

# Welcome to eMPRC newsletter

>> Volume 2, 2012



## Dr Emir speaks...



The role played by the financial services industry is central to driving the growth of the oil and gas industry. By providing various financial options or products for oil and gas players will enable both bankers and oilmen to work out suitable funding needs, payback periods, working capital and so on.

At the recent Global Islamic Finance Forum (GIFF), Dr. Emir Mavani spoke about 'Challenges faced in financing the O&G industry and possible solutions.' He addressed the concerns of both bankers and oil and gas players by identifying risks and explaining how to properly evaluate risk

and factor these elements in pricing the fees. "The issues of risk management and risk mitigation need to be properly understood by both bankers and oil and gas players to ensure proper evaluation of projects. We need to transfer that knowledge and know how between bankers and oil and gas fraternity. In doing so, bankers can offer a variety of instruments to support the needs of the oil and gas industry."

For example, Dr. Emir explained that trading in petroleum and petroleum-products would be ideal for the growth of Islamic financial services because they are physical products and their tangibility allow bankers to price risks based on products that have been delivered.

GIFF is a premier international event in the calendar of Islamic finance held periodically in support of the Malaysia International Islamic Financial Centre (MIFC) initiative. GIFF is initiated as an effort to provide industry practitioners, regulators and Syariah scholars with a unique networking opportunity.



## Other News

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### A relaxing afternoon for guests and clients

MPRC and InvestKL jointly organised the 2012 Hari Raya Open House on September 6 at Carcosa Seri Negara for corporate clients, guests and business partners. More than 400 guests turned up for the event, dressed in traditional Malay costumes.



### On the move

MPRC will be operating from our new premises by Monday October 15, 2012. Our new office will be located at Level 21-22, G Tower, Jalan Tun Razak. Watch out for new announcements in this space soon

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## Oilfield Services and Manufacturing

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### MOGSEC 2012

Dr. Shahreen Madros, Executive Director, recently spoke at the first Malaysian Oil and Gas Services Exhibitions and Conference 2012.

In his presentation, he spoke about the potential that exists in Malaysia's oil and gas sector, but how its development was hampered by lack of equity, focus on domestic oil and gas opportunities and misalignment in human capital development at tertiary institutions.

Some of the solutions Dr Shahreen proposed include

- Access to finance and capital needed to be eased to help project finance and encourage investment
- Finance/Capital requirement and regional competition need to be reviewed for each sector
- Industry should be encouraged to participate in trade associations to help coordinate each sectors' needs
- Industry clusters involving human capital development, R&D and industrial project needs to be encouraged
- Industry collaboration is key to development







## ONS Norway

Providing exposure for Malaysian oil and gas companies and government agencies on what is happening in the international oil and gas arena create opportunities for networking, business development as well as sharing insights and opportunities available in Malaysia.

MPRC and MATRADE recently led a 25-strong delegation of Malaysian oil and gas companies to attend Offshore Norway Show 2012 (ONS 2012) Conference in Stavanger, Norway.

During the visit, MPRC met with the Norwegian Petroleum Directorate (NPD) an agency in charge of petroleum management under Norway's Ministry of Petroleum and INTSOK, an agency responsible for promoting Norwegian oil and gas companies in international markets.

Other companies visited include Petrad, a foundation setup by the Government of Norway to facilitate knowledge and experience transfer on matters related to petroleum management and StatOil ASA where MPRC made a presentation to their senior executives.

## OTC 2013

Calling once! Preparations for OTC 2013 are progressing smoothly. MPRC, together with MATRADE and MIDA will be leading a delegation of oil and gas companies to Houston. We hope that more companies will attend next year's event as there will be a bigger exhibition space and greater visibility. Come and join us to showcase your companies' products and services or use this opportunity to network and build relationships.





# Oil and gas projects



## Johor

Minister of International Trade and Industry Dato' Seri Mustapa Mohamed paid a one day visit to Pengerang in Johor to see the progress and development going on to date. He was first taken to the Pusat Infomasi Setempat Pengerang (PISP) to get an overview of activities taken in Pengerang. This was followed by a site briefing and site tour where YB Minister was able to personally see ships plying the sea lanes, the progress on reclamation works as well as what the Pengerang Independent Deepwater Terminal complex will look like when completed.

## Do you know . . .

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“ . . . PETRONAS, short for Petroliaam Nasional Berhad, was founded on August 17, 1974. It is ranked among Fortune Global 500's largest corporations in the world, is the 13th most profitable company in the world and the most profitable in Asia. Syabas!

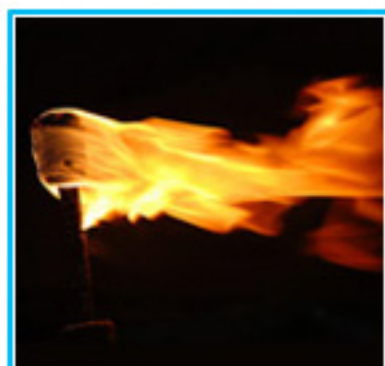
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“ . . . When did Middle Eastern civilisations used crude oil as a resource?  
(A) 331 BC (B) 76 BC (C) 1066 AD (D) 4000 BC

Answer: (D)

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“ . . . Babylonians first used oil tar as mortar in building structures. The Egyptians used oil products for embalming mummies. The Romans used crude oil in lamps, while North American native tribes used raw crude oil, collected from seeps, for painting and art.

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