

LOCATION AND CAPACITY OF THE REFINERIES

NIORDC

NAME OF REFINERIES	NOMINAL CAPACITY(MBL/D)
TEHRAN	220
ISFAHAN	200
ABADAN	350
SHIRAZ	40
LAVAN REFINING COMPLEX	20
TABRIZ	110
KERMANSHAH	20
ARAK	150
BANDAR ABBAS	233
TOTAL NOMINAL CAPACITY	1343

The Potential Facilities For Distribution Products

NIORDC

TITLE	NUMBER
ZONE	32
REGIONS	132
GAS STATIONSE	813
LOCAL SELLERS	20378
AVIATION FUEL STATIONS	24
L.P.G. DISTRIBUTERS COMPANIES	32
L.P.G. REPRESENTATIVE	4000
L.P.G. CYLINDER FILLING LANT	130
PETROLEUM PRODUCTS ROAD TANKERS	9000
L.P.G. ROAD TANKERS	1000
L.P.G. CAR LOADING STATIONS	43

e- Installation of 4 Desalination units with the Capacity of around 130 KBL/D each unit.

d- Modernization of old Crude Distillation and Vacuum Distillation units.

e- Erection of HDS unit with the capacity of 70 KBL/D.

f- Erection of HDS unit with the capacity of production 120 TON/D.

g- Renovation of old F.C. C. unit with the capacity of 35 KBL/D.

3- Erection of new R.F.C.C. unit in Isfahan Refinery with the capacity of 60 KBL/D and all other related units such as hydrogen, amine, sulfur,... units

4- Erection of Isomerization units in most existing refineries for improvement of gasoline quality.

5- Feasibility study for erection of hydro Desulfurizing unit (H.D.S) for all Refineries.

6- Renovation and modernization of all pipelines

7- Installation of crude oil storage tanks and petroleum products in all production units and distribution depots.

8- Equipping of refineries and pumping stations with suitable control systems.

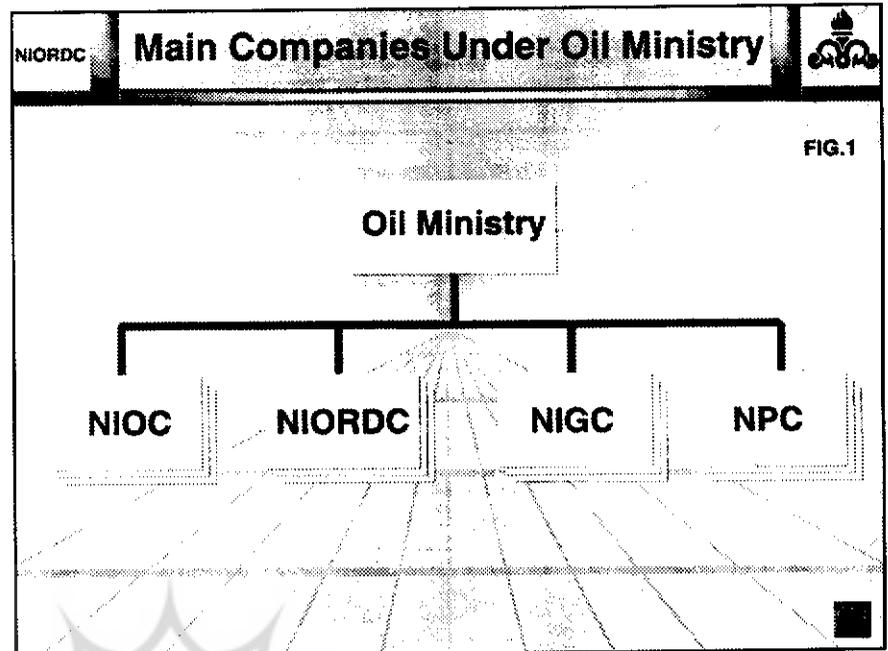


FIG.1

C- Potentials For Investment by Private Sector

a) Construction of lub-oil complex in Abadan, Arak, Tabriz and Bandar Abbas cities.

b) Construction of downstream units such as delayed cooker, R.F.C.C. and asphalt plant in some of refineries.

c) Erection of new refineries in north of the country and importing the crude oil from C.I.S. countries using pipeline to supply their requirements.

