

2014

Happy New Year

*Wishing You a
Productive New Year
Filled with Hope, Joy
& New Beginnings*



Photo credits to Focus Malaysia.

From left: Syahrul Zuhara, Corporate Communications Manager MPRC; Ahmad Azwan, Oil & Gas Services and Equipment Manager MPRC; Prathab V., Executive Editor Focus Malaysia; Abdul Rashid Md Sidek, President, MOGEC; Syed Feizal Syed Mohammad, Chairman and SVP, Technip Geoproduction (M) Sdn Bhd; Nan Yusri Nan Rahimy, Group Managing Director, Deleum Berhad; Datushahrol Halmi, CEO, MPRC; Mac Ngan Boon, Managing Director, Muhibbah Engineering (M) Sdn Bhd; Azhar Zainal Abidin, Managing Director, ProEight Offshore Engineering Sdn Bhd, Dr Shahreen Madros, Executive Director, MPRC; Jamal A. Ainul, Chairman, Schlumberger Group Asia Pacific; Eric Chua, Oil & Gas Services and Equipment Manager.

Roundtable Discussion with Oil & Gas Industry Players – Hosted by Focus Malaysia

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Focus Malaysia hosted a Roundtable Discussion between Oil and Gas industry players at Impiana Hotel Kuala Lumpur recently.

Focus Malaysia Executive Editor, Prathab V. led the discussion joined by MPRC Executive Director, Dr Shahreen Zainooreen Madros; Technip Geoproduction (M) Sdn Bhd Chairman and Senior Vice President for Malaysia and Brunei, Syed Feizal Syed Mohammad; Schlumberger Group Asia-Pacific Chairman Jamal A. Ainul; Muhibbah Engineering (M) Bhd Managing Director, Mac Ngan Boon; Deleum Berhad Group Managing Director, Nan Yusri Nan Rahimy; Malaysian Oil and Gas Engineering Council President, Abdul Rashid Md Sidek; and ProEight Offshore Engineering Sdn Bhd Managing Director, Azhar Zainal Abidin.

The discussed topic was 'As Malaysia aims to become a regional oil and gas hub, how can local companies compete in the big league?'

It was mutually agreed by the panellists that Malaysia's oil and gas sector must take the critical step of change, by producing a competitive model involving upscaling human capital, assets, technology and solutions. They were unanimous that there is a need for Malaysian companies to change their outlook, as companies can no longer have an inward looking mindset especially about venturing globally, that fast becoming an industry necessity.

The second part of the report talks about the challenges faced by the industry players, in particular Malaysian SMEs in going into global markets. The panellists proposed for Malaysian oil and gas equipment and service providers to collaborate more closely as it takes sustainable initiatives and synergy to make waves globally.

The two parts report was published in Focus Malaysia December 7-13, 2013 and the following week edition, December 14-20, 2013. The past issues can be viewed by subscribing to Focus Malaysia digital editions via <http://www.focusmalaysia.my>.

For those who have missed out the Roundtable Discussion articles in Focus Malaysia, do click on the PDF links below to view.

1. [Focus Malaysia Dec 7-13, 2013, Roundtable Discussion Part 1](#)
2. [Focus Malaysia Dec 14-20, 2013, Roundtable Discussion Part 2](#)

World Energy Cities Partnership (WECP)

Sharing knowledge, sharing success

[Feedback](#)



The World Energy Cities Partnership (WECP) is a non-profit association of 19 of the world's leading energy cities and serves as a platform for best practices interactions related to the global energy industry. Established in 1995, these member cities dynamically seek and develop opportunities for the exchange of industry knowledge and economic development expertise and strategies between its member cities. Such is important for each city to support its common task of encouraging the local energy sector.

Moreover, WECP is the only organization that requires municipal government linkage, which advantageously allows for exchange of best practices in city administration and development opportunities. The WECP conducts 2 meetings annually. A working meeting held in May hosted by the city of Houston and the AGM hosted by a different member city each year. The last AGM was hosted by the city of St John's, Canada.

In November 2013, the Mayor of Kuala Lumpur, Yg Bhg. Datushah Seri Hj. Ahmad Phesal bin Hj Talib has submitted a letter of intent for the city of Kuala Lumpur to be registered on the World Energy Cities Partnership rolls. The WECP Secretariat (based in Houston) has formally invited officials from Kuala Lumpur City Hall and Malaysia Petroleum Resources Corporation to sit in the WECP 2014 Working Meeting in Houston, USA on May 5 & 6, 2014 as observers. In the 3rd quarter of 2014, we can expect Kuala Lumpur to officially be conferred as a World Energy City. In short, the WECP collaboration will be extremely beneficial for businesses within member cities as well as local governments in terms of sharing of best practices, energy policies and business development activities.

