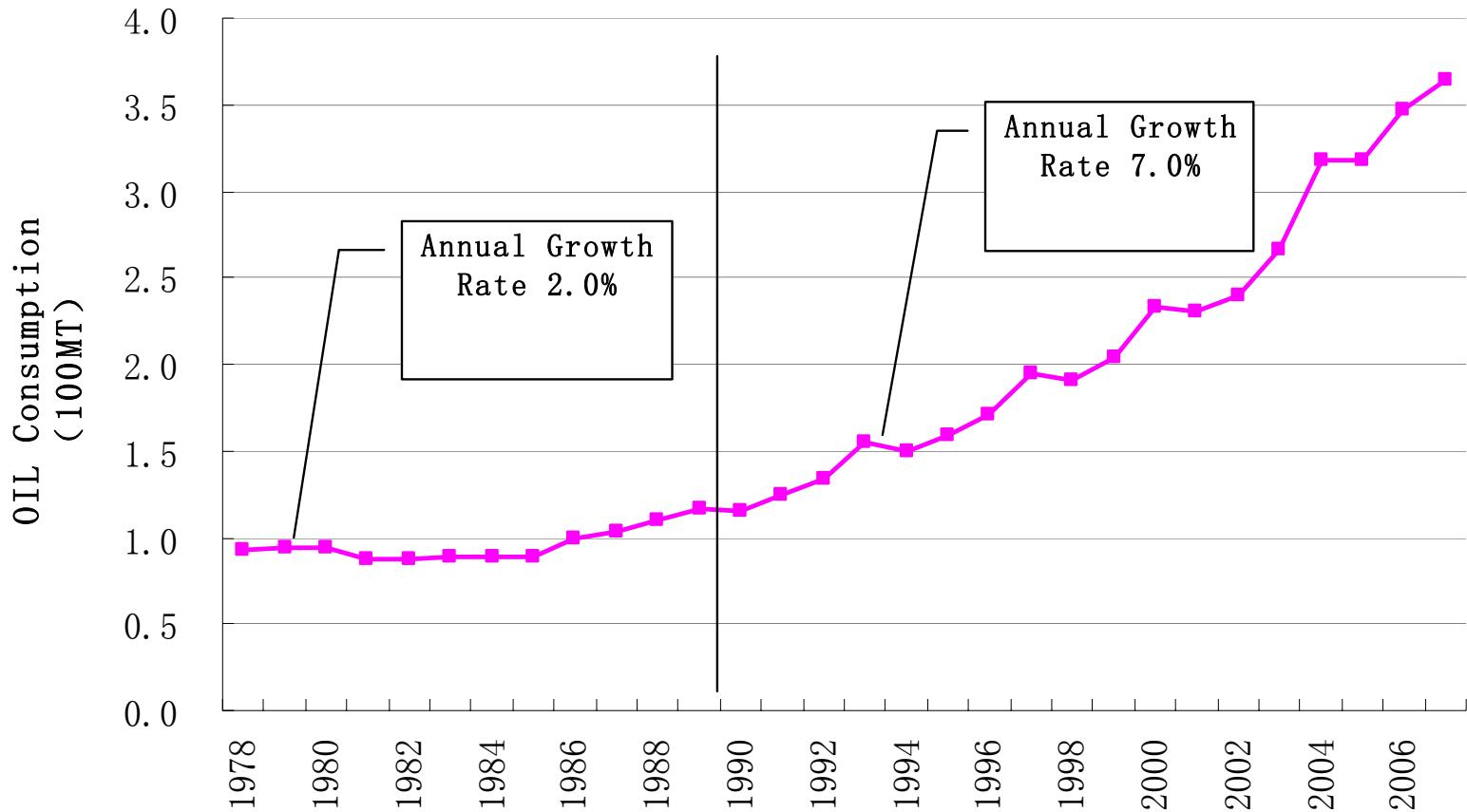


# **China's Oil Demand and its Transportation**

# **I. China's Oil Consumption and Import Sources**

# 1. Total Oil Consumption

