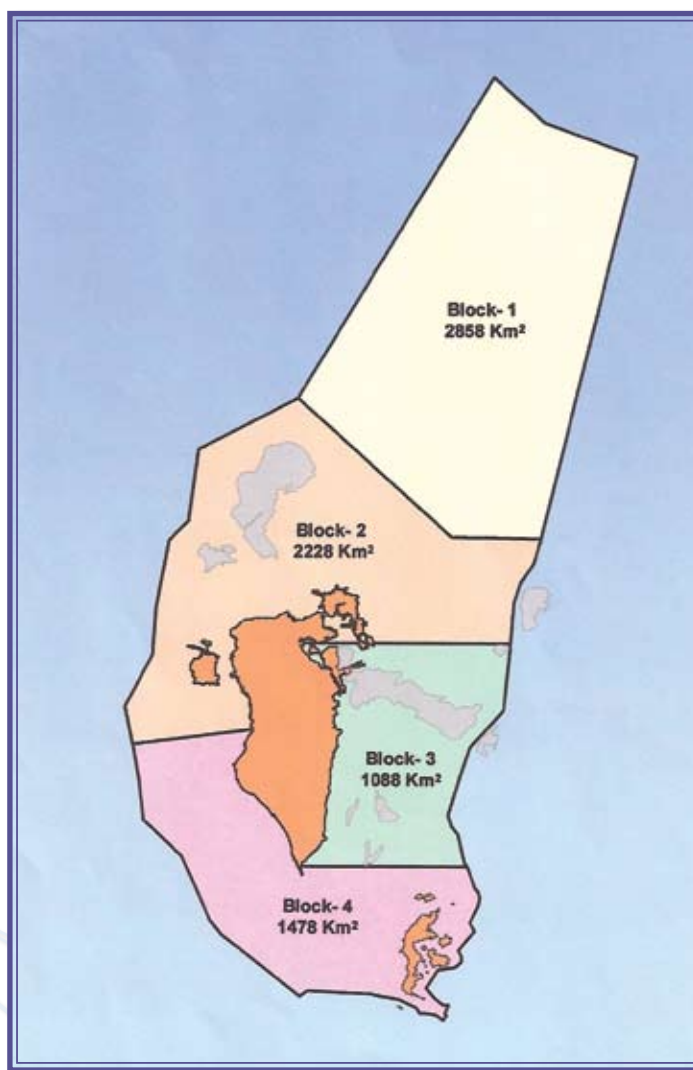


In making such offers, NOGA was eager to ensure transparency and exposure by taking the following actions:

- A website dedicated to the designated offshore and onshore blocks was launched.
- An international consultant was commissioned to promote the designated blocks.
- A delegation from BAPCO was formed to visit the United States and the United Kingdom to promote the designated blocks to international companies.
- Three international companies (a US, Russian and Thai) bid for exploration in blocks.
- Bids were evaluated by a consultant and sent to the Tender Board for normal procedure.
- Tenders were awarded as follows: Blocks 3 and 4 to Occidental of the United States, and Block 2 to PTTEP of Thailand.
- Approval of the Council of Ministers was secured and a law for signing the Exploration & Production Sharing Agreements with the companies concerned was sought.
- The draft law was submitted to the Shura Council and to the House of Deputies for sanctioning the exploration agreements between the Government of the Kingdom of Bahrain and Occidental and PTTEP.



The area of Block (1) is 2,858 square kilometers, Block (2) 2,228 square kilometers, Block (3) 1,088 square kilometers, and Block (4) 1,478 square kilometers, a total of 7,652 square kilometers. The exploration cost in these blocks is estimated at 10 – 15 million Dollars for each exploratory well, and the cost of a development well within the same field is estimated at US\$500,000.



2. *Development of Bahrain Oilfield*

NOGA gives special attention to the development of Bahrain Oilfield, one of the oldest in the region that started production in 1932. The development aims at increasing production and action by NOGA is expected to begin early next year. Eleven international companies have expressed interest in the development process. This is the first action in this regard since the discovery of oil in Bahrain almost 75 years ago. It is anticipated that the development process will increase the oilfield production from 35,000 barrels to 70,000 barrels per day.

3. *Development Drilling Programmes*

(A) *Drilling of 70 Wells in Bahrain Oilfield*

Under the patronage of His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the National Oil & Gas Authority, NOGA and the Kuwaiti Burgan Drilling Company signed agreement on Tuesday, 13th March 2007, to drill 70 oil wells to maintain current oil production rates. The agreement also aims at preventing the deterioration of oil production, which decreased from 37,000 barrels per day three years ago to 35,500 barrels per day at present.

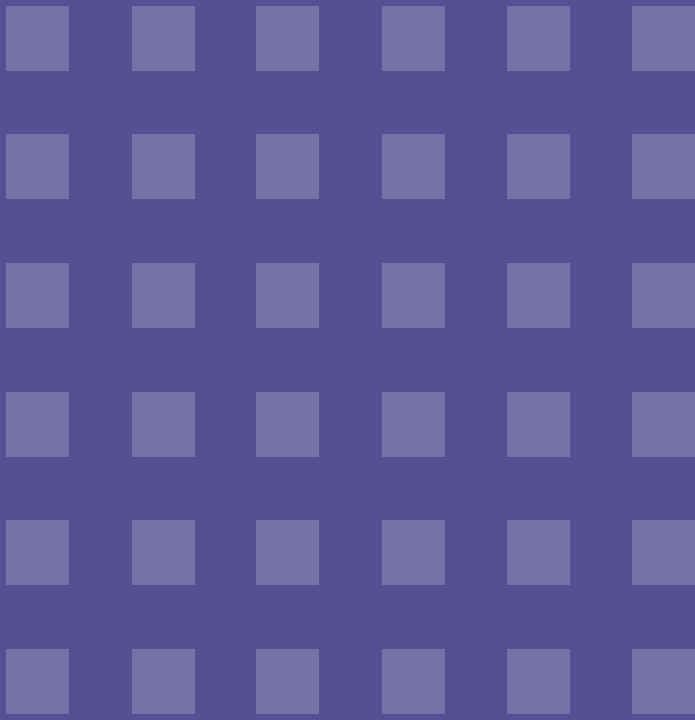
The Kuwaiti Burgan Drilling Company was selected through tenders submitted by four regional and international companies. Having met the best terms and price, Burgan was awarded the contract through the Tender Board under the terms and conditions of the Tender Law. The value of the two-year contract is US\$32 million.

(B) *Drilling of 8 New Gas Wells*

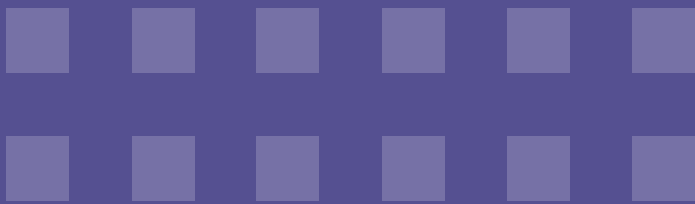
On an initiative by NOGA with the purpose of increasing natural gas production from Bahrain field, a project was started for raising the current production capacity by 500 MMCF per day by drilling a total of 8 new gas wells. A budget of US\$200 million was allocated and completion is scheduled for the third quarter of 2011.



Section

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The Oil & Gas Holding Company

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75 Years of Achievements

The Oil & Gas Holding Company



His Highness Shaikh Salman bin Hamad Al-Khalifa, the Crown Prince and Deputy Supreme Commander of the Bahrain Defence Force, promulgated on 10th August 2007 Royal Decree No. 77 for the year 2007 incorporating the Oil & Gas Holding Company, a Bahraini joint stock company.

The Oil & Gas Holding Company's Memorandum of Association was signed at the head office of NOGA on Wednesday, 1st August 2007. The Memorandum comprised 8 articles, the most significant of which were those related to the Company's objects and capital, as well as the Articles of Association.

The objects of the Company included:

- Acquisition of the Government's shareholdings and stakes in the subsidiary companies, namely the Bahrain Petroleum Company (BAPCO), the Gulf Petrochemical Industries Company (GPIC), the Bahrain National Gas Company (BANAGAS), the Bahrain Aviation Fueling Company (BAFCO) and BANAGAS Expansion Project.
- Investment of the Company's funds in the areas specified by the Board of Directors, and participation in the establishment of enterprises or other companies.
- The Company's authorized capital is BD1,619,400,000, being the book value of the Government's shareholdings in the companies transferred to the Holding Company.



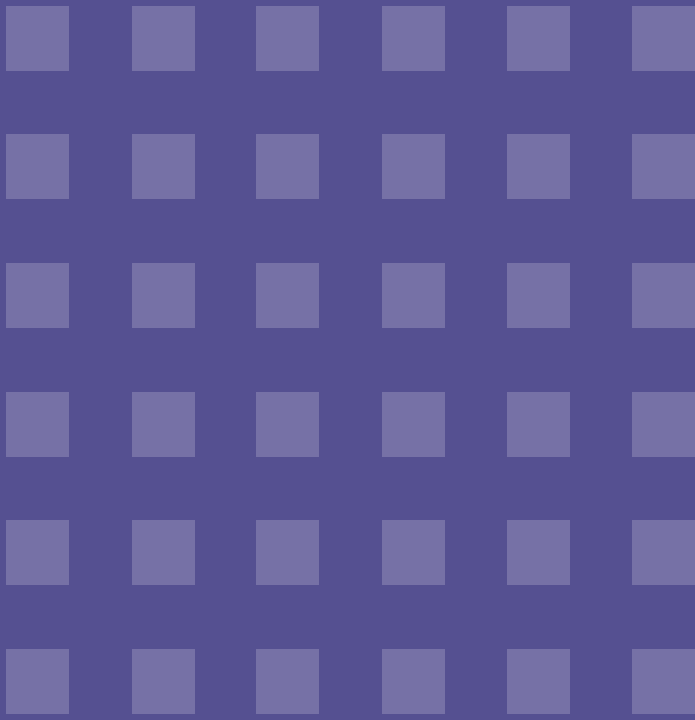


- The management of the Company is vested in the Board of Directors of NOGA. A number of the Holding Company executives have been assigned to take up leading positions and to run administrative matters related to functions entrusted to the Company at this institutional stage.

