

Unleashing The Potential Of International Partnerships

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Brief on IGU Structure

Looking Back into History

Why International Partnerships?

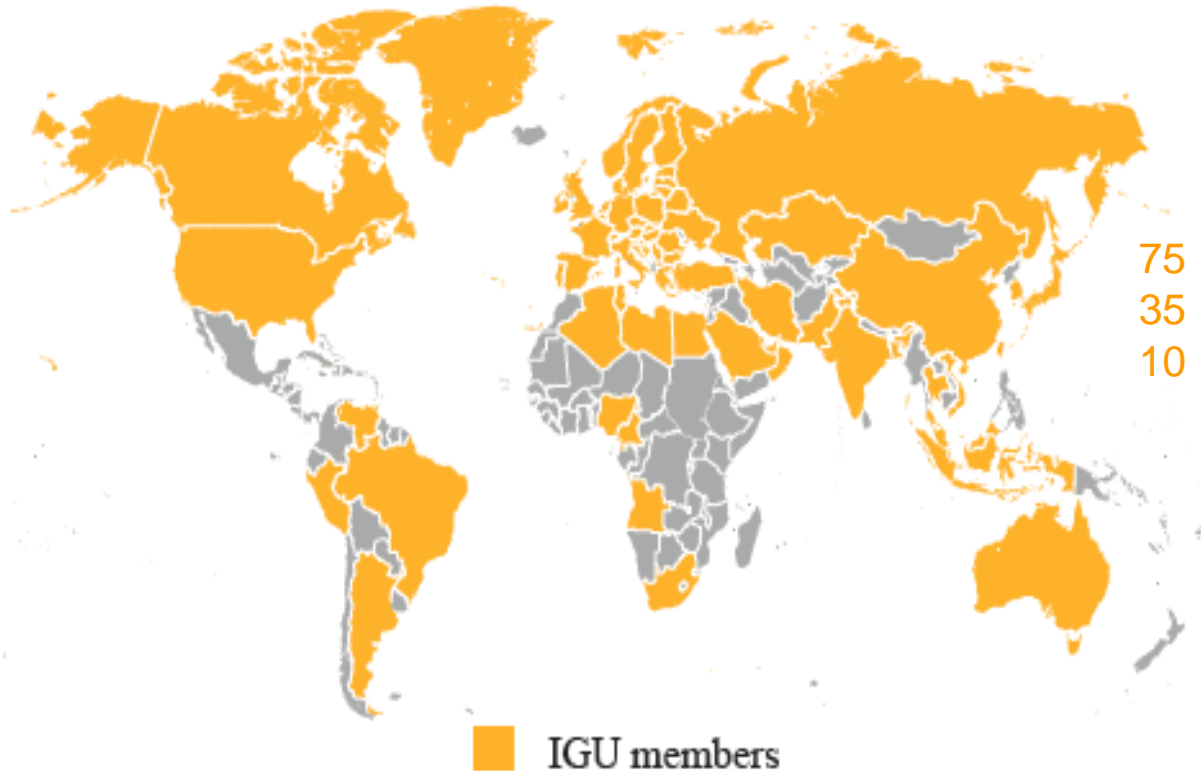
Partnership Risk

Unleash the Potential..