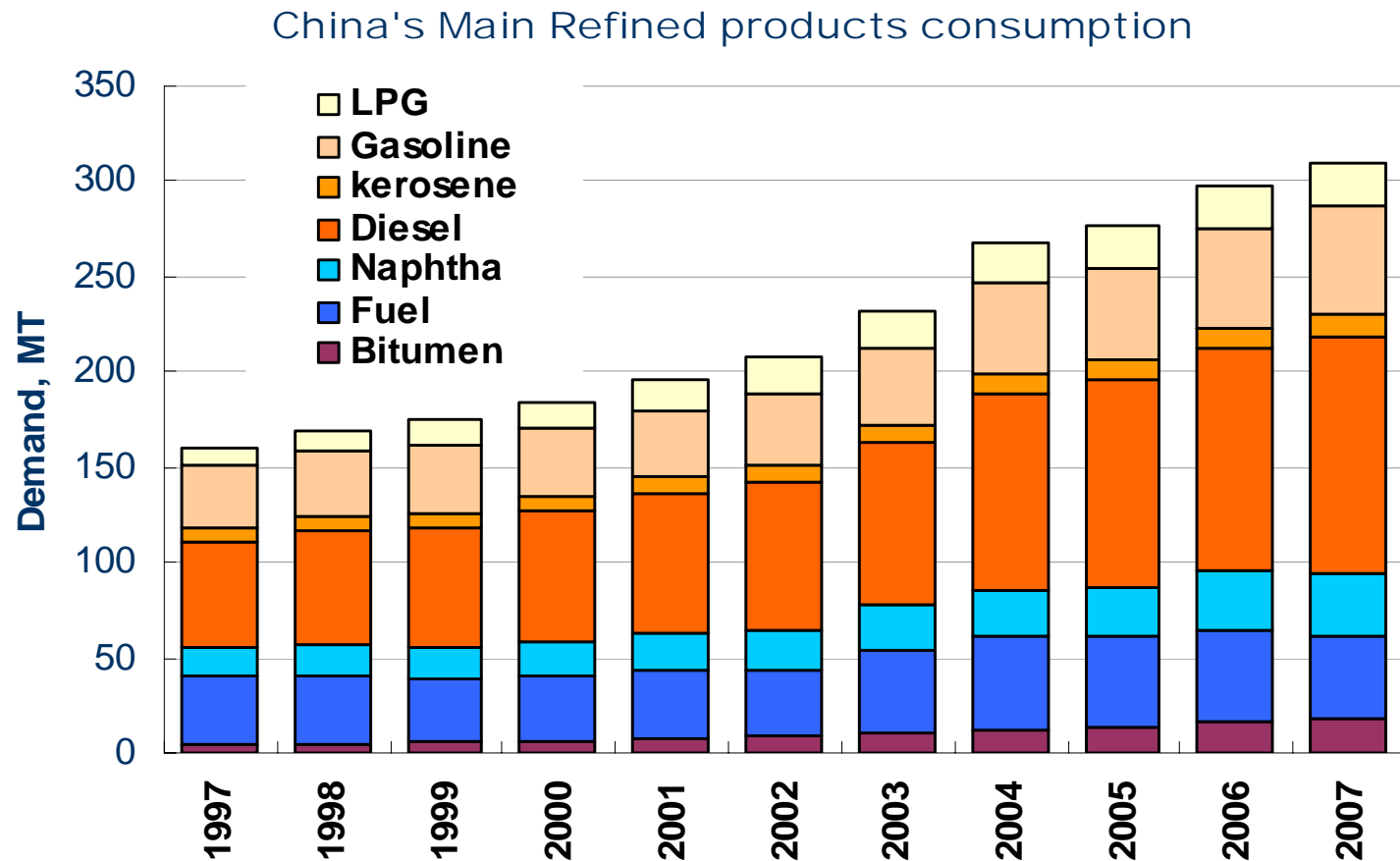


**Oil Consumption : 22% of the domestic primary energy**

## 2. Main Refined products Demand slate

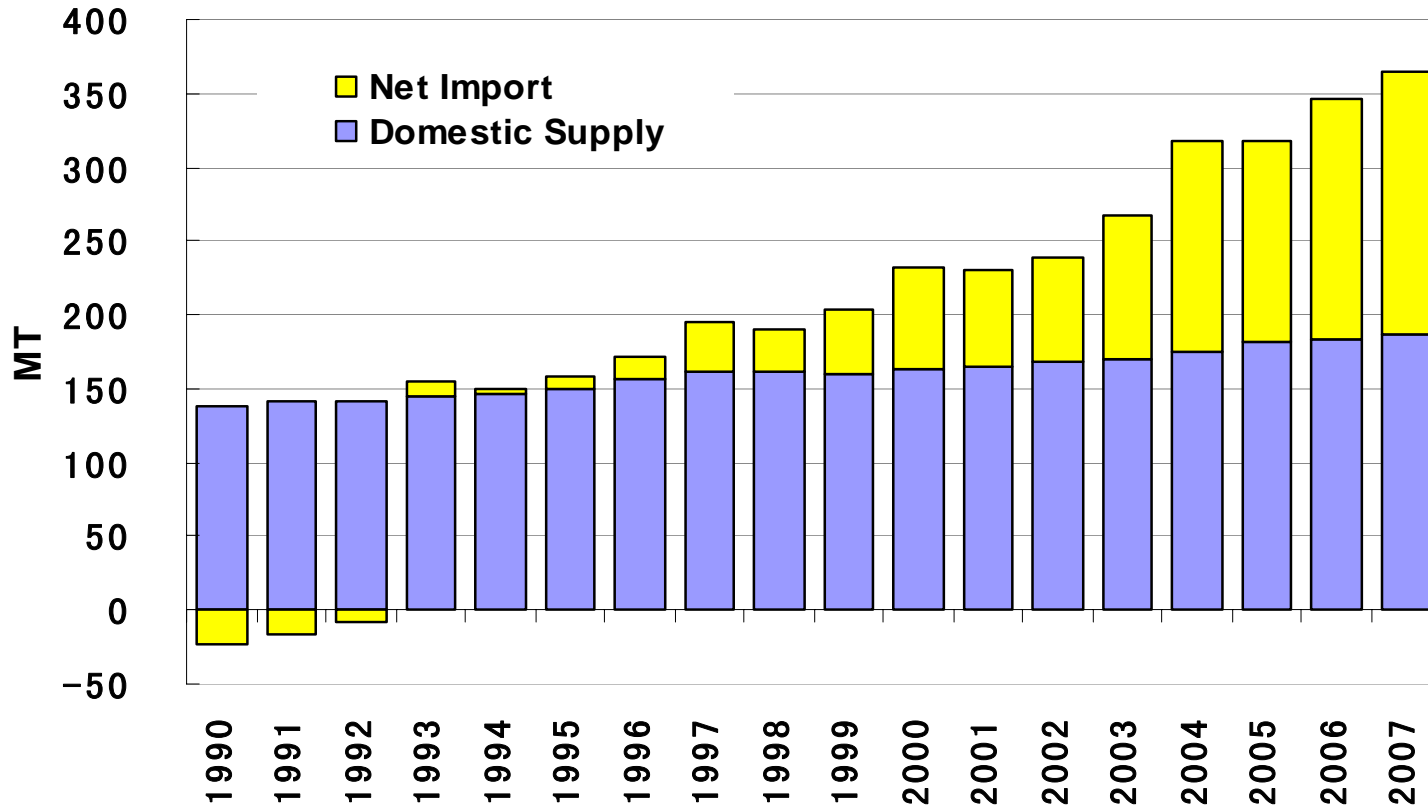
The seven main products' demand proportion of total increased from 82.6% in 1997 to 85.1% in 2007.

The top 3 are diesel, gasoline and fuel.