Immediately upon incorporation, the Company embarked upon the following actions:

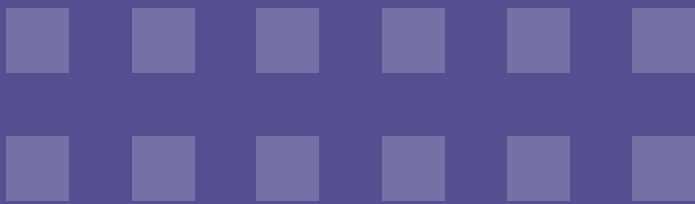
- Selection of the Company's location and equipment of its offices.
- Opening of bank accounts to facilitate the Company's financial transactions.
- Commission of consultants to conduct studies on the Company's organizational structure, financial and accounting procedure and strategic plans.
- Appointment of Company representatives in a number of the boards of its subsidiaries.
- Coordination with concerned Ministries, Government and other authorities to transfer the shares and other common matters of the subsidiaries to the Holding Company.
- Design a logo and a short name for the Company.
- Notification of companies and authorities concerned within and outside the Kingdom of Bahrain about the incorporation and objects of the Company.

Section

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Five

Corporate Organization And Development

A decorative grid of squares in the middle right section, consisting of 2 rows and 6 columns of small squares.

75 Years of Achievements

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1. Adjustment of Product Prices

As part of the implementation of the Prime Ministerial Edict issued on 2nd April 2006 with respect to banning the export of subsidized petroleum products ensuring that the subsidy is utilized for eligible consumers, and within NOGA's policy of reconsidering the prices of gas and petroleum products, NOGA reviewed such prices in the light of international prices of petroleum products. NOGA adopted several resolutions towards the adjustment of such prices with the aim of preserving the country's natural resources. Such resolutions included:

(A) Adjustment of Diesel Prices for Non-local Use

The Board of Directors of NOGA at its Meeting No. 39 for the year 2007 held on 9th January 2007, decided to increase the price of diesel sold at Muharraq's International Marine Terminal which is supplied for non-local use from BD0.080 per liter to BD0.120 as of January 2007. The decision is grounded on the fact that because of the low price of diesel, i.e. BD0.080, the pan-Gulf international shipping vessels became the prime beneficiary of the Government subsidized prices.

(B) Adjustment of the Prices of Natural Gas

Upon a review of the international prices of natural gas in an endeavour to adjust the structure of such prices to ensure that they are commensurate with production cost, on one hand, and with international prices, on the other hand, the Board of Directors of NOGA at its meeting held on 9th January 2007, approved the adjustment of the prices of natural gas for existing and new projects, as per the following details:

- To increase the price of natural gas for new projects requiring natural gas from US\$1.00 per MMBTU to US\$1.50 as of 1st January 2007.
- To adjust the price of natural gas for existing projects as of 1st April 2007 to become US\$1.10 per MMBTU, and to be increased by US\$0.10 annually.

(C) Gradual Adjustment of Asphalt Prices for Factories

The Board of Directors of NOGA decided to increase the price of asphalt gradually over the next three years by 30% annually to become 70% of the international price, starting from 1st January 2008. The Bahrain prices of asphalt are lower than those in neighbouring countries. The local price per ton is US\$80.00 against the international price of more than US\$277 per ton.

2. Introduction of Code of Conduct for NOGA and its Subsidiaries

On 12th June 2007 at the Crowne Plaza Hotel, His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of NOGA's launched a Code of Conduct Document for NOGA and for the companies operating under the control of NOGA. The launch coincided with a seminar specially organized under His Excellency's patronage for discussing the Document. The ceremony was attended by members of NOGA's Board of Directors and a large number of decision makers, managers, officers and trade unionists in the Bahraini petroleum companies. The Code of Conduct Document discussed five topics: Respect of all staff members, including respect of religious beliefs and respect of the sovereignty of law; harassment; annoyance; labour rights. The second topic dealt with compliance with the security, safety, health and environmental rules and regulations. The third topic covered confidentiality



of information; personal details; IT private information; privacy; confidence; copyright; accuracy of information. The fourth topic involved citizenship, social responsibility, and social and political relationships. The last topic embraced professional ethics, which included conflict of interests, bribery and corruption; gifts; promotions; working for others; prevention of fraud and theft; representation of NOGA or company.

The launch of the Document was part of NOGA's programme to promote employment culture and to educate human resources and to further increase their knowledge of rights, obligations and values, and to encourage them to play an active part in their work environment and community.

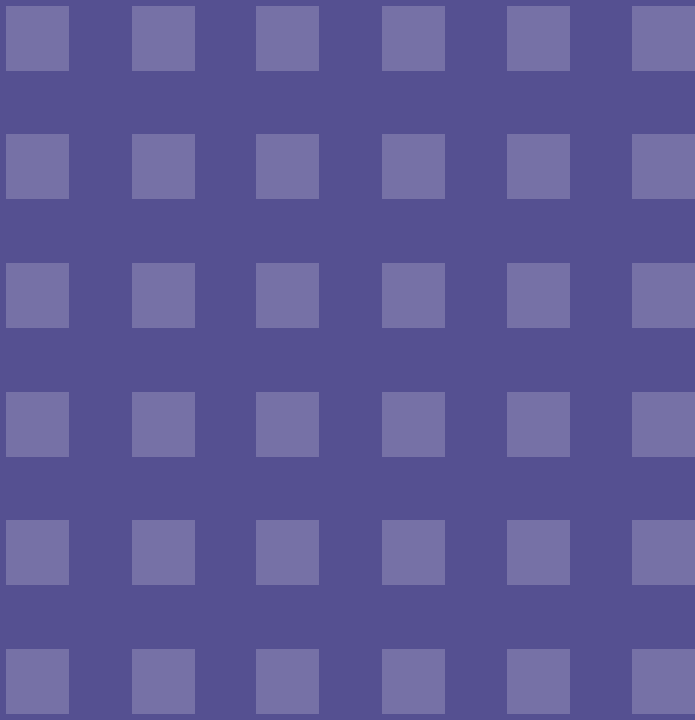
3. Succession Plan for Higher Leading Positions

In March 2007, the Board of Directors of NOGA approved a succession blueprint for higher leading positions in the companies operating under the control of NOGA. The aim was to:

- (a) give chance to national young leaders to assume key positions in the petroleum companies;
- (b) ensure smooth flow to leading positions through pre-planning.
- (c) assist in designing plans for training national manpower and for determining required budgets.

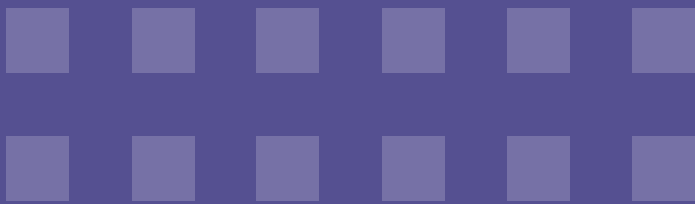
Within this framework, each petroleum company prepared its plans and submitted them to NOGA's Board of Directors, who formed a specialized sub-committee to consider such individual plans and to create a comprehensive succession plan for the Kingdom's oil and gas sector. This was one of the major achievements of NOGA and the first of its kind at national level. The plan was well received by the country's political leadership and by economic sectors.

Section

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Six

Cooperation With Governments And With Local And Foreign Organizations

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75 Years of Achievements

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1. *Bahraini Iranian Gas Talks*

A meeting was held between His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of NOGA and his counterpart His Excellency Kazem Vaziri Hamaneh the Minister of Petroleum of the Islamic Republic of Iran. During the meeting, several oil and gas issues were discussed, and the parties emphasized the importance of such meetings, which help enhance bilateral relations.



The meeting took place at the Iranian capital, Tehran, on 24th February 2007, when the Minister of Oil & Gas Affairs was visiting Iran with His Excellency Shaikh Khalid bin Ahmed Al-Khalifa the Minister of Foreign Affairs. A written message from His Majesty the King was delivered to His Excellency the Iranian President.

2. *Memorandum of Understanding between the Kingdom of Bahrain and the Arab Republic of Egypt*

On 8th April 2007, a memorandum of understanding on oil and gas was signed in Manama between the Kingdom of Bahrain and the Arab Republic of Egypt. The memorandum was signed on behalf of Bahrain by His Excellency Shaikh Khalid bin Ahmed Al-Khalifa the Minister of Foreign Affairs and on behalf of Egypt by His Excellency Ahmed Abul Gheit, Egyptian Foreign Minister. The memorandum aimed at enhancing cooperation in oil and gas and in associated industries. It comprised 8 clauses focusing on oil and gas and on establishing a joint venture for drilling wells and for exploration, production, processing, transportation and distribution of natural gas, as well as companies for engineering research and consultation. Utilization of the expertise of the companies operating in both countries was also covered.

3. *Meeting of the Bahraini Iranian Joint Gas Technical Committee*

The Joint Gas Technical Committee between the Kingdom of Bahrain and the Iranian Islamic Republic held its first meeting at Al Dar, Awali, on Monday, 10th September 2007. The meeting was part of the political leadership's endeavour to identify alternative sources and to import natural gas to support operational requirements and enhance the socio-economic development process in Bahrain.



The delegation of Bahrain was presided over by Mr. Abdul Karim Jaffer Al-Sayed, Bapco's Senior Deputy Chief Executive, while the Iranian team was headed by Mr. Qassim Javid, the Marketing Manager at the National Iranian Gas Export Company (NIGEC). During the meeting, it was agreed to establish subcommittees to discuss specialized aspects such as financial, legal and technical matters. The formation of the Joint Committee was a result of the visit made by His Excellency the Minister of Foreign Affairs and His Excellency the Minister of Oil & Gas Affairs to the Islamic Republic of Iran on Saturday, 24th February 2007, which aimed at strengthening the two country's bilateral economic relations, especially in investment in gas projects.

