

# **Oil Stockpiling in Japan**

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**Petroleum Refining and Reserve Division  
Ministry of Economy, Trade and Industry  
Japan**



# Japan's Oil Stockpiling System (1/2)

## 1) Government oil stockpiling:

The Government of Japan owns oil stocks and JOGMEC manages the stocks according to the Oil Stockpiling Act.

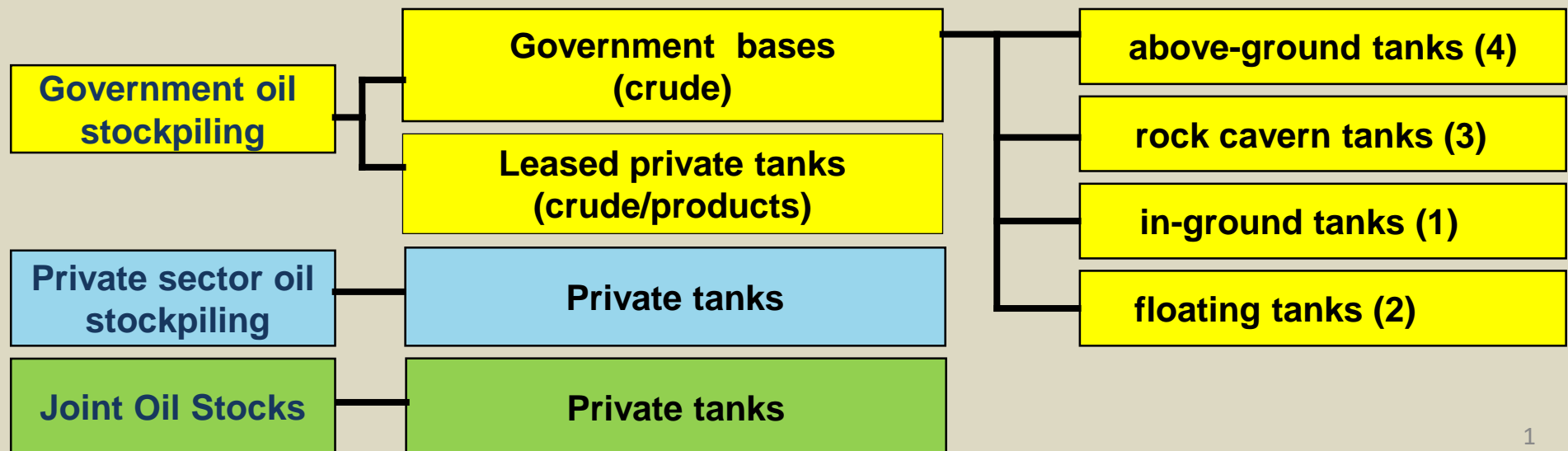
## 2) Private sector oil stockpiling:

Private companies such as oil refiners, distributors, and importers are obliged to maintain a certain amount of oil stocks in their tanks according to the Act.

## 3) Joint Oil Stocks with Oil producing countries:

The projects have been carried out with Saudi Arabia and UAE since 2009.

### < Structure >





# Current Status of Stockpiling

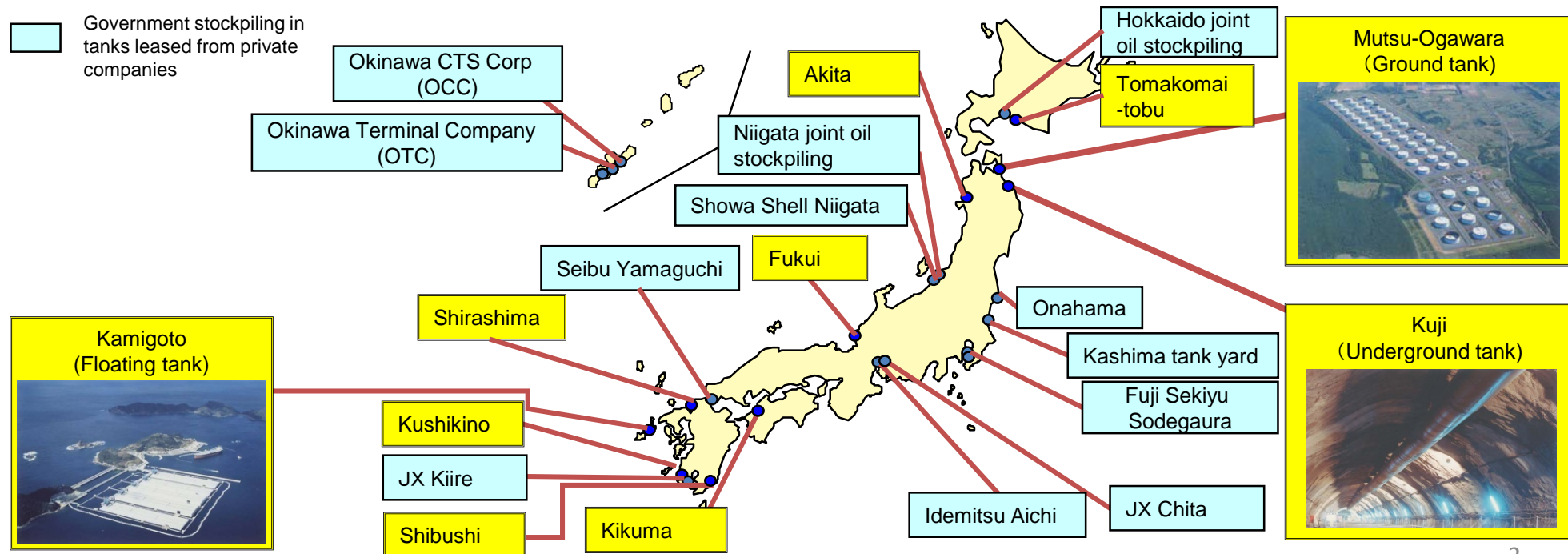
As of December 2017, the amount of stocks and locations are as follows:

- Government stockpiling: 108 days (about 300 million Barrel)
- Industry stockpiling: 74 days (about 200 million Barrel)
- Joint oil storage: 5 days (about 10 million Barrel)
- Total :186 days (about 500 million Barrel)

Days are calculated by IEA methodology.  
Amount is converted into product.

## Location of government stockpiling bases for crude

-  Government stockpiling base
-  Government stockpiling in tanks leased from private companies





# Recent Topics

- Response to domestic demand decrease
  - Adjustment on the government stock amount
  - Shift to new Supply/Demand curve for tanks
  - Effective use of spare capacity
  
- Change of operators at National Oil Stockpile Site
  - Open tender for 5 year contract
  - New operator at 4 sites
  - More frequent and elaborate supervision by JOGMEC
  
- Improvement on efficiency
  - Cost cut (procurements, relaxing regulations, etc.)
  - Long term maintenance plan by JOGMEC
  - Employee oriented to find “Kaizen (improvement)”

Thank you