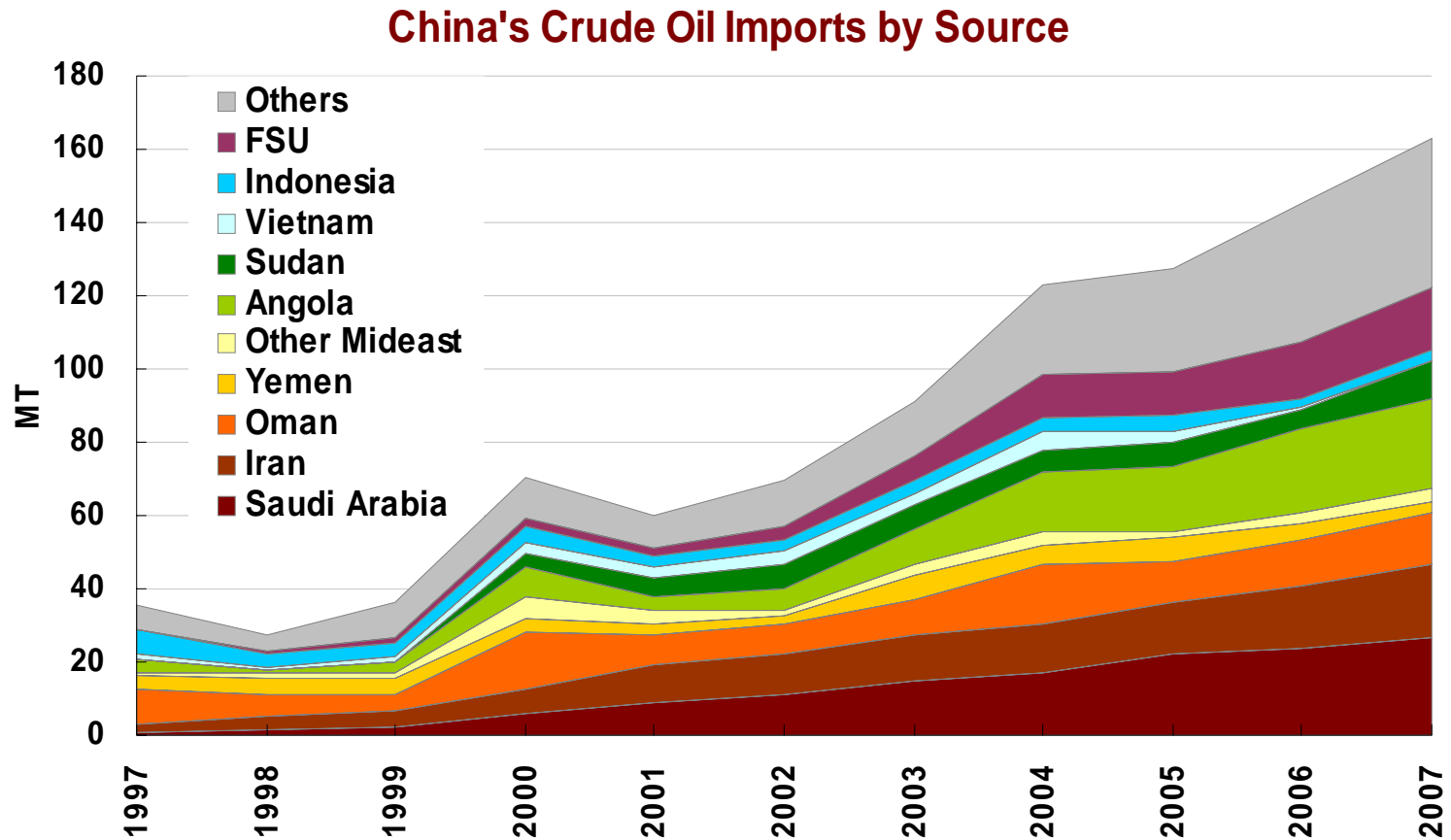
### 3. Oil Supply Structure

China's Oil Supply Structure from 1990



In 2007, the dependence on importing of oil: more than 45%

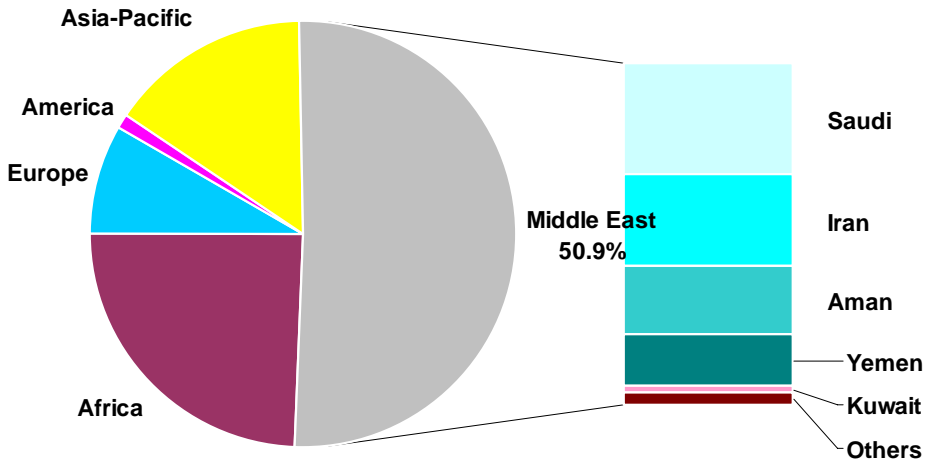
## 4. Crude Oil Import Growth



In 2007, the import of crude increased to 163 MT by the AAGR of 16% from 1997.