Aberdeen, Scotland, UK	Malabo, Equatorial Guinea
Atyrau, Kazakhstan	Perth, Australia
Calgary, Canada	Port Harcourt, Nigeria
Dammam, Saudi Arabia	San Fernando, Trinidad & Tobago
Daqing, China	St. John's, Canada
Doha, Qatar	Stavanger, Norway
Dongying, China	Tomsk, Russia
Halifax, Canada	Villahermosa, Mexico
Houston, Texas, USA	Rio de Janeiro, Brazil
Luanda, Angola	

For further information on the World Energy City Partnership visit www.energycities.org

MPRC-MATRADE Specialised Marketing Mission (SMM) in Oil & Gas to Myanmar

[Feedback](#)



Y.B. Dato' Sri Mustapa Mohamed, MITI Minister imparting his thoughts during the lunch session.

The Malaysia External Trade Development Corporation (MATRADE) and Malaysia Petroleum Resources Corporation had co-organized a Specialised Marketing Mission in conjunction with the Ministry of International Trade and Industry's (MITI) Trade and Investment Mission (TIM) to Myanmar for three days from 18 to 20 September 2013. This industry-focused Oil & Gas mission was led by Y.B. Dato' Sri Mustapa Mohamed, MITI Minister. The participation was open to all MATRADE members and Malaysian Oil & Gas Service Providers and Manufacturers.

The delegation was made up of 14 major companies, with a total of 29 representatives in Malaysia's Oil & Gas industry namely Scomi Group Bhd, Innovative Oilfield Services Sdn Bhd, MMC Oil & Gas Engineering Sdn Bhd, UMW Oil & Gas Corporation Berhad, Pioneer Engineering Sdn Bhd, SapuraKencana Petroleum Berhad, Muhibbah Engineering (M) Bhd, Wasco Energy Group, ProEight Offshore Engineering Sdn Bhd, D&P Process Services Sdn Bhd, Oilfield Technical Inspection Sdn Bhd, Topaz Integrated Technology Sdn Bhd and Duta Klasik Sdn Bhd, Dimension Bid (M) Sdn Bhd.



Dr. Shahreen Madros, MPRC Executive Director, sharing his opinion with the participants from Malaysian Oil & Gas Services Providers and Manufacturers.

The main objective of the SMM is to provide a bilateral industry linkage between Malaysian OGSE companies and their counterparts in Myanmar for potential collaboration and business partnerships. In addition, this initiative is to introduce and educate Malaysian OGSE companies on the regulator's requirements for entry to the Myanmar market, local Oil and Gas landscape and other relevant local legislations. This Mission serves as a platform for Malaysian companies to participate in the Myanmar Oil & Gas industry and to link interested Malaysian

OGSE companies with available local support in Myanmar.

The Mission was kicked off by a seminar on "Myanmar, the New Frontier for Oil & Gas" at the Park Royal Hotel in Yangon. During the seminar, Ahmad Lutpi Haron, Country Chairman of PETRONAS Myanmar briefed the participants on the Oil & Gas Landscape of Myanmar. Other speakers were John Peck from IGE Group, Soe Min Aung from INJYNN Co., and Edwin Vanderbruggen from VDB Ltd. Some of the valuable takeaways from the seminar include the overview of the prospect of Oil & Gas business in Myanmar and the procedures of setting up business in the country.

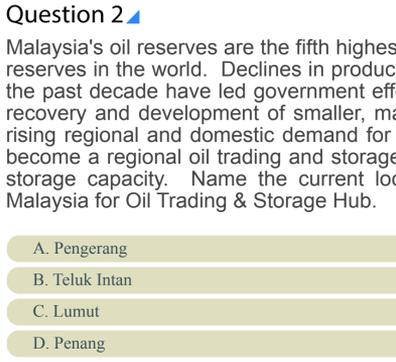
On the second day, a roundtable meeting between Malaysian and Myanmar Oil & Gas companies was held, chaired by Ir. Dr Shahreen Madros, Executive Director of MPRC. Attended by 14 Malaysian companies and 28 Myanmar companies; this roundtable offered the participants a platform to network, exchange ideas and share an overview of their business and focus segments in the oil & gas ecosystem. The roundtable was capped by a fruitful business-to-business matching session.