The Bahraini Iranian Joint Gas Technical Committee held its second meeting in the Iranian capital, Tehran, on 28th and 29th October 2007. The Bahraini team was headed by Mr. Abdul Karim Jaffer Al-Sayed, Senior Deputy Chief Executive of the (BAPCO).

4. Bahraini Qatari Talks on Cooperation in Gas & Investments

His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the National Oil & Gas Authority (NOGA) presided over Bahraini Qatari talks on cooperation in gas matters and in joint investments. The meeting was held at Gulf Hotel, Bahrain, on 25th September 2007. Discussions focused on the possibility of Qatar Petroleum participating in oil and gas projects and on further supporting joint investments between the two sisterly countries.



5. Joint Cooperation Agreement between NOGA and SCW

A ceremony was held on Wednesday, 14th November 2007, at NOGA's head office where a joint cooperation agreement was signed between NOGA and the Supreme Council for Women (SCW). The agreement was signed by His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs, and Chairman of the National Oil & Gas Authority (NOGA) on behalf of NOGA and by Mrs. Lulwa Saleh Al-Awadhi, Secretary General of SCW.

The agreement was a result of Royal directives by Her Highness Shaikhah Sabeeka Bint Ibrahim Al-Khalifa, President of the Supreme Council for Women. It was part of the SCW's direction to activate its functions and to enhance relationship with official public organizations in Bahrain. The agreement will be effective in supporting the role of women and in promoting women-oriented programmes. The cooperation agreement comprises 8 articles, which cover plans, programmes and projects that will contribute to the progress of women in general and of the women employed in the petroleum sector in particular. The female employees of NOGA account for nearly 20% of the total work force, which is a high percentage taking into consideration the nature of the oil and gas business. NOGA also made precedence by appointing a female as Deputy Chairman of the Board of Directors of the Bahrain National Gas Company (BANAGAS).



6. *Memorandum of Understanding on Gas Cooperation with Iran*

During the historical visit of His Excellency the Iranian President, Dr. Mahmoud Ahmadi Nejad, to Bahrain, a Memorandum of Understanding on cooperation in oil and gas was signed in Manama on Saturday, 17th November 2007. The Memorandum was signed by His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the National Oil & Gas Authority (NOGA) on behalf of NOGA and by his Iranian counterpart His Excellency Ghulam Hussain Nozari.

The Memorandum provides for supplying Iranian natural gas to Bahrain at a volume of one billion cubic feet per day. Negotiations through technical committees will specify the fields from which gas will be imported. The mode of importation could be in the form of Bahraini investments in one of the Iranian gas fields or Iranian investments from which gas will be purchased. A financial committee will be formed to determine the cost of gas imports. Under the Memorandum of Understanding, the negotiations on the importation of gas from the Islamic Republic of Iran should be finalized within one year, while work on laying gas pipelines between Iran and Bahrain would last three years.

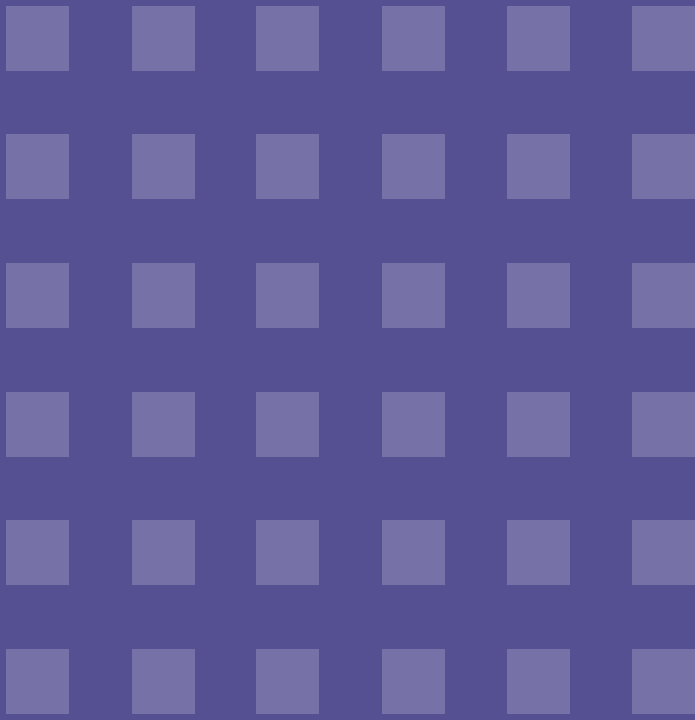


7. Memorandum of Understanding between the Kingdom of Bahrain and the Kingdom of Thailand

In the presence of H.H Shaikh Khalifa bin Salman Al-Khalifa the Prime Minister, and H.E General Surayud Chulanont, the Prime Minister of the Kingdom of Thailand, a Memorandum of Understanding was signed on Tuesday, 11th December 2007, at Qudaibiya Palace. The Memorandum covered cooperation in the field of oil and gas between Bahrain and Thailand. It was signed by His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the National Oil & Gas Authority (NOGA), on behalf of Bahrain. The Memorandum granted PTTEP of Thailand a concession for exploration for and production sharing in oil and gas within Block No. 2, a north offshore area in Bahrain. The Memorandum comprised 8 articles covering geophysical and geological studies, exploration for oil and gas, oil and gas processing, as well as the possible incorporation of joint stock companies, cooperation in training and skill developing, and formation of joint steering committees. The duration of the memorandum is three years from the date of signature.

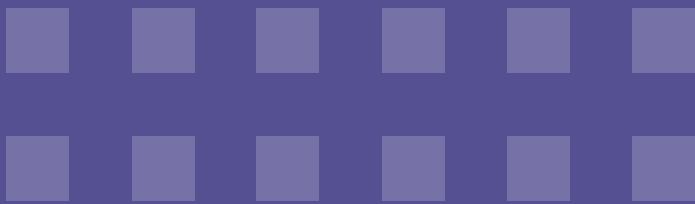


Section

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Seven

*Local And International Meetings And
Participations*

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75 Years of Achievements

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1. Participation In The Roundtable Meeting Of Oil And Energy Ministers In East And West Asia

H.E The Minister and Chairman of the NOGA presided over Bahrain's delegation to the 2nd roundtable meeting of Oil and Energy Ministers in East and West Asia, which was held in Riyadh, on Wednesday, 2nd May 2007. During the meeting, H.E The Minister addressed the meeting and covered Bahrain's visualizations of cooperation with Asian energy exporting and consuming countries. H.E emphasized the importance of activating such cooperation through joint ventures and through petroleum and energy companies. H.E shared with the meeting Bahrain's experience in developing the petroleum sector by creating an independent authority exclusively responsible for oil and gas. H.E also briefed the meeting on the projects and plans aiming at increasing Bahrain's petroleum resources, highlighting the oil and gas exploration programmes which were announced recently to attract international petroleum companies to participate in the exploration of oil and gas in Bahrain.



A final communiqué emphasized the importance of high level cooperation and coordination between energy exporting and consuming countries in Asia and of the protection of the energy markets against undesirable negative impacts. Investments were encouraged among Asian countries in various energy sectors with further emphasis on the flow and bilateral and multi-party exchange of information and development of research networks in the Asian continent. This biennial event is one of the very important Asian gatherings. The first meeting was held on 6th January 2005 in India. The third meeting is scheduled for 2009 in Tokyo.

2. Participation in the Third Summit of Heads of State and Government of OPEC Member Countries

H.E Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the NOGA presided over Bahrain's delegation to the opening ceremony and in-tandem activities of the third summit of heads of state and government of member countries, which were held during the period 17th through 18th November 2007 at the Saudi Arabian Capital, Riyadh. This is the third in a series of such summit meetings. The first meeting was held in Algeria in



March 1975 and the second in Caracas, Venezuela, in 2000. The event was attended by 11 heads of state of the 13 OPEC member countries, namely Saudi Arabia, Kuwait, Iraq, Iran, Venezuela, Algeria, Libya, Qatar, the United Arab Emirates, Indonesia, Angola and El Ecuador, which countries account for 40% of the world production of crude oil. The aim of such OPEC's meetings is to coordinate and standardize the petroleum policies of the member countries and to ensure the individual and collective protection of the member countries interests. OPEC also endeavours to ensure stable prices in the international oil markets and to prevent unnecessary variation of prices. During the event, Saudi Arabia announced an initiative of creating a fund for supporting climate change research. A significant contribution of US\$300 million was made by Saudi Arabia. Other OPEC member countries also supported the fund.



The final Statement emphasized the following points:

- Reaffirm OPEC's member countries commitment to provide sufficient supplies of crude oil to ensure stability of international energy markets, economic prosperity, and encouragement of sustainable development and ensure better living for future generations.
- Continue providing adequate and reliable petroleum supplies to world markets, and ensure equilibrium in the energy markets to establish a stable competitive price of oil.
- Underscore the interrelationships between global security of petroleum supply and the security and predictability of demand. Strengthen and broaden the dialogue between energy producers and consumers; encourage cooperation and exchanges in the fields of technology and human resource development.
- Emphasize the fact that the OPEC are partners in all global initiatives which aim at building bridges of development, giving priority to the eradication of poverty and working together with the international community for sustainable development, economic growth, social progress and protection of environment.
- Reaffirm the core principles of addressing climate change and the Kyoto Convention and of establishing a comprehensive policy to address climate change and environmental issues.



3. *The 79th Meeting of OAPEC Council Of Ministers*

H.E Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the NOGA headed Bahrain's delegation to the 79th meeting of the Ministerial Council of the Organization of Arab Petroleum Exporting Countries (OAPEC), which was held in Doha, Qatar, on Saturday, 1st December 2007. During the meeting, several topics were discussed, at the foremost of which was OAPEC's budget (General Secretariat and Judicial Committee) for 2008, progress in the Databank, and the initial preparatory steps for proposed Arab Energy Conference to be held in Doha during 2010. Other discussions covered updates on the United Nations Framework Convention on Climate Change and the Kyoto Protocol, and review of the activities of OAPEC's petroleum companies.