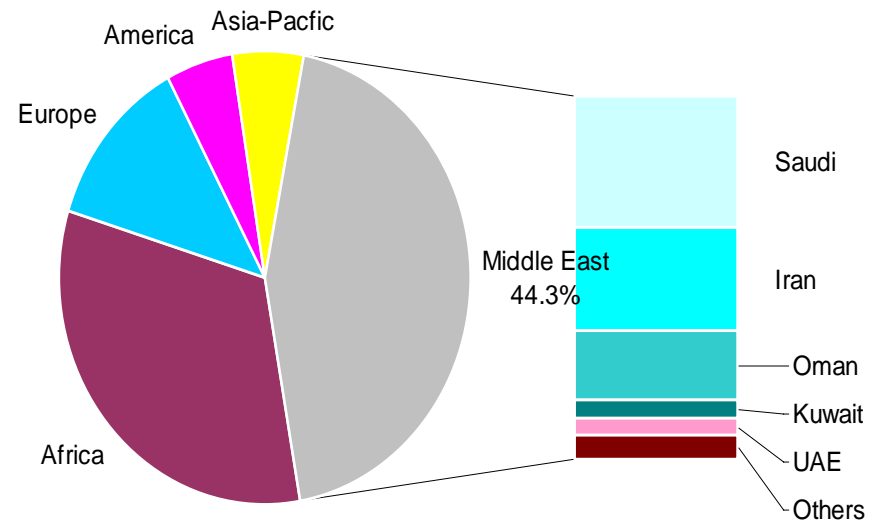
# 5. Crude Oil Import Resource

Import of Crude Oil by Region in 2003



The region of import is further diversification.  
Middle-East remained the most.

