

# Formation of 'Stichting CONCAWE' in 1963



Pat Docksey, BP

Fifty years ago—in October 1963—six international oil companies operating European refineries decided to form a new Study Group. The objective of this Study Group was to assist the oil companies in Western Europe at the time in their study of the scientific facts and mitigation options for air and water pollution. The documentary evidence shows that several of these companies had been considering this approach for many years, ultimately resulting in the formation of 'Stichting CONCAWE' in The Hague on 30 August 1963.

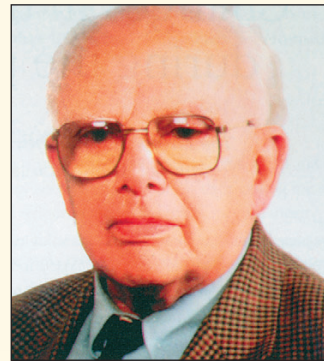
On 17 October 1973, Mr Pat Docksey, Manager of BP's Research and Development Department, presented the following talk on the occasion of the 10th Anniversary of CONCAWE. Because he was also the first Chair of the CONCAWE Executive Committee and one of the six original 'founding fathers', Mr Docksey was well placed to provide his perspective on why and how CONCAWE was formed. His 1973 talk is reproduced below as it was presented.

## Establishing the CONCAWE Association

My purpose today is to explain how CONCAWE came to be established and why it has assumed the form that it has. I have some right to speak on this, because I was involved from the earliest stages, but there are others whose memories of events would be equally valuable. One of these – **Dr Han Hoog of Shell** – has as great a claim as I to having been the driving force in establishing CONCAWE.

As one looks back at the technical progress made by the oil industry over the last forty years (1933–1973), it can be seen that one of the driving forces for improving our processes and operations was to decrease the degree to which the users of our products and we ourselves caused pollution. Although the word 'pollution' was not in our day-to-day vocabulary in 1963, the possible effects which could arise from the use (or abuse) of our products was always in front of us.

I think that the oil industry could justly claim that the use of its products on the scale of the 1930s and 1940s brought about a minor degree of damage, in comparison with other sources of pollution at the time. But we were conscious that there could be damage in the future and that, as the use of petroleum products increased, our share of the total responsibility would increase also. This could rapidly become very serious and we had no intention of being caught in such a situation. By 1960,



Dr Han Hoog, Shell

a considerable part of the technical thinking of many oil companies was devoted to identifying possible sources of pollution and seeking, in advance, ways to control them and minimise their effects.

In September 1962, Mr Duncan Dewdney of Esso (UK) judged that the problem of atmospheric pollution was becoming so important that the Institute of Petroleum (UK) ought to act. He suggested to the President (Mr J.C. Gridley, Mobil) that the IP Council should consider arranging a conference at which the subject could be openly discussed. He also suggested that the Institute should consider sponsoring research in this area.

It so happened that Dr Hoog and I had for some time been informally discussing the problems which were going to face the oil industry, particularly in Europe, as the situation developed. Our views were coloured by the steps which had already been taken within our companies to see that proper attention was being paid to these problems. We were convinced that the most important thing within a company was to ensure that all those who were responsible for policy or action were supplied with the scientific and technical facts, including the technical content and effect of legislation, in a consistent and well-digested form so that policy and action proceeded from a sound basis.

In British Petroleum, we had already set up an inter-departmental advisory group who received, assimilated, and disseminated to the various operating departments the results of our own research and of other research as it was published. This group also gathered experience in refining and marketing operations all over the world. I don't think that we were unique by any means in having such a group. The system worked well and enabled us to establish the technical facts and to see that these facts were accepted as a basis for action. Further, it brought about a good exchange of information between operating centres which was valuable in uncovering areas where knowledge was lacking. This ensured that any research we did or any enquiry we had to collect the facts would fulfil a real need.

Dr Hoog and I felt that a system which worked beneficially inside our companies would also work beneficially inside the industry as a whole. Briefly, we thought that what was required was an inter-company Study Group of a permanent nature whose business would be to bring about some coordination of the research carried out in this field by the various companies, and who would watch and report the situation as it developed in various countries. This idea was different in both scope and method of attack from that originally put forward.

Regarding the scope, our feeling was that it would be wrong to restrict such an activity to one country. Such a restriction would greatly increase the difficulty of establishing the technical picture on any given topic. We envisaged that the Study Group should be a European one which would give us knowledge of the requirements and views over a large area, but one which at the same time was homogeneous as regards the general level of industry. There was a difficulty since there was not, and

indeed there still is not (in 1973), a single official group on which the European oil industry can centre. Had there been such a group, it would have been natural to look to it to coordinate the industry in this field.

We placed emphasis on fact-finding and its accompanying activity of sifting and correlating the available data. Research projects would have to wait until a genuine gap in our knowledge was uncovered and the problem was defined. Because we felt that these views were important, we brought them to the attention of the IP Council.