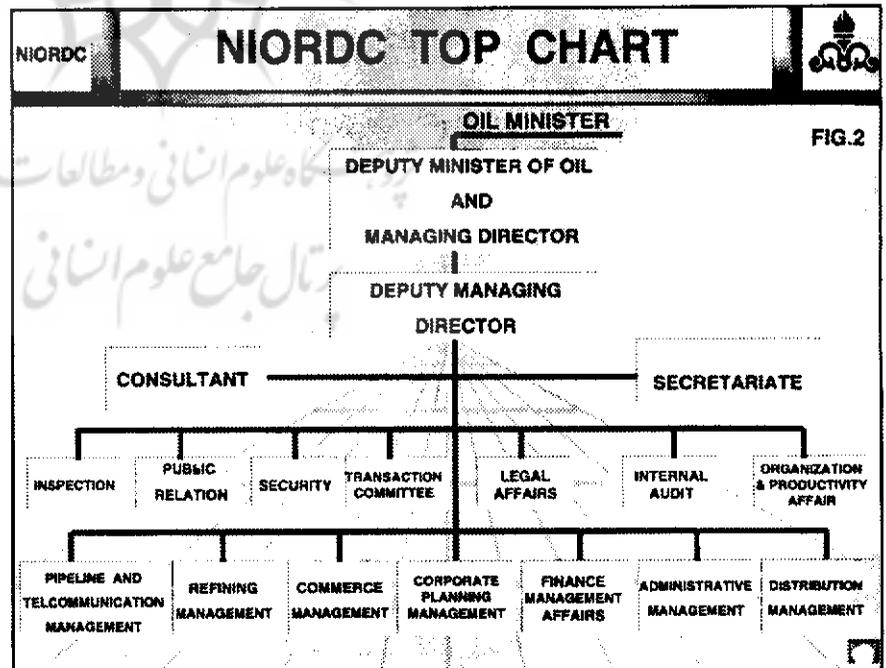


FIG.2

transporting and distributing crude oil and petroleum products across the country.

Maintenance, upkeep and operation of oil pipelines, pump stations and telecommunication networks.

* Providing and maintenance of telecommunications and computerized networks of the Iranian oil industry.

Breakdown of the petroleum products transportation is as follows:

1- Pipelines	62.4%
2- Over land transportation	25.2%
3- Rail mounted vessel	6.7%
4- Sea-going tankers.	5.7%

3- PETROLEUM PRODUCT DISTRIBUTION MANAGEMENT AFFAIRS

* Storage and distribution of the petroleum products received from various refineries.

* Transportation planning of products by means of rail - mounted vessels, over land transportation facilities and sea - going tankers.

* Studying and reviewing consumption trend in the country and installing storage facilities and means of distribution on the basis of such requirements.

* Controlling pre-planned distribution of petroleum products, Planning installation of loading jetties, oil storage vessels and fuel stations.

* The breakdown of facilities for distribution of petroleum products are as follows.

TITLE	Number
ZONE	32
REGIONS	132
GAS STATIONS	813
LOCAL SELLERS	20,378
AVIATION FUEL STATIONS	24
L.P.G. DISTRIBUTERS COMPANIES	32
L.P.G. REPRESENTATIVES	4,000
L.P.G. CYLINDER FILLING PLANTS	130
PETROLEUM PRODUCTS ROAD TANKERS	9,000
L.P.G. ROAD TANKERS	1,000
L.P.G. CAR LOADING STATIONS	43

4- ENGINEERING AND CONSTRUCTION MANAGEMENT AFFAIRS

This sector manages the following affairs:

* Preparation of design and blue prints and execution of all types of engineering and construction activities required by N.I.O.R.D.C. such as installation and expansion of refineries, storage facilities, pipelines and telecommunication networks, pump stations as well as off-shore structures.

* Carrying out economic and feasibility studies of engineering designs and projects required by the Company.

* Executing infra-structural and complex engineering activities and all other projects required by the Company.

* Coordinating the preparation and completion of technical and safety standards and regulations related to the oil industry for the purpose of unifying the technical and safety policies.