Import of Crude Oil by Region in 2007

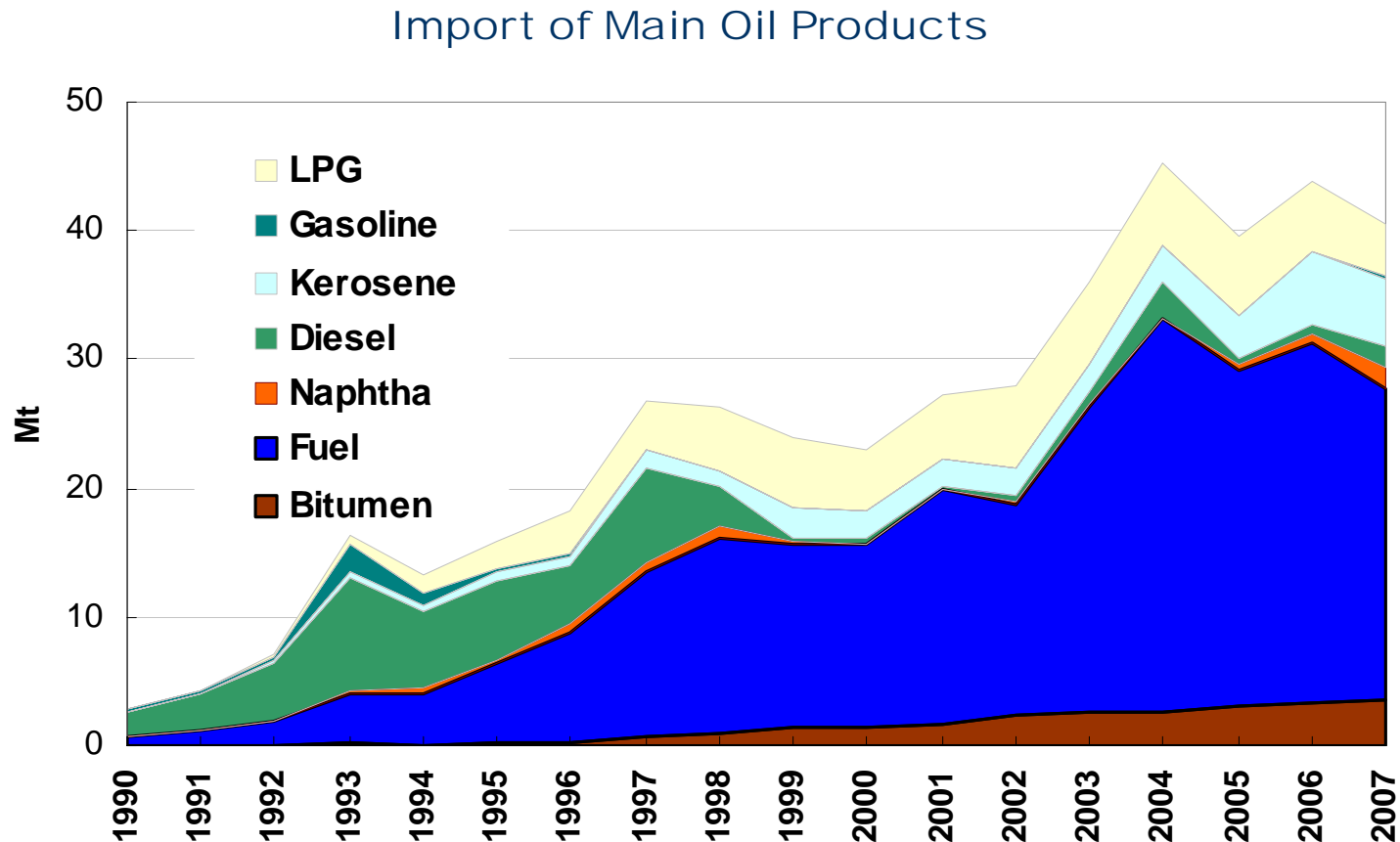


The top 10 of crude importing from:  
Saudi, Angola, Iran, Oman, Russia  
Sudan, Kazakhstan, Congo, Venezuela  
Kuwait

## 6. Structure of Oil Product Import

The biggest importing product: Fuel

The dependence on importing of Fuel: About 50%.