Because Dr Hoog and I were both going to be in the USA in December 1962, we suggested to Mr Gridley that we would call together the representatives of a number of major companies and present our ideas. This meeting was held on December 19, 1962 and was attended by representatives of Esso, Mobil, Caltex, Shell, and BP. Dr Hoog and I had previously presented our ideas to Gulf and got their support. The basis of our talk was a note prepared by Dr Hoog, which stated clearly and in some detail the objectives we thought a 'Pollution Abatement Committee for the Oil Industry' should have and the scope of exchange of information.

At first, it was necessary to assure ourselves that such cooperation would not involve problems with US antitrust laws, despite the fact that it was intended to confine the membership to companies which operated in Europe. This point was rapidly disposed of and the meeting was able to agree on the desirability of an industry body of the sort that Dr Hoog outlined. It was agreed that the best way of bringing it into being would be to seek the sponsorship of the World Petroleum Congress, possibly in the form of a suitable announcement at their meeting to be held in Frankfurt in May 1963. Dr W.J. Sweeney of Esso, who was a leading member of the World Petroleum Council, undertook to ask them to give their support. This he subsequently did and the Congress as a whole formally gave their support at the May meeting in the following resolution:

*The 6th World Petroleum Congress welcomes and encourages the work being carried out by 'The Oil Refining Companies' International Study Group for Clean Air and Water Conservation Activity (Western European Sector)', and similar bodies and conferences, set up to study the scientific facts and data concerning pollution of air and water.*

*In furtherance of its endorsement and encouragement of these scientific and technological endeavours, the 6th World Petroleum Congress instructs the Permanent Council to take whatever action they consider necessary and desirable to encourage this work between the 6th and 7th Congresses and to arrange a Panel Discussion of Pollution Problems at the 7th World Petroleum Congress.*

The meeting in New York in December 1962 and the formal resolution of the WPC in May 1963 were the climactic events in the formation of CONCAWE. We had indeed moved quickly from September 1962 when our first very general ideas were discussed. That we had been able to do so was due to the personal friendships which have traditionally existed between members of the various major companies. It was also due to an understanding that there was a definable area of science and technology related to pollution inside which companies could exchange knowledge and experience without unduly exposing their technical secrets or surrendering their freedom to decide policy.

It was appreciated that policy which is primarily a matter of judgment requires the soundest basis of technical fact that can be achieved. Such a basis arrived at by discussions and investigations between experts from various companies and endorsed by them as a group would provide by far the soundest technical base available to any company.

By February 1963, we were reasonably confident that a Study Group of the sort we thought desirable would be established but much remained to be done if the group was to become active as soon as it was formally announced by the WPC. In order to promote action, we set up an Executive Committee composed of European representatives of the six companies I mentioned earlier.

One very important point was agreed in these early discussions. In the event that the group became established, Mr G.P. Lindmeier should be appointed Secretary General and act as Chief Executive of the group. He was shortly to retire from Shell but, as is so often the case

with people in the oil industry who retire after considerable foreign service, he was still in the prime of life and had all the qualities required. His appointment was an extremely happy one and was a major contribution to the success of the Study Group.

It was also necessary to give the Study Group a place of residence and a name, which a few months before had been little more than an 'airy nothing'. As to the former, the Executive Committee decided that The Hague would be suitable. Since every effort had to be made to encourage the whole European industry to support and make use of the group, a central location was essential.

The selection, or perhaps one should say the invention, of a name which would fully express the full title of the Study Group and yet have general appeal was of some importance, although the discussion tended to be light-hearted.

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Since CONCAWE's headquarters would be in The Netherlands, it was decided that it should be established as a Stichting, a well-recognised legal entity under Dutch law. The very important decision was made that membership should be open to any company engaged in petroleum refining in Europe. It was felt that this limitation to refining companies was essential. It had the advantage that they were, on the one hand, active representatives of the industry in all European countries and, on the other, well able to bring into discussion the problems of crude oil quality and product quality with which they were intimately concerned.

Further, it made clear that the Study Group was not trying to cover the field of petrochemicals, although any activity which normally took place within a refinery complex would be included. It also left open the question of whether ocean transport (which is far from being a



*The first home of the CONCAWE Secretariat was in van Alkemadelaan in The Hague. CONCAWE moved to Brussels in 1992.*

European activity) or production should be included. Indeed, at the time, crude oil production was at a low level in Europe. Finally, the expenditure required for the initial period was decided and methods by which member companies would support the research activities were agreed.

Thus, on October 17th, 1963, it was possible for the Executive Committee who had been meeting over a period of months to establish the constitution and method of finance, to meet as the Committee of Stichting CONCAWE, and to apply its mind immediately to the pressing technical problems that lie ahead.

**Timeline of some significant world and environmental events**

