

**MARITIME INSTITUTE OF MALAYSIA**

*Advancing the Frontier of Maritime Knowledge*

# TECHNOLOGY AS THE DRIVER OF SUPPORT SERVICES : THE EXPERIENCE OF THE MALAYSIAN OIL AND GAS SECTOR

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# Overview

- Introduction
- Overview of the Malaysian oil and gas (O&G) sector
- Technology as driver of efficiency in the O&G sector
- Challenges ahead & the way forward

# Introduction

- O&G development is based upon support services (SS) foundation.
- Every process cycle depends on SS.
- O&G and SS are symbiotically tied.
- East Asia's dependence on energy highlight reliance on & importance of SS.

# Overview of the Malaysian oil and gas (O&G) sector

- Malaysia's O&G sector contributes significantly to its economy.
- PETRONAS production : 760,000 barrels & 6.5 bil. cu. ft. of gas daily.
- Offshore exploration: 600,000 sq km.
- Reserves : 4.84 bil. Barrels & 89 trillion cu. ft.

# Overview of the Malaysian oil and gas (O&G) sector

- Excellent infra : pipelines, refineries, petrochemical complexes, ports.
- Good institutional framework : EPU, MIDA, MITI, MOGSC.

# Technology as driver of efficiency in the O&G sector

- Technology complements spirit.
- Demand for O&G = demand for higher & more efficient production.
- Commercial, economic & strategic interests call for better SS in O&G.
- Technology is a key driver and provides competitive advantage to SS providers.

# Technology as driver of efficiency in the O&G sector

- Technology is pervasive in O&G production.
- It brings manufacturing cost down & is crucial for economies of scale.
- O&G and SS players must allocate for R&D and invest in technology.

# Challenges ahead and the way forward

- Technology will play vital role in exploring new frontiers for new deposits.
- For Malaysia, technology will be at the forefront of its O&G sector development.
- Deep water discoveries will require cutting-edge technology to exploit.



# Challenges ahead and the way forward

- Strong support base is essential to back-up technology involved.
- O&G sector prospect depends on its ability to increase output.
- Adequate SS will be needed to shore up output.

# Challenges ahead and the way forward

- Exploration of new O&G frontiers will present huge challenges.
- Production costs & schedule must be monitored to ensure viability.
- Technology will be critical in meeting the challenges.

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**THANK YOU**

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