The final day took place in Nay Pyi Taw, a district that houses Myanmar's key government offices and centres such as the Ministry of Finance, Ministry of Energy and Myanmar Oil & Gas Enterprise (MOGE) under the Ministry of Energy, Myanmar. This official visit, led by Y.B. Dato' Sri Mustapa Mohamed was enveloped by a close-out discussion between the MITI minister and the Malaysian delegates. Dato' Sri Mustapa shared his views and aspirations for more Malaysian companies to venture out of Malaysia and make an entry into new markets such as Myanmar. The delegates also had the opportunity for an interactive sharing session and displayed their appreciation to the Minister for this door-opening initiative.

Moody's raises outlook on Malaysia to positive from stable

[Feedback](#)

Moody's Investors Service has affirmed Malaysia's government bond and issuer ratings at A3. The outlook has been changed from positive to stable. This is based on the improved prospects for fiscal consolidation and reforms, as well as the country's resilient growth, gentle inflation rate and current account surplus. According to Moody's, while the execution of reforms will be politically and administratively challenging, it will result in narrower fiscal deficits that will stabilize the country's debt dynamics.



Moody's said it had also affirmed Malaysia's long-term foreign currency bond ceiling at A1. The short-term foreign currency bond and bank deposit ceilings were affirmed at P-1.

Moody's said Malaysia, has generally exhibited faster growth, lower inflation, and a more robust balance of payments over the past five years compared with other A-rated countries.

The prime minister has announced the implementation of a Goods and Services Tax (GST) in 2015 for the purposes of broadening the tax base and easing the government's reliance on petroleum-related receipts. Although the government's revenues are dependent on petroleum-related receipts, we expect limited volatility from these items, including dividends, royalty payments, and taxes sourced from the national oil and gas company, Petroliaim Nasional Bhd (PETRONAS). It also affirmed the issuer rating of PETRONAS at A1 in May, and recently assigned a positive outlook to the global integrated oil and gas sector.

The positive outlook reflects Moody's expectation of Malaysia's continued out performance against challenges in executing its fiscal reform program. Significant consolidation of the government's fiscal deficit and the debt burden could trigger an upgrade.

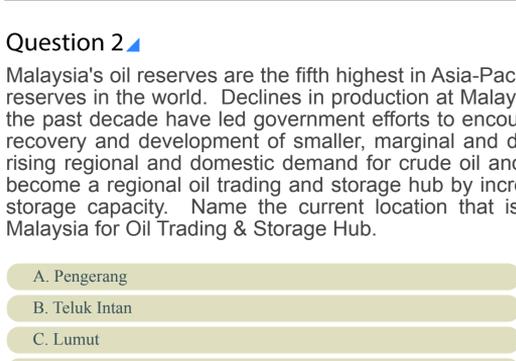
Source: *The Star*, Wednesday, November 20, 2013

Did you know?

Question 1

Which country in Southeast Asia is strategically located amid important routes for seaborne energy trade and it is also second largest oil and natural gas producer?

- A. Thailand
- B. Malaysia
- C. Singapore
- D. Indonesia



Answer B. Malaysia

Malaysia is the second largest oil and natural gas producer in Southeast Asia, the second largest exporter of liquefied natural gas globally and is strategically located amid important routes for seaborne energy trade.

Question 2

Malaysia's oil reserves are the fifth highest in Asia-Pacific and one of the top 30 highest reserves in the world. Declines in production at Malaysia's major producing oil fields in the past decade have led government efforts to encourage investment in enhanced oil recovery and development of smaller, marginal and deep water fields. As a result of rising regional and domestic demand for crude oil and oil products, Malaysia plans to become a regional oil trading and storage hub by increasing the country's refining and storage capacity. Name the current location that is being developed in Peninsula Malaysia for Oil Trading & Storage Hub.

- A. Pengerang
- B. Teluk Intan
- C. Lumut
- D. Penang



Answer A. Pengerang

Question 3

A Malaysia Task Force has been created to ensure the event meets the needs of the industry. Which are the following agencies and associations below whom are involved?

- A. Malaysia Petroleum Resources Corporation (MPRC)
- B. Malaysia External Trade Development Corporation (MATRADE)
- C. Malaysia Investment Development Authority (MIDA)
- D. Malaysian Oil & Gas Services Councils (MOGSC)
- E. International Conference and Exhibition Professionals (ICEP)
- F. All of the above



Answer F. All of the above