Capabilities of N.I.O.R.D.C. in engineering and construction are:

a- Engineering Basic Design
Detail Design

b- Procurement
c- Construction
d- Renovation

The following are some of the major projects which have been completed or are in the process of completion by the Company.

a- Erection of Arak Refinery.
b- Erection of Bandar Abbas Refinery.

c- Renovation of Abadan Refinery.
d- Execution of Pipeline plan and pumping station between Bandar Abbas and Rafsanjan.

e- Erection of Isfahan Refinery Lube Oil Complex.

f- Activities such as executing gas pipeline plan and installing separation station of Koorbacheh, and a G.P.U unit at Turkmenbashi Refinery in Turkmenistan.

B- Potentials For Investment in The Downstream Sector of Iran oil industry

The NIORDC'S future plans and projects concerning investments for increasing capacities, and also for de-bottlenecking of certain problems of the existing refineries are as follows:

1. Bandar Abbas Refinery:

a- Erection of HDS unit with the capacity of 50 KBL/D
b- De-bottlenecking

2. Abadan Refinery:

a- Erection of new vacuum distillation unit with the capacity of 70 KBL/D.

b- Erection of Vishbreaker unit with the capacity of 25 KBL/D.

Potentials for investment in the downstream sector

Mohammad Aghaee, Iran's deputy oil minister
address to Iranian oil, gas & Petrochemicals Forum

12-14 July 2000, London

MR. Chairman, Distinguished Guests,
Ladies and Gentlemen:

I am pleased and honored to address the conference on "Potentialities for Investment in the Downstream Sector". And to share the views of National Iranian Oil Refining and Distribution Co. which functions as one of the four mother companies under the Ministry of petroleum. (Fig.1)

A. General Functions and Structure of NIORDC

As a result of a new restructuring of Ministry of Petroleum and in order to divide the responsibilities of downstream and upstream and to speed up the refining of oil and distribution of oil products inside the country, N.I.O.R.D.C. was established in March 1992. Its assignment also includes handling of crude oil transportation to refineries and distribution of oil products in the country, and construction of refineries, pipelines and the industry's telecommunication networks.

At present, N.I.O.R.D.C., supervises the activities of 7 managerial departments and 11 subsidiary companies (TABLE.1). It is also responsible for production of 10 main petroleum products and about 60 by

products.

In view of an ever increasing local market demand, following policies have to be taken into account:

- * Well coordinated managerial decision making procedure and domestic consumption of oil-based energy.

- * Optimized consumption oil products.

- * Implementation of a suitable pricing system aimed at reducing energy consumption.

- * Enhancement of refining modeling, decreasing wastage, and increasing the production quality of present refineries by application of modern techniques.

- * Meeting the ecological standards in production and domestic consumption of all types of oil-based energies.

- * Implementing the policy of privatization of various operations of the company including the distribution and sale functions in line with restructuring the company's organization.

- * Initiating necessary research and development for the purpose of obtaining the latest techniques in the fields of production, distribution and consumption of oil-based energy and strengthening the foundation of process engineering.

Enhancement of process engineering basics.

On the basis of the organizational chart (Fig.2) the functional activities of

the four sub-managerial sectors under N.I.O.R.D.C are as follows:

1- REFINING MANAGEMENT AFFAIRS

* This sector is assigned to the supply of crude oil requirement of the following refineries and necessary coordination among them:

REFINERIES	NOMINAL CAPACITY (1000 b/d)
TEHRAN	220
ISFAHAN	200
ABADAN	350
SHIRAZ	40
LAVAN	20
REFINING COMPLEX	
TABRIZ	110
KERMANSHAH	20
ARAK	150
BANDAR ABBAS	232
TOTAL	1,342

a- The location of refineries are shown in (DRW.1)

b- Two other refineries are planned to be constructed in Neka and Babol in the north of the country in the near future by the private companies with the capacity of 100,000 B/D each.

* The Iranian refineries are providing more than 70 different kinds of oil products. These include LPG, naphtha, gasoline, kerosene, gas oil, aviation fuels, fuel oil, lubricants, bitumen.

* Control and supervision of productions to meet international standards.

2- PIPELINE AND TELECOMMUNICATION MANAGEMENT

This sector is responsible for