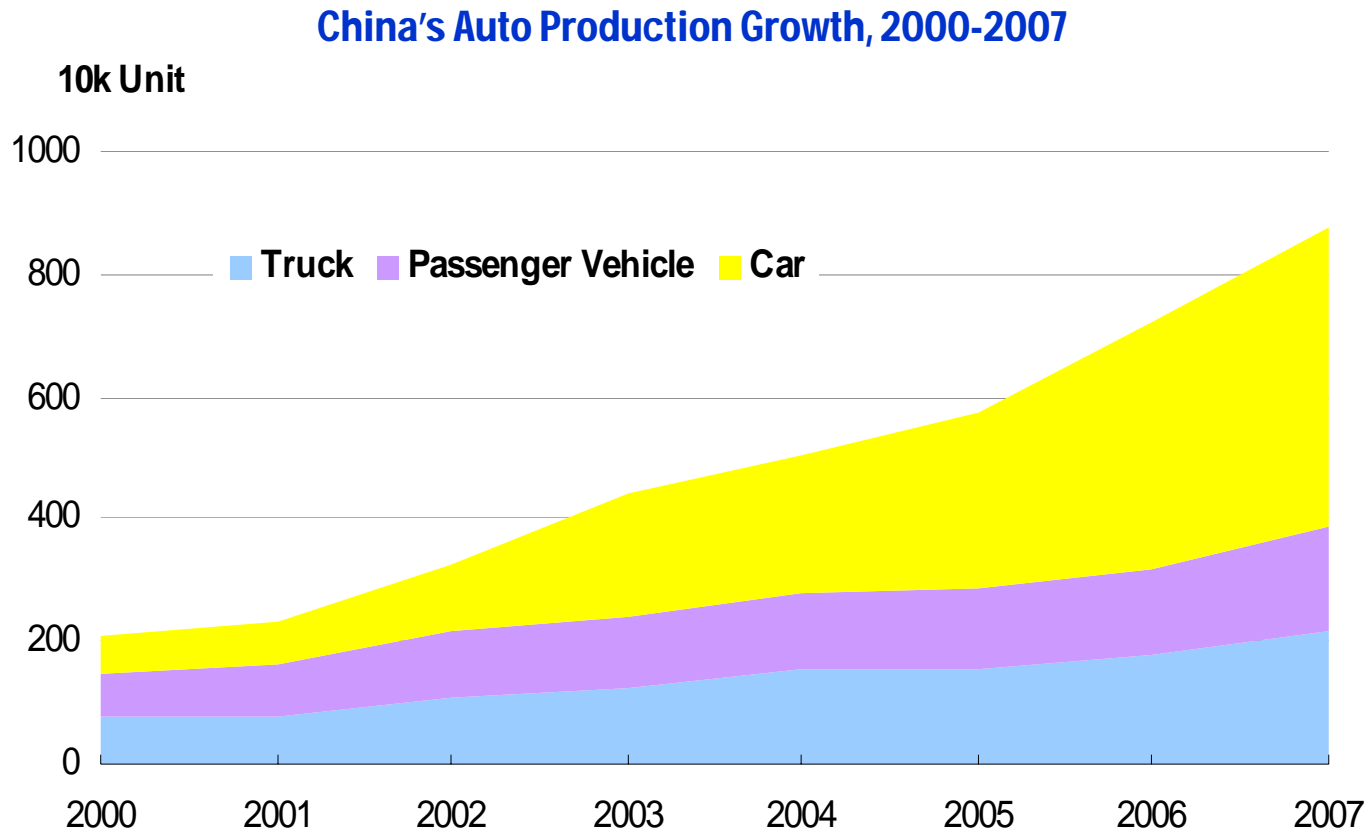


## **II. Forecasting on China's Oil Demand in 2010**

# **1. Economic improves the oil demand**

- **During the 10th five-year plan period, GDP's AAGR is 10.5%.**
- **The Oil used for transportation and petrochemical feedstock has become the main driving force to the total demand.**
- **Gasoline, Kerosene and diesel are difficult to alternative cosmically as those are the main energy product.**
- **Petrochemicals Remain the mainstay Industry, ethylene demand will increase along with GDP growth.**

## 2. Income growth Drives Consumption of auto



**China's auto demand for 2010 will reach 12 million units.**

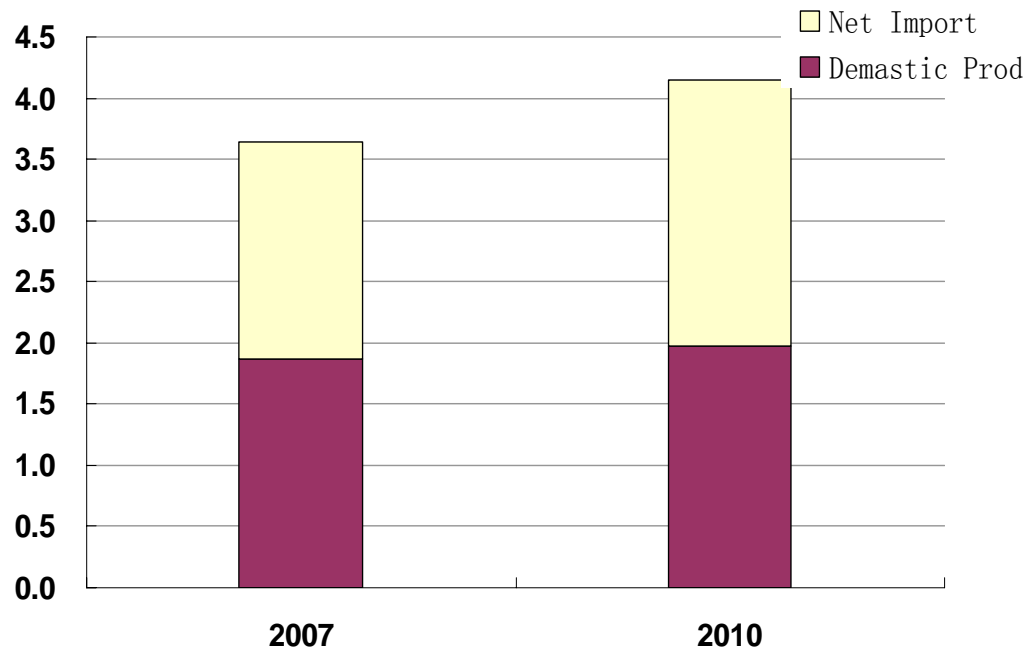
### **3. Oil Conservation and Alternative**

- Government pays great attention to oil conservation, for example, oil consumption per 100km in 2010 will reduce 10% from the level in 2000.**
- Government encourages the research and application of alternative fuel technologies, such as NGV, Fuel Alcohol, CTL, Bio-diesel.**
- According to the actual situations, the proportion of alternative fuel in total fuel used for transportation will not be more than 5%, traditional fuel remains dominant position.**

## 4. Forecast of Oil Demand and Supply

- The crude output will grow slowly though the level of exploration and development improves gradually, because the domestic resource is limited.
- China net import of Oil will be increased.