Several resolutions were adopted during the meeting, including writing off of 70% of Iraq's debts to OAPEC as was done by the Arab League, extending Iraq's supervision over the Arab Petroleum Training Institute (APTI) for one year, from 1st January 2008, and appointing Mr. Abbas Naqi, Undersecretary of Kuwait's Ministry of Petroleum, as Secretary General of OAPEC for three years, from 1st March 2008, to replace Mr. Abdul Aziz Al-Abdulla Al-Turki, who received the Council's appreciation for his services as OAPEC's Secretary for 18 years.

4. *Meetings of the Joint Committees*

NOGA oversees a number of committees holding regular meetings to regulate and monitor work progress to ensure the attainment of the objectives set by NOGA to develop the oil and gas sector in the Kingdom of Bahrain. NOGA also endeavours to coordinate and cooperate in the best manner with Government authorities and with companies. Such committees are:

(a) *The Energy Conservation Committee*

This Committee was formed by Ministerial Order No. 3 for the year 2006 promulgated by H.E the Minister of Oil & Gas Affairs and Chairman of the NOGA. It comprises representatives of the Ministry of Electricity & Water, the Ministry of Works & Housing, the Ministry of Industry & Commerce, BAPCO and ALBA. The Committee is responsible for identifying innovative

and effective programmes for preserving energy in energy generating and manufacturing projects. The Committee also ensures keeping abreast of state-of-the-art technologies of the utilization of gas as a principal and cost-effective source of energy.



Some Achievements of the Committee

- Formation of a Working Team stemming from the Committee to draw up terms of reference on the basis of which an integrated and standardized policy on motivating and rationalizing preservation of energy by consumer could be established.
- Preparation of a reference framework for consideration requests from gas consumers, with regular reports on energy auditing.
- Consideration of linking Bapco's and GPIC's electricity networks with the public power grid.
- Preparation of data tables on the information required for calculating the total cost of transformation to liquid fuel.

(b) Petroleum Installations Security Committee

On an initiative of H.E Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the NOGA this Committee was set up in response to security requirements in petroleum installations to enhance the security capabilities of such installations. The Committee comprises representatives of NOGA, the Ministry of the Interior and the petroleum companies operating in Bahrain, namely, BAPCO, BANAGAS, GPIC, BAFCO, and ALBA. The function of the Committee is to consider the current security measures in the companies operating under the control of NOGA with the aim of improving such measures to cope with local and international security developments.

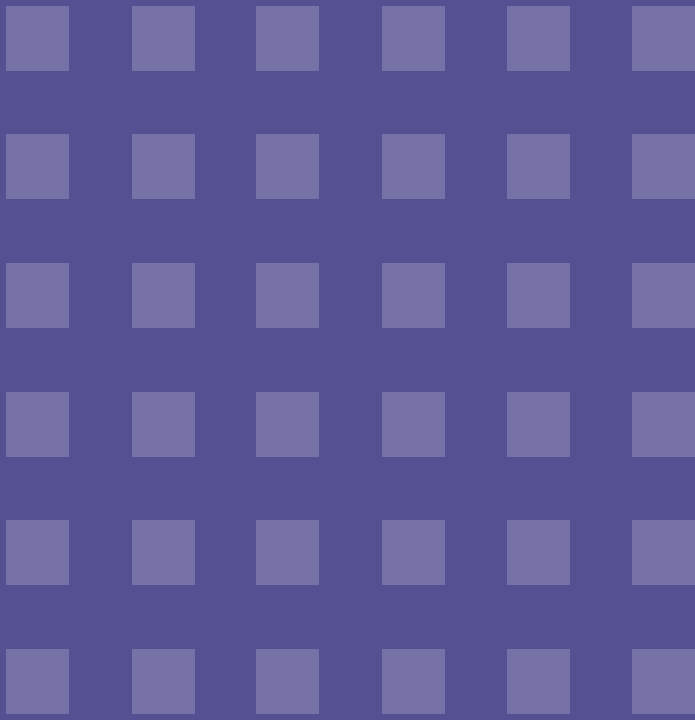
(c) Service Station Privatization Committee

The Committee introduced a mechanism for the privatization of the service stations operating under the control of the Bahrain Petroleum Company (BAPCO). The object is to further enhance participation of the private sector in oil sector services, as recommended by the World Trade Organization (WTO). Under the chairmanship of NOGA the Committee comprises representatives of the Ministry of Finance, the Bahrain Petroleum Company (BAPCO), the Bahrain Chamber of Commerce & Industry, and the Economic Development Board (EDB).

A delegation of NOGA and Bapco visited the State of Qatar on 22nd January 2007, where the members held meetings with officials of Woqod, the company overseeing the service stations in the State of Qatar. The purpose was to have access to Woqod's experience in the establishment and management of service stations.

Major Resolutions of the Committee

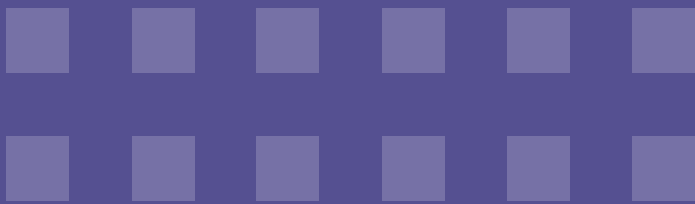
1. Bapco was commissioned to draft broad requirements for regulating the establishment of service stations in the Kingdom of Bahrain.
2. A small-scale team was formed under Bapco to meet with consultants to discuss the conduct of a privatization study, the cost and the technical aspects thereof.
3. An international consultant is to be commissioned to consider options for the privatization of the service stations.



Section

Eight

Local Conferences, Expos And Events



75 Years of Achievements



1. *Investigation and Criminal Procedure Techniques Course*

As part of the cooperation between the National Oil & Gas Authority (NOGA) and the University of Bahrain, the Ongoing Legal Education Programme at the Faculty of Law, University of Bahrain, conducted a training course on Investigation and Criminal Procedure Techniques during the period 5th through 7th February 2007. A number of NOGA's Inspection Section participated in this course to enhance their knowledge of legal matters relevant to the nature of their duties. The course covered several topics related to peace officers, including investigation techniques, basic elements of crimes, the criminal procedures to be taken upon the discovery of a crime, and the relationship between peace officer and the public prosecution and the investigation judges. This training course was designed to further enhance national capabilities to effectively participate in the regulation of inspection functions and to ensure proper application of the laws and regulations applicable to the oil and gas business. The course is also in line with Ministerial Order No. 17 dated 22nd March 2006 promulgated by the Minister of Justice with respect to conferring the authority of peace officers upon designated members of NOGA.

2. *International Conference on Nitrogen plus Syngas*

Under the patronage of H.E Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of NOGA the International Conference on Nitrogen plus Syngas from 26th to 28th February 2007 was held at the Gulf International Convention Centre, Gulf Hotel. The conference was organized by British Sulphur in cooperation with the GPIC and in coordination with NOGA. The conference covered several topics related to the petrochemical and fertilizer industries. During the three-day conference, which was attended by more than 350 international experts and professionals in petrochemicals and fertilizers from 50 countries representing 139 companies worldwide, discussion papers were presented on de-facto and challenges in the petrochemical and fertilizer industries and syngas, and manufacturing technologies of ammonia, methanol and urea. Several recommendations were made and short- and long-term action plans were proposed. This is the first time that such conference is held outside Europe and North America.

3. *MEOS 2007*

His Highness Shaikh Khalifa bin Salman Al-Khalifa the Prime Minister, graciously opened the 15th Middle East Oil Show and Conference (MEOS 2007) which was held from 12th to 14th March 2007 at the Bahrain International Exhibition Centre. Since 1979, this event has been biennially organized by the Society of Petroleum Engineers and the Arabian Exhibition Management, in co-operation with NOGA. The exhibition showcased latest technologies on well surveys, oil and gas exploration, as well as sophisticated products and services, measuring instruments and other equipment. More than 228 international petroleum companies from 21 countries participated, including ExxonMobil, Shell, ChevronTexaco, ConocoPhillips, in addition to petroleum service giant companies such as Baker Hughes, Weatherford, CGGVeritas and Schlumberger, besides all GCC national petroleum companies. The space reserved by exhibitors was 5,100 square meters, 16% larger than that of 2005.



Over the 3-day conference and 158 sessions, nearly 260 papers and posters were presented, covering several energy aspects, including reservoir management, drilling and exploration technologies, advanced production techniques, gas technology, and business opportunities. A number of training courses were conducted along the event. More than 1,450 participants from various parts of the world took part in the conference.

MEOS 2007 was held under the theme Delivering Energy Faster, Better and Smarter. This is the 15th time that MEOS is held in Bahrain since its first launch in 1979. The event attracts major international energy companies, a number of senior professional and academics from regional and international specialized institutes and organizations.

4. *E.I.C. – ME Chapter Conference*

His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the NOGA opened on Wednesday, 14th March 2007, the E.I.C. - ME Chapter Conference, which was held at Sheraton Hotel. The two-day event was organized by Energy Industrial Council, a British company specialized in petroleum and petrochemical industries, and supported by British and GCC petroleum companies.

Utilizing the experience and facilities provided by Bahrain, the Kingdom was selected as the venue for this conference, which assembled representatives of British petroleum and petrochemical companies along with their counterparts in the region. More than 300 experts and professionals participated in the conference.



5. *Seminar on Kyoto Protocol's Clean Development Mechanism: A Framework to Attract Foreign Capital into Bahrain*

On Monday, 9th April 2007 under the patronage of H.E Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of NOGA a seminar under the title Kyoto Protocol's Clean Development Mechanism: A Framework to Attract Direct Foreign Capital into Bahrain was opened at the Gulf International Convention Centre, Gulf Hotel. The event was organized by the NOGA in cooperation with the Bahrain Centre for Studies & Research and the Public Commission for the Protection of Marine Resources, Environment & Wildlife, and in coordination with the UNEP.

The aim of the seminar was to introduce the clean development mechanism and projects included under this concept. It was also to explain how to benefit from such global mechanism stemming from the Kyoto Protocol and the United Nations Framework Convention on Climate Change, as well as how to obtain financial and technical support required for clean development mechanism projects, and the role of global environment.

