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## JAPAN HAS NO PLANS TO TAP STRATEGIC OIL RESERVES: MINISTER

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Japan has no plans to draw on its strategic oil reserves in response to the latest price spike, despite the country's high reliance on energy imports, the government said Friday.

"We have not yet come to a situation where we need to draw down on our stocks," the country's economy, trade and industry minister, Shoichi Nakagawa, told reporters.

Japan had enough oil in its emergency stockpile to last for 170 days, but would only dip into the reserves if there was a shortage of supply, he said.

"When we really come to a situation where we need to do so we have the option to draw down on our stocks.

"But this is only when there is a shortage in term of volume of supply. Currently we do have the volume. Countries such as Japan, Europe, US and China have the capacity to purchase the oil that is on the market," he said.

Japan does not have significant domestic sources of energy, forcing it to import substantial amounts of crude oil and natural gas.

Nakagawa acknowledged that Japan was "too heavily dependent" on oil, particularly from the Middle East. He said it needed to develop its own energy resources and step up the use of pipelines to deliver energy.

Oil prices have shot up to record high levels on world markets as producers struggle to keep up with burgeoning demand, particularly from China and India.

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