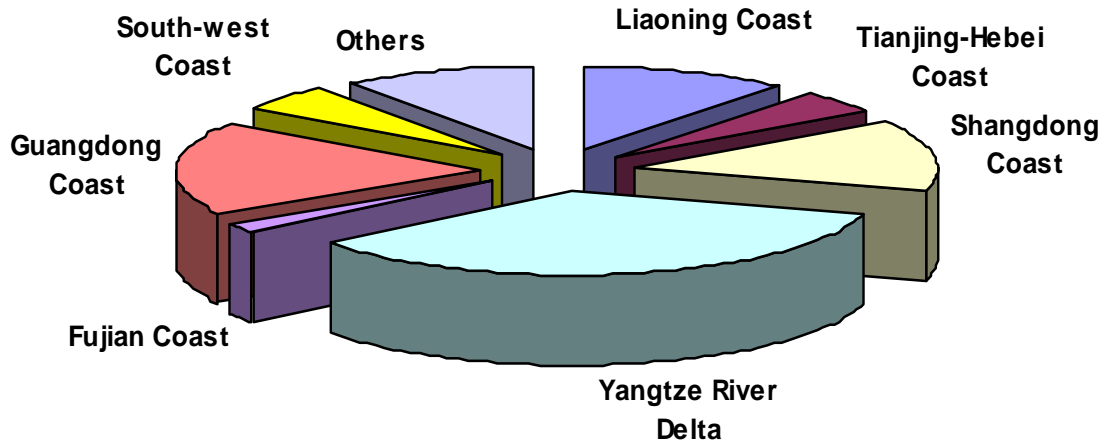
Forecast of Demand and Supply of China Oil in 2010 100Mt



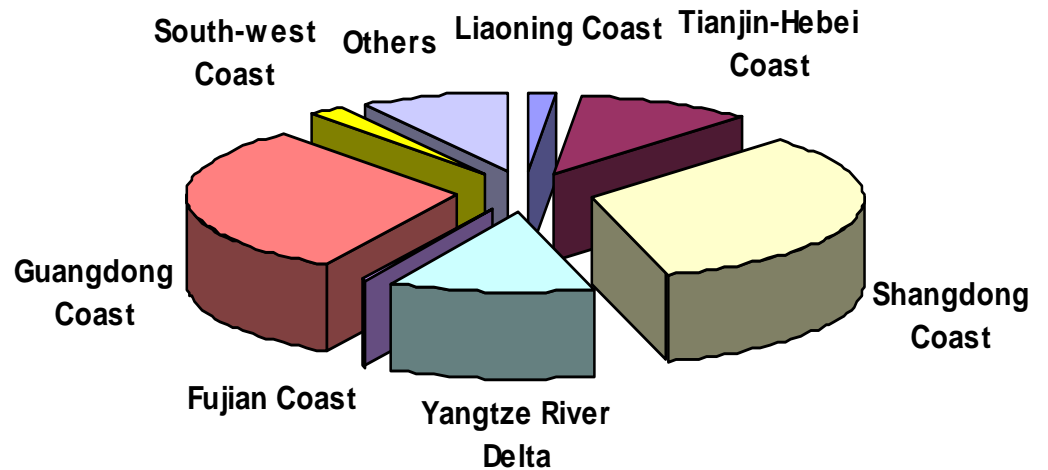
### **III. Demand growth brings the chance to transport industry**

# 1. Import of Crude and Fuel by ports

Import of Crude Oil by ports in China-2007



Import of Fuel by ports in China-2007



## **2. OIL Docks**

- **The receiving and discharge ability of east coast's crude oil dock closes to 290 MT.**

**There are 12 docks with 250-300 kt terminal among them.**

**There are over 20 crude oil docks along the Yangzi river, which capacities usually are 5-50 kt terminal.**

- **The receiving and discharge ability of main refined products dock closes to 250 MT.**

### **3. The importing oil transport features in the future**

- **The oil importing in the future will be overall, multi-variety and multilevel.**

**Oil resource and transport channels by land or water will be diversification.**

**Importing of crude, gaso, kero, dies, naph and LPG will be enlarged together.**

- **Land route: by pipeline                      Marine transportation: long-distance**

**Crude Oil from Russia and Kazakhstan— Pipeline**

**Crude Oil from ME, Africa, Europe and America—marine transport by tanker**

**Part of gasoline, kerosene, diesel and fuel—shipping from neighbor countries**

## **4. Developing Opportunity in the Future**

- **Deep water docks with 250-300 KT terminal need to be constructed along East coast.**
- **The importing by land route has three latent ways:**
  - Russia-Far East Crude Oil Pipeline**
  - China-Kazakhstan Crude Oil Pipe (Constructed)**
  - South-West Crude Oil Importing Channel**
- **National Strategy and enterprise's Oil storage system**
- **The import and transport terminal establishment for refined oil, fuel and naphtha**

谢谢大家

Thank you for attention