6. *5th Specialized Exhibition & Conference on Environmental Development within the Petroleum and Petrochemical Industries*

His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the National Oil & Gas Authority (NOGA), opened on Sunday, 22nd April 2007, the 5th Specialized Exhibition & Conference on Environmental Development within the Petroleum & Petrochemical Industries, which was organized by the Bahrain Society of Engineers, Saudi Arabian Section of the Air & Waste Management Association, Environmental Technology & Management Association, and by the Saudi Arabian Marine Ecosystem Association. The four days event was held at the Gulf International Convention Centre, Gulf Hotel.

Over 350 experts and professionals from the United States, Britain, France, Malaysia, Iran, Australia and India, as well as from GCC countries, took part in the conference and exhibition. 90 papers were presented and discussed at the conference. The papers covered several topics, including environmental control, quality of air, management of wastewater, protection against pollution, marine ecosystem hazardous wastes, environmental changes, state-of-the-art sewage treatment technologies and other key topics related to the petroleum and petrochemical industries. Thirty two international and regional companies participated in the in-tandem exhibition, in which state-of-the-art environmental control instruments were showcased.

7. *15th Gas Processors Technical Conference*

On 9th May 2007, at Crowne Plaza Hotel, His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the NOGA opened the 15th Gas Processors Technical Conference, which was organized by the Gas Processors Association – GCC Chapter in cooperation with the Bahrain National Gas Company (BANAGAS) and GPIC. More than 18 international, regional and national gas companies participated in the conference, at which several topics related to natural gas were discussed. It was highlighted that this demand



throughout the world is attributable to the fact that the natural gas is environment friendly. The use of natural gas as the main source in various industries was also discussed. The Bahrain based Gas Processors Association – GCC Chapter was established in 1993 by initiative of BANAGAS, as a branch of the American Gas Processors Society, which formed in 1921 as a specialized organization endeavouring to serve the needs of its member companies, including the development and maintenance of sophisticated industrial standards. The society also serves as a forum for the exchange of ideas, technology, and information that will benefit both those interested in and operating the gas industry regionally and internationally.

8. *Code of Conduct Seminar for NOGA and Subsidiaries*

His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the National Oil & Gas Authority (NOGA), both NOGA and the Gulf Petrochemical Industry Company (GPIC) organized a seminar on the Code of Conduct for members of NOGA and of the companies operating under its control. Held at Bahrain Convention Centre, Crowne Plaza Hotel on Tuesday, 12th June 2007, the seminar was attended by nearly 80 participants and specialists from various Ministries and other organizations and from civil society establishments, petroleum and other industrial companies and a number of individuals.

The keynote speakers at the seminar were H.E the Minister of Oil & Gas Affairs NOGA's Legal Adviser the Resident Representative of the UNDP in Bahrain and the General Manager of GPIC. Several code of conduct related topics were covered. The purpose of the seminar was to introduce and discuss a Code of Conduct Document, which included guidelines on ethics and values, which must be adopted and complied with by members of NOGA and of the companies operating under its control in the course of performing their duties, in dealing with their fellow employees, suppliers, customers, contractors, Government bodies and the public at large.



9. Leadership Forum 2007

His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the National Oil & Gas Authority (NOGA), both CTM Event Management and NCS Manpower organized the Leadership Forum 2007 at the Intercontinental Hotel during the period 19th through 20th June 2007. Under the theme of (Leading your Team to Success), the event was attended by more than 180 participating experts and specialists from Bahrain, other GCC states, and Arab and international countries. The aim of the forum was to share basic knowledge on management, leadership and training practices, as well as highlighting the importance of investment in human capital and self-development to better face future challenges and competitiveness. The event attracted senior officials decision makers and human resources officers in various economic sectors, as well as officials responsible for administration, recruitment, and human resources.





H.E the Minister was the leading Keynote speaker at the forum. Several workshops were held, film shows displayed and case studies conducted. The forum highlighted several topics, including talent management, appointment of future leaders, team building and responsibility, success plans, training, career development, performance assessment, maximization of human capital, human resources e-management, e-education, clear vision and mission, effective communications, global challenges and the impact thereof on corporate success.

10. Graduation of the Second Group in the Skills for the Workplace Programme

A graduation ceremony was held under the patronage of H.E the Minister of Oil & Gas Affairs and Chairman of NOGA Chairman of Bapco's Board Committee, to celebrate the graduation of the second group in the Skills for the Workplace Programme. One hundred and five male and female participants received their certificates on Tuesday, 31st July 2007.



Addressing the audience, H.E The Minister emphasized that this was a good example of cooperation between the public and the private sectors in supporting the Skills for the Workplace Programme. He pointed out that this was an extension of the Bapco's tradition in providing vocational training for Bahrainis. However, the Minister said that it was different in the fact that the programme this time included non-Company participants. H.E noted that the success of the programme can be measured by the increasing number of participants. More than 450 male and female Bahrainis enrolled in the programme since it was launched in January 2006. The programme is based on internationally recognized training standards, making it one of the most successful training schemes in Bahrain. It aims to support young Bahrainis and to satisfy the need of the Bahraini labour market for qualified and adequately trained nationals.

11. Leading Change in Global Economy

Under the auspices of H.E Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of NOGA, a seminar on (Leading Change in Global Economy) was organized by Golden Trust Consultancy and held on 21st and 22nd October 2007. The purpose of the

seminar was to introduce new concepts and modern leadership and management skills in management change, manpower leadership development for the benefit of business and national economy. The seminar was conducted by Professor James Clawson, Head of Leadership and Organizational Behaviour Section at Daren School for Higher Education, University of Virginia, United States of America. The event was attended by a number of chief executives, general managers, managers and specialists from various petroleum and other industrial companies and economic and financial institutions. Several topics were discussed, including leading change strategies, developing and supporting talented individuals who are envisaged to play a major role in changing corporate business behaviours.

12. *StocExpo Middle East 2007*



Under the auspices of H.E the Minister and Chairman of NOGA, StocExpo Middle East 2007 was organized from 19th to 20th November 2007. Held at the Gulf Hotel, the event was organized StocExpo in coordination with the Embassy of the United Kingdom in Bahrain. The opening ceremony was addressed by H.E. The Minister other keynote speakers included experts from international companies, such as Saudi Aramco, ADNOC, BAPCO, Yokogawa GMSC and RAW Group, who discussed several topics on the oil storage industry and the construction of storage terminals. Subjects also included finance and investment in regional storage capacity, tank repair programme success factors and measures, metering systems, ADCO experience with roof & side jet mixers.

The conference was attended by more than 280 participants worldwide. This is the second in a series of such conferences. The first conference was held in Dubai in 2006. An in-tandem exhibition was organized. State-of-the-art technologies and equipment in hydrocarbon storage were displayed. More than 80 companies took part including BORSIG Membrane Technology GmbH, CarboVac, Enardo Inc., Siemens AG, Emerson Process Management, John Zink International Luxemburg, Silverwing Middle East, and other international companies.



13. The 4th Middle East Non-Destructive Testing Conference & Exhibition

This 4th Middle East Non-Destructive Testing Conference & Exhibition was officially opened by H.E the Minister of Oil & Gas Affairs and Chairman of NOGA. Held at Gulf Hotel from 2nd to 5th December 2007 under the theme (Advanced NDT Techniques) Challenges & Implementation, the event was organized by the Bahrain Society of Engineers in cooperation with the American Society for Non-Destructive Testing (Saudi Section). Addressing the conference, H.E the Minister pointed out that there was an increasing demand on NDT innovative techniques, and experts are keeping abreast of latest technologies in this field to take proactive actions. Specialists and professionals also spoke at the conference which was attended by more than 400 participants and some 50 experts from Arab and international organizations. An exhibition was held along with the conference, with more than 80 specialized companies from various parts of the world showcasing latest NDT equipment.

14. The 75th Anniversary of Discovery of Oil in Bahrain and Inauguration Ceremony of Low Sulphur Diesel Production Complex



H.H.Shaikh Khalifa bin Salman Al-Khalifa the Prime Minister graciously inaugurated the Low Sulphur Diesel Production (LSDP) Complex at the BAPCO. The event coincided with the celebrations on Wednesday 5th December 2007 of the 75th anniversary of the discovery of oil in Bahrain in 1932 during the era of the late Shaikh Hamad bin Isa Al-Khalifa, the then Ruler of Bahrain. The discovery of oil marked the beginning of another economic epoch for

Bahrain. His Highness and VIP guests attended a special presentation on the LSDP and the technologies used in the complex as well as on the financial return therefrom. A special film on the project was shown after which His Highness unveiled a commemorative plaque, marking the official commissioning of the new unit.



Information about the Low Sulphur Diesel Production (LSDP) Complex

- The total cost of the project is BD272.5 million (US\$725 million) a strategic project and one of the largest projects ever implemented by Bapco.
- The purpose of the project is to reduce the current high-sulphur contents of the Bapco diesel pool to ensure continued sale in the international diesel market.
- The project will generate an extra income of some US\$300 million annually, at an investment rate of 30%. The project will also form a solid base for further profitable projects in future.

The complex comprises the following units:

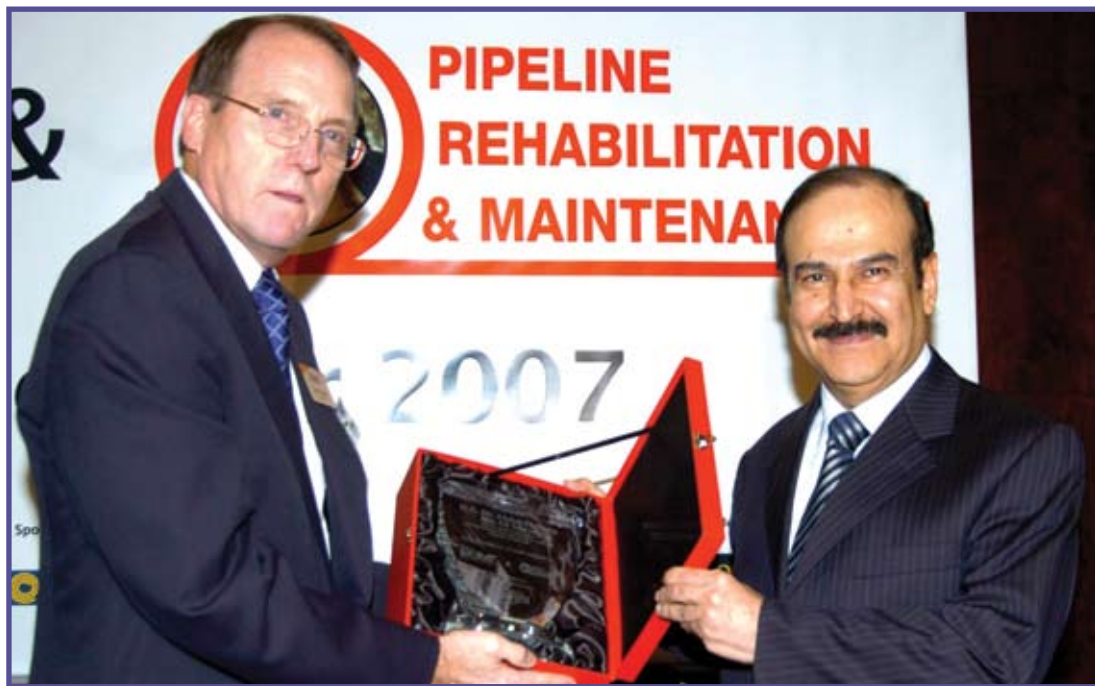
- 40,000 bpd hydrocracker; designed capacity 60,000 bpd.
- 100 MMCF per day hydrogen plant.
- Two 170 tons per day sulphur recovery units, two 170 and 220 gallon per minute sour water strippers, and a 300-ton per day gas processing unit.
- Revamp of No. 2 HDU to convert it to a 70,000 bpd unit to contribute to LSD (10 ppm).
- Support of offsite facilities.

LSDPP Implementation in Brief:

- The beginning of the project was in 2003 when three international companies submitted technical offers which were opened by the Tender Board as per the applicable procedure. The companies were Technip, Bechtel and JGC of Japan.
- On 8th September 2003, the bids were opened by the Tender Board. The tender was awarded to JGC of Japan, which offered the lowest price. On 10th January 2004, Bapco signed a US\$431.6 million contract with JGC, and construction started in 2005.
- On 5th December 2007 H.H. the Prime Minister graciously unveiled the commemorative plaque, marking the official commissioning of this giant plant.

15. The 9th International Conference on Oil Pipeline Rehabilitation & Maintenance

H.E Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the NOGA opened the 9th International Conference on Oil Pipeline Rehabilitation & Maintenance on Monday, 10th December 2007. The 4- day conference, which was organized by PennWell



Corporation, with the support of Saudi Aramco and the Bahrain Petroleum Company (BAPCO), was held at the Bahrain International Exhibition Centre. More than 650 participants attended the conference which covered several topics on investment and maintenance of oil pipelines. Latest relevant technologies were displayed at the accompanying exhibition in which more than 80 companies took part.

16. Oil & Gas Maintenance Technology Conference

This conference was held in tandem with the Oil Pipeline Rehabilitation & Maintenance at the Bahrain International Exhibition Centre. Several specialized workshops were organized and facilitated by professionals and experts.

The simultaneous organization of both conferences was an opportunity for participants to attend both events. State-of-the-art technologies and equipment used in the oil pipeline maintenance and rehabilitation were displayed in the accompanying exhibition.

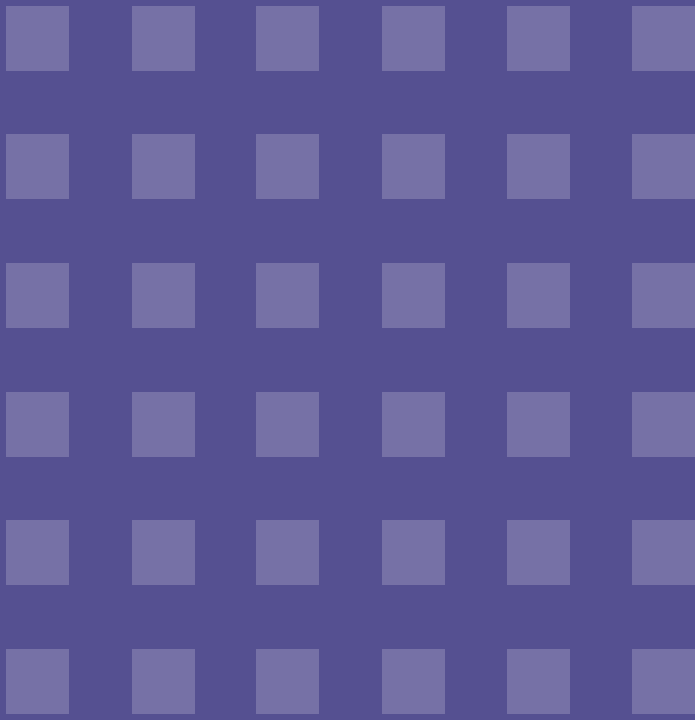
CONFERENCES AND OTHER ACTIVITIES ORGANIZED/CO-ORGANIZED BY NOGA

DURING 2007

	EVENT	ORGANIZER	UNDER THE AUSPICES OF	DATE	VENUE
1	Investigation and Criminal Procedure Techniques Course	College of Law, University of Bahrain and NOGA	NOGA	5 - 7 February	Training Centre, NOGA
2	International Conference on Nitrogen Plus Syngas	British Sulphur, GPIC, SABIC & NOGA	His Excellency the Minister, Chairman of NOGA	26 - 28 February	Gulf Hotel
3	MEOS 2007	Society of Petroleum Engineers, Arabian Exhibition Management and NOGA	His Highness the Prime Minister	12 - 14 March	Bahrain International Exhibition Centre
4	E.I.C. – ME Chapter Conference	E.I. UK ME Chapter and NOGA	His Excellency the Minister, Chairman of NOGA	14 - 15 March	Sheraton Hotel
5	Seminar on Kyoto Protocol's Clean Development Mechanism: A Framework to Attract Foreign Capital into Bahrain	NOGA, BCSR, Environmental Public Commission & UNEP	His Excellency the Minister, Chairman of NOGA	9 April	Gulf Hotel
6	5th Specialized Exhibition & Conference On Environmental Development Within The Petroleum And Petrochemical Industries	Bahrain Society of Engineers and Environment Technology Directorate	His Excellency the Minister, Chairman of NOGA	22 - 25 April	Gulf Hotel
7	15th Gas Processors Technical Conference	Gas Processors Association GCC Chapter and Banagas & GPIC	His Excellency the Minister, Chairman of NOGA	9 May	Crowne Plaza Hotel

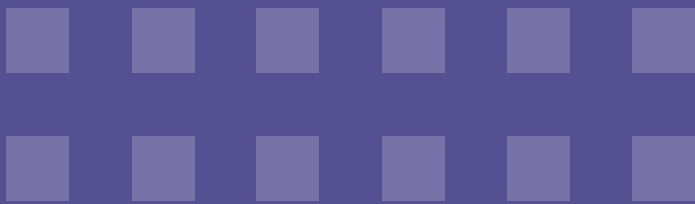
8	Code of Conduct Seminar for NOGA and Subsidiaries	NOGA and GPIC	His Excellency the Minister, Chairman of NOGA	12 June	Crowne Plaza Hotel
9	Leadership Forum 2007	CTM Event Management and NCS Manpower & NOGA	His Excellency the Minister, Chairman of NOGA	19 - 20 June	Regency Intercontinental Hotel
10	Graduation of the Second Group in the Skills for the Workplace Programme	Bapco and Ministry of Labour	His Excellency the Minister, Chairman of NOGA	31 July	Gulf Hotel
11	Leading Change in Global Economy	Golden Trust Consultancy	His Excellency the Minister, Chairman of NOGA	21 - 22 October	Gulf Hotel
12	StocExpo Middle East 2007	StocExpo, British Embassy and NOGA	His Excellency the Minister, Chairman of NOGA	19 - 20 November	Gulf Hotel
13	The 4th Middle East Non-Destructive Testing Conference & Exhibition	Bahrain Society of Engineers and NOGA	His Excellency the Minister, Chairman of NOGA	2 - 5 December	Gulf Hotel
14	The 75th Anniversary of Discovery of Oil in Bahrain and Inauguration Ceremony of Low Sulphur Diesel Production Complex	Bapco and NOGA	His Highness the Prime Minister	5 December	Refinery, Bapco
15	The 9th International Conference on Oil Pipeline Rehabilitation & Maintenance	PennWell and NOGA	His Excellency the Minister, Chairman of NOGA	9 - 13 December	Bahrain International Exhibition Centre
16	Oil & Gas Maintenance Technology Conference	PennWell and NOGA	His Excellency the Minister, Chairman of NOGA	9 - 13 December	Bahrain International Exhibition Centre

Section

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Nine

Legislations And Office Orders

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75 Years of Achievements

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1. Ministerial Order with Respect to NOGA's New Organizational Structure

H.E Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of NOGA issued Ministerial Order No. 2 for the year 2007 dated 11th April 2007 with respect to the introduction of NOGA's new organizational structure. The Orders reads as follows:

- In pursuance of Law No. 10 for the year 2006 with respect to the functions and responsibilities of NOGA established by Decree No. 63 for the year 2005 and amendment to certain provisions of Decree-Law No. 42 for the year 1999 with respect to the formation of the Bahrain Petroleum Company
- In pursuance of Decree No. 63 for the year 2005 with respect to the formation of National Oil & Gas Authority (NOGA).
- In pursuance of Decree No. 78 for the year 2005 with respect to the formation of the Board of Directors of NOGA and specification of its objects and functions, as amended by Decree No. 84 for the year 2006;
- In pursuance of the Prime Minister's approval of the organizational structure of NOGA dated 28th February 2007;
- In pursuance of the resolution adopted by the Board of Directors of NOGA at its meeting No. 47/2007 held on 3rd April 2007 approving the new organizational structure of NOGA and authorizing the Chairman of the Board to take the necessary action in this respect.