IGU as **THE** spokesperson for the gas industry

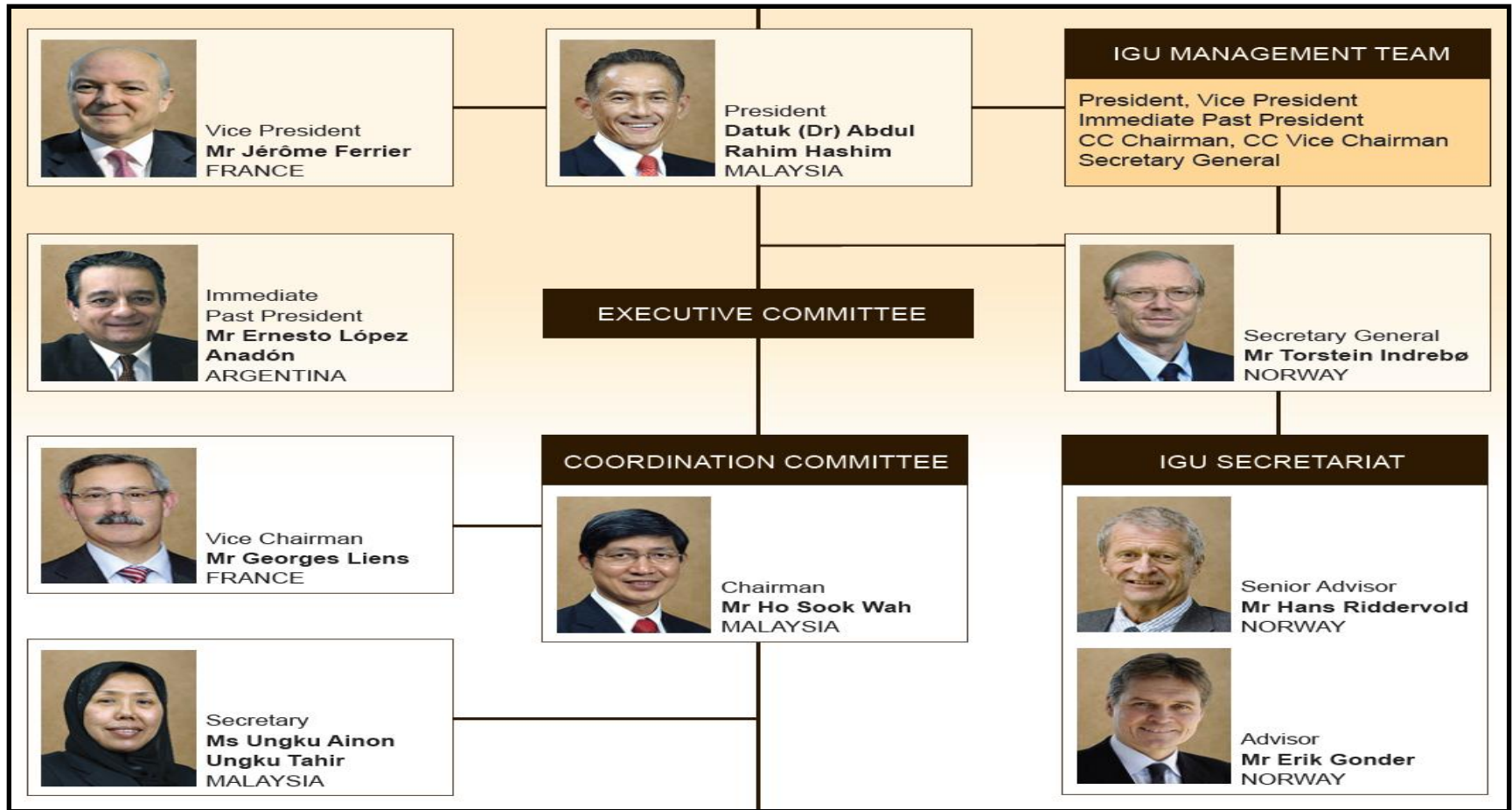
- World wide and non–profit organisation since 1931
- Promotes technical and economic progress of the gas industry
- Emphasising sound environmental performance
- Increased focus on strategic and policy issues
- Cooperation with IEA, United Nations, World Bank, IEF and others

IGU Members responsible for 95% of Global Gas Sales



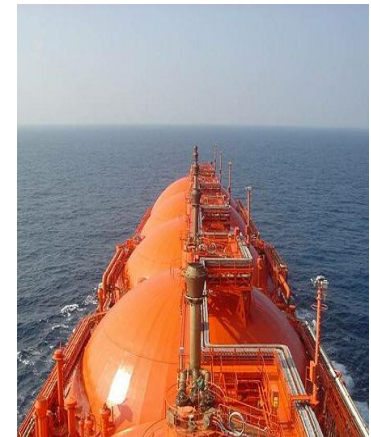
75 Charter members
35 Associate members
10 Affiliated members

IGU Organisation Chart for Malaysian 2009 – 2012 Triennium



IGU Messages on Natural Gas

- Clean, efficient, versatile and environmental friendly
- Available and abundant
- Continue to play a substantial role in global energy demand
- Basis for sustainable economic growth



Natural gas
– major part of the long term energy solution

The **THEME** of Malaysian IGU Presidency for 2009 – 2012 Triennium

“GAS : SUSTAINING FUTURE GLOBAL GROWTH”

- Gas plays a vital role in meeting the world’s expanding energy needs, while helping to cut greenhouse gas emissions.
- The challenges facing the industry include:
 - Continue to position gas as the fuel of choice
 - Maximise value from the depleting resource
 - Provide for future sustainability from the economic, social, technical and environmental aspects in order to contribute to global economic growth.