Ordered as follows:

Article 1

The legal and administrative actions required shall be taken to implement the new organizational structure of National Oil & Gas Authority.

Article 2

Until the actions for the application of the new organizational structure have been finalized the employees of National Oil & Gas Authority shall retain the positions assigned to them at the time of implementing the provisions of this Order, whether they occupy such positions for themselves, acting or on assignment, until their positions are specifically defined under the new structure. The definition of positions in this instance will have no bearing upon the existing hierarchical order of occupants where they fulfil the requirements.

Article 3

The rules, regulations and orders effective at the time of the promulgation of this Order, where they do not conflict with the provisions of the Order, shall continue in force until the finalization of all procedures pertaining to the application of the new organizational structure and introduction of the new system of positions.

2. Ministerial Order in Respect of the Extension of the Term of Responsibility for the Management of Bapco by the National Oil & Gas Authority

H.E Dr. Abdul Hussain bin Ali Mirza the Minister and Chairman of NOGA issued Ministerial Order No. 3 for the year 2007 dated 15th May 2007 with respect to the extension of the term of responsibility for the management of Bapco by NOGA. The Orders reads as follows:

- In pursuance of Decree-Law No. 42 for the year 1999 with respect to the formation of BAPCO.
- In pursuance of Law No.10 for the year 2006 with respect to the functions and responsibilities of NOGA, established by Decree No. 63 for the year 2005 and amendment to certain provisions

of Decree-Law No. 42 for the year 1999 with respect to the formation of BAPCO.

- In pursuance of Decree No. 63 for the year 2005 with respect to the formation of NOGA.
- In pursuance of Decree No. 78 for the year 2005 with respect to the formation of the Board of Directors of NOGA and specification of its objects and functions, as amended by Decree No. 84 for the year 2006.
- In pursuance of Ministerial Order No. 5 for the year 2006 entrusting the responsibility for the management of Bapco to the Board of Directors of NOGA.

Has ordered as follows:

The responsibility for the management of Bapco by the Board of Directors of National Oil and Gas Authority and the assumption of the functions of the Board of Directors of Bapco is hereby extended for six months from 21st May 2007.

3. Ministerial Order with Respect to the Application of the Code of Conduct in NOGA and its Subsidiaries

H.E Dr. Abdul Hussain bin Ali Mirza the Minister and Chairman of NOGA, issued Ministerial Order No. 5 for the year 2007 dated 11th July 2007 with respect to assigning the Financial Controller of NOGA to assume responsibility for following up the application of the Code of Conduct Document designed for NOGA and its subsidiaries. Article 1 of the Order provides as follows:

Mr. Abdul Majeed Abdul Karim, the Financial Controller at NOGA, is hereby assigned to follow up the application of the Code of Conduct Document in NOGA.

In particular, he shall perform the following functions:

- a) Ensure the application of the code provided for in the document.
- b) Liaise with NOGA's Directorates and Sections concerned in this respect.
- c) Liaise with the oil and companies operating under the control of NOGA with respect to the implementation of the Code of Conduct Document.

4. Ministerial Order with respect to the Selection of the Representative of the Government of Bahrain (Oil & Gas Holding Company) to the Board of Directors of the Bahrain National Gas Company (BANAGAS) and Members of the Expansion Committee

H.E Dr. Abdul Hussain bin Ali Mirza the Minister and Chairman of NOGA issued Ministerial Order No. 6 for the year 2007 dated 18th September 2007 with respect to the selection of the Government representatives (Oil & Gas Holding Company) as members of the Board of Directors of Bahrain National Gas Company (BANAGAS) and members of the Expansion Project Committee. The Order included:

Article 1

The representatives of the Government of Bahrain (Oil & Gas Holding Company) on the Board of Directors of Bahrain National Gas Company (BANAGAS) shall be as follows:

- | | |
|---|----------|
| ➤ H.E Shaikh Hamad bin Ibrahim Al-Khalifa | Chairman |
| ➤ Mrs. Widad Mohammed Ali Al-Maskati | Member |
| ➤ Mr. Mohammed Jaffer Al-Sayyad | Member |





Article 2

An Extension Project Committee shall be formed as follows:

➤	H.E. Shaikh Hamad bin Ibrahim Al-Khalifa	Chairman
➤	Shaikh Mohammed bin Khalifa bin Ahmed Al-Khalifa	Member
➤	Mr. Yousif Ali Al-Awadhi	Member
➤	Mrs. Widad Mohammed Ali Al-Maskati	Member
➤	Mr. Mohammed Jaffer Al-Sayyad	Member

Article 3

The term of office on the Board of Directors of Bahrain National Gas Company and on the Expansion Project Committee shall be three years from the date of this Order.

5. Decree No. 77 For the Year 2007 Incorporating Oil & Gas Holding Company, a Bahraini Joint-Stock Closed Company (B.S.C.)

His Highness Shaikh Salman bin Hamad Al-Khalifa, the Deputy King, the Crown Prince issued Decree No. 77 for the year 2007 dated 10th August 2007 with respect to the formation of Oil & Gas Holding Company, a Bahraini Joint-Stock Closed Company (B.S.C.). The Decree included:

We Salman bin Hamad Al-Khalifa, Deputy King of the Kingdom of Bahrain;

In pursuance of the Constitution.

In pursuance of the Commercial Companies Law promulgated by Decree-Law No. 21 for the year 2001.

In pursuance of Decree No. 78 for the year 2005 with respect to the formation of the Board of Directors of National Oil & Gas Authority and the specification of the Authority's objects and functions.

In pursuance of the Code of Procedures of the Board of Directors of National Oil & Gas Authority, promulgated by Ministerial Order No. 2 for the year 2006.

In pursuance of the Memorandum of Incorporation and the Articles of Association of the Oil & Gas Holding Company B.S.C.

In accordance with a recommendation submitted by the Minister of Oil & Gas Affairs Chairman of the National Oil & Gas Authority.

After approval of the Council of Ministers.

Have decreed as follows:

Article 1

It is hereby licensed to incorporate the Oil & Gas Holding Company, a Bahraini joint-stock closed company (B.S.C.) subject to the Memorandum of Incorporation and Articles of Association of the Company, attached hereto.

Article 2

The Holding Company, its subsidiaries and the companies in which the Government acquires a shareholding of not more than one-half of the share capital shall be subject to the control of National Oil & Gas Company (NOGA) in so far as such control does not conflict with the articles of association of such companies.

6. Ministerial Order Assigning the Responsibility for the Management of Bapco to the Board of Directors of NOGA

On 4th December 2007, His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of National Oil & Gas Authority (NOGA), issued a Ministerial Order assigning the responsibility for the management of the Bahrain Petroleum Company (BAPCO) to the Board of Directors of National Oil & Gas Authority (NOGA) for a period of one year from 22nd November 2007.

7. Ministerial Order in Respect of Increasing the Prices of Asphalt

On 10th December 2007 Ministerial Order No. 10 was issued in respect of increasing the prices of asphalt in the local market, fixed at BD30.000 per metric ton. Effective 1st January 2008, the price will be increase by not less than 30% annually over the next three years, so that the local price becomes 70% of the international price at the time. The Order came into effect from the date of its issue.

8. Ministerial Order with Respect to the Duties and Responsibilities of Bapco's Chief Executive

His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of the NOGA issued Ministerial Order No. 11 for the year 2007 dated 10th December 2007 with respect to entrusting the duties and responsibilities of the position of Bapco's Chief Executive to Eng. Abdul Karim Jaffer Al-Sayed, Senior Deputy Chief Executive, in an acting capacity from 10th December 2007 to the end of December 2007. Mr. Al-Sayed then assumes the position of Bapco's Chief Executive as from 1st January 2008.

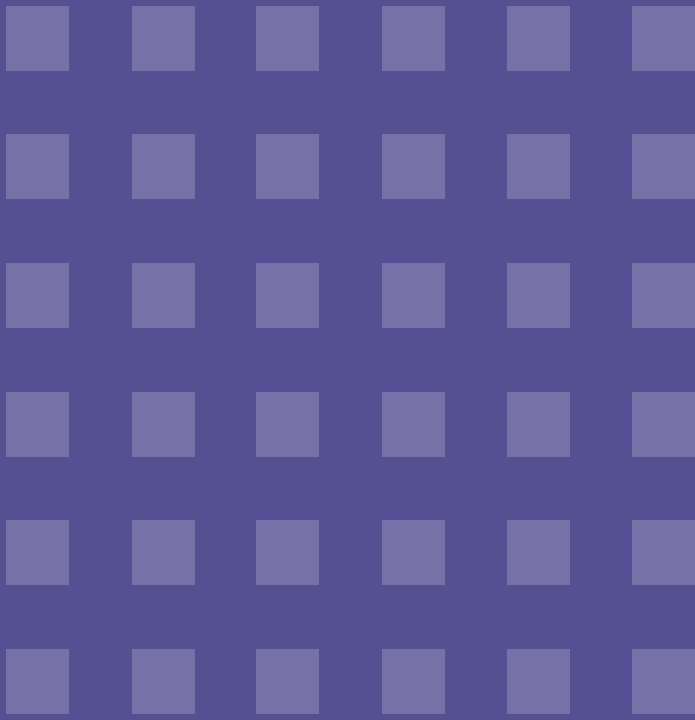
9. Ministerial Order with respect to the Selection of the Representative of the Government of Bahrain (Oil & Gas Holding Company) to the Bahrain Aviation Fueling Company (BAFCO)

His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of National Oil & Gas Authority (NOGA), issued Ministerial Order No. 13 for the year 2007 dated 31st December 2007 with respect to the selection of the Government representatives (Oil & Gas Holding Company) to the Bahrain Aviation Fueling Company (BAFCO). Article 1 of the Order provides that the representatives of the Government of Bahrain to the Bahrain Aviation Fueling Company (BAFCO) shall be as follows:

➤ Mr. Abdul Rahman Abdulla Kamal	Chairman
➤ Mr. Adel Khalil Al-Moayyed	Member
➤ Mr. Jassem Isa Al-Shirawi	Member

The term of office on the Board of Directors of the Company shall be three years from 31st December 2007.