LOOKING BACK INTO HISTORY



- Partnerships & ventures
- New wave of government to government (GTG) approach

Leading to

The way it was before

- ▶ Untapped markets
- ▶ Low risk

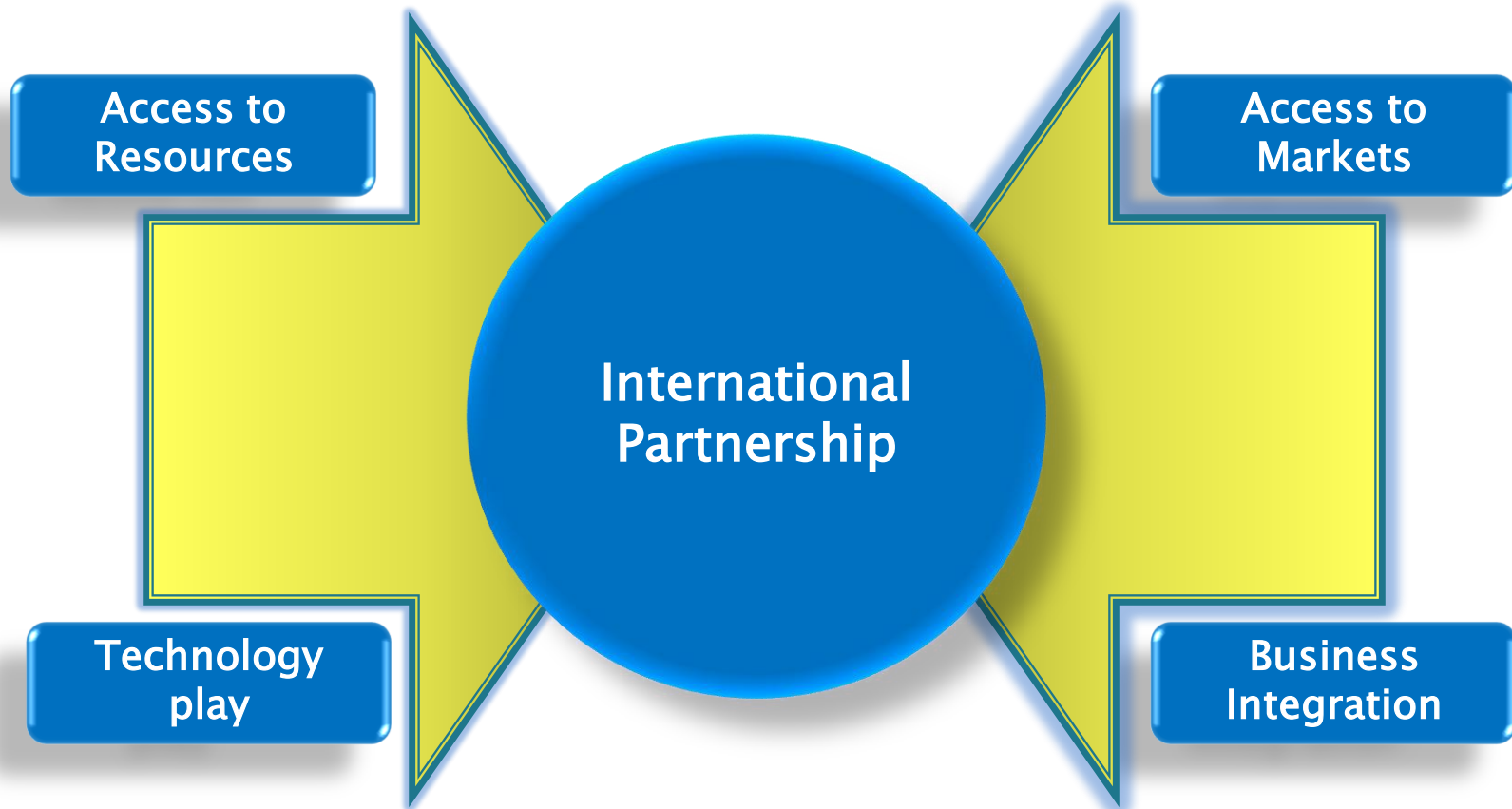
How it is now..

- ▶ Resource nationalisation
- ▶ Rising cost
- ▶ Heightened competitions