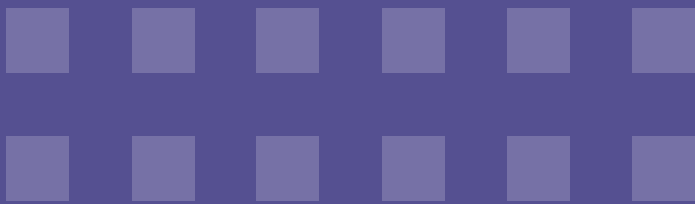




Section

Ten

Management Development And Modernization



75 Years of Achievements



1. *Utilization of Modern Technology*

- (a) Out of NOGA's eagerness to improve the quality and accuracy of the services provided by the Oil Tanker Inspection Section, specially designed software was introduced and personal computers used to produce relevant documents and to perform calculations. The aim is to upgrade the services provided for customers.
- (b) The Computers Unit at NOGA finalized several matters in line with global developments and changes. Focus was made on the development of processing and information systems in order to meet e-government requirements, which the Government of Bahrain seek to apply widely.
- (c) NOGA's website was updated regularly. The accounting systems and other programmes used by NOGA were also upgraded, including maintenance of instrumentations and the local area network.

2. *Inauguration of Gas Cylinder Vehicle*

On Wednesday, 24th October 2007, H.E Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs and Chairman of NOGA, inaugurated a new general gas cylinder vehicle used for carrying liquefied gas cylinders. The new vehicle comprised the latest specifications regarding the safety and health of the people operating and handling this type of material. The main reason for the introduction of this new generation is to further ensure the security and safety of people, as well as that of public and private property. Additionally, the newly introduced vehicle is modern, professionally designed and cost-effective.



3. *Training and Development Plans*

As part of its policy of developing the human element, NOGA has designed a training plan which will contribute to improving performance. A large number of employees were given the opportunity to participate in relevant specialized courses. To this end, NOGA members attended 41 training courses of which 32 in Bahrain and 6 courses overseas. They also attended self-developing training courses, two for master degrees in management and one for Ph. D. in management and political science.



4. *Quality Assurance*

In order to ensure sophisticated services for customers and partners, NOGA gave special attention to ISO 9001 - 2000. The section responsible for quality at NOGA made several steps to obtain ISO 9000 - 2000 certifications. The major steps included:

Setting NOGA's policies, objectives, quality manuals, legal actions, design of new forms and records and work procedure for each task and responsibility in each Directorate.

5. *Inauguration of a New Website*

On 13th December 2007, His Excellency Dr. Abdul Hussain bin Ali Mirza the Minister of Oil & Gas Affairs, and Chairman of the NOGA, launched a new version of NOGA's website. The event coincided with the National Day celebrations and the Anniversary Accession of His Majesty the King.

H.E Dr. Mirza emphasized that the new site was designed to meet the e-government requirements, to develop the services and information provided by NOGA and to reflect latest updates in Bahrain's oil and gas sector. One of the main objectives for modernizing the website is to serve as the main source for official statements made in respect of the Kingdom's petroleum and petrochemical industries. The new site was designed and launched in-house by the Computer Section.

6. *Recognition of NOGA's Long-Service & Outstanding Employees*

Under the auspices of H.E Dr. Abdul Hussain bin Ali Mirza the Minister of State and Chairman of the NOGA, a special function was held on Monday, 16th April 2007, at the Coral Beach Club (Al-Fatih Beach), in honour of NOGA's long-service and outstanding employees nominated for incentives and awards. The presentation was attended by NOGA's Board members and senior officials and by a representative of the Civil Service Bureau. In his address to the audience, H.E Dr. Mirza praised the honoured employees and their contribution to promote NOGA's

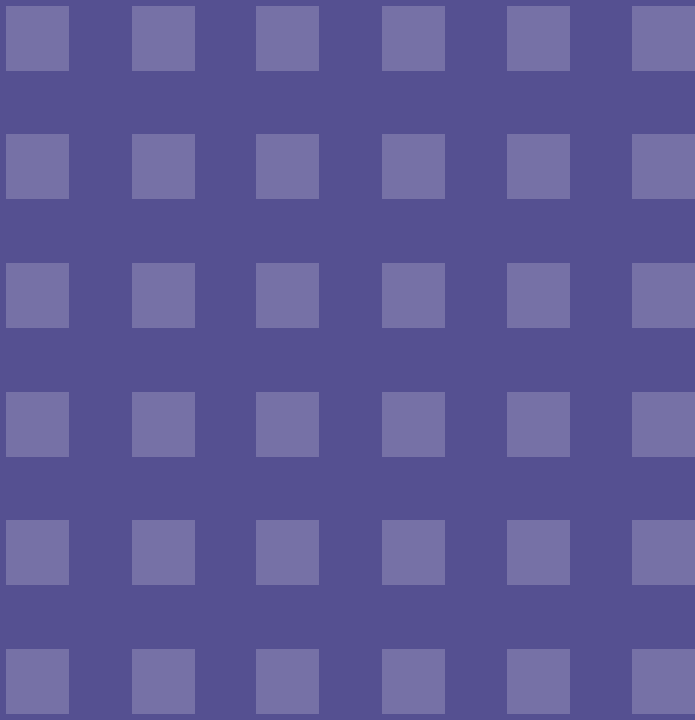


business. The Minister then distributed awards and certificates of recognition to 37 employees. They include employees who completed 30, 20 and 10 years of service, employees who were nominated for Quality Performance Incentives, Employee-of-the-Year Awards, Suggestion Awards, Special Assignment Awards, Consistent Discipline Awards, and Letters of Merit and Appreciation.

This is the second occasion in this series since the formation of NOGA by Royal Decree No. 63 for the year 2005. It is NOGA's firm belief that inspiration and motivation of human resources are essential to improve productivity.

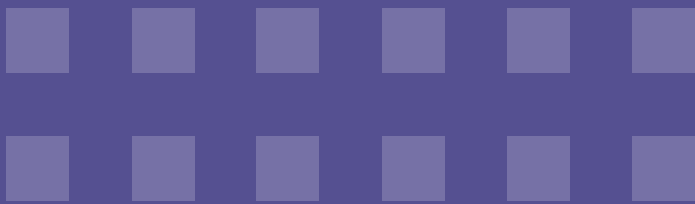


Section

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Eleven

Studies, Researches And Periodicals

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75 Years of Achievements

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Within the framework of its commitment to transparency and provision of data and statistics about the most significant economic sector in Bahrain, NOGA published eight reports, researches and studies in 2007, as follows:



1. A Study on the Economic Relations between Bahrain and Qatar - Potentials and Horizons

This study was published by NOGA in January to coincide with the meeting in Manama of the Bahraini-Qatari Joint Committee, and with the visit by a delegation of the Qatari Chamber of Commerce and Industry to the Kingdom. The study comprises three chapters. The first chapter dealt with the purpose and methodology. The second chapter reviewed the areas of cooperation in the petroleum industry. The third chapter covered cooperation in the field of natural gas. The study also envisaged the positive effects of the proposed Qatar-Bahrain causeway on the various economic sectors trade, industry, finance, telecommunications, tourism, etc.

2. The 2006 NOGA Annual Report

NOGA published the 2006 Annual Report in March 2007, the 10th publication in this series since the first annual report in 1997.

The 54-page publication in Arabic and English carried oil and gas statistics, crude production, and petroleum product exports. It also contained the production and consumption of the natural gas and the associated gas, as well as the output of the petroleum companies. The report also covered the exploration activities for oil and gas, update of the Refinery modernization programme, oil and gas international conferences and exhibitions held in Bahrain, relevant decrees, laws and legislations, management development and modernization and a list of studies, researches and periodicals published.

3. Statistical Folder on Inspection of Exported Oil Shipments

In March, NOGA issued a statistical folder on inspection of oil shipments exported during 2007, compared with those in 2006. The report comprised the total number of oil tankers inspected, against the similar tankers inspected in 2006. The statistics also showed the volume of shipments exported to GCC, Arab, Asian, African and European countries.

4. Manpower and Training in the Local Petroleum Companies

This booklet was issued in March 2007 and covered facts in 2006 about manpower, Bahrainization and training in the major petroleum companies in which the Government is a participant. It contained full details about the number of the employed persons in each oil sector company, the escalating percentage of Bahrainis, with a comparison to previous years. The booklet explained in detail the training activities, the number of trainees and the budgets allocated therefor in each petroleum company.

5. Code of Conduct Document

This brochure was issued in March, comprising five main topics of guidelines on ethics and values, which must be embraced and complied with by members of NOGA and of the companies operating under its control in the course of performing their duties, in dealing with their fellow employees, suppliers, customers, contractors, Government bodies and the public at large.



6. Government's Participation in Petroleum Companies Locally and Overseas, 2007

This booklet was published by NOGA in April 2007. It comprised the Government's total participation in four local petroleum companies, and in four OAPEC companies, including the Arab Shipbuilding & Repair Yard Company (ASRY). The booklet also contained the particulars of the Board members of each such company, the Government's representatives in each company, the issued and paid up capital and the Government's shareholding in each company.

7. Statistical Abstract on Oil & Gas Statistics

In March 2007, NOGA published the annual statistical abstract on oil and gas for the period from January to December 2006. It covered the production of the Bahrain and Abu Sa'afa Oilfields, imported crude, exported petroleum products, sales of Bahrain's petroleum companies and jet fuel sales at Bahrain International Airport.

8. A Report on the Position of the Kingdom of Bahrain in the World Bank's two Reports on the Impact of Good Governance 2007 and in the Report of the Transparency International on Corruption Perception Indicator

This report was issued in October and comprised four topics. The first topic was in respect of the World Bank's Report on the Impact of Good Governance 2007. The report covered six aggregate indicators for the Middle East and North Africa, namely, Voice & Accountability, Political Stability & Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption. The second topic of the report covered Bahrain's rating in the World Bank's indices. The third topic was in respect of the Transparency International's report. The fourth topic covered the presumed reasons for retreat and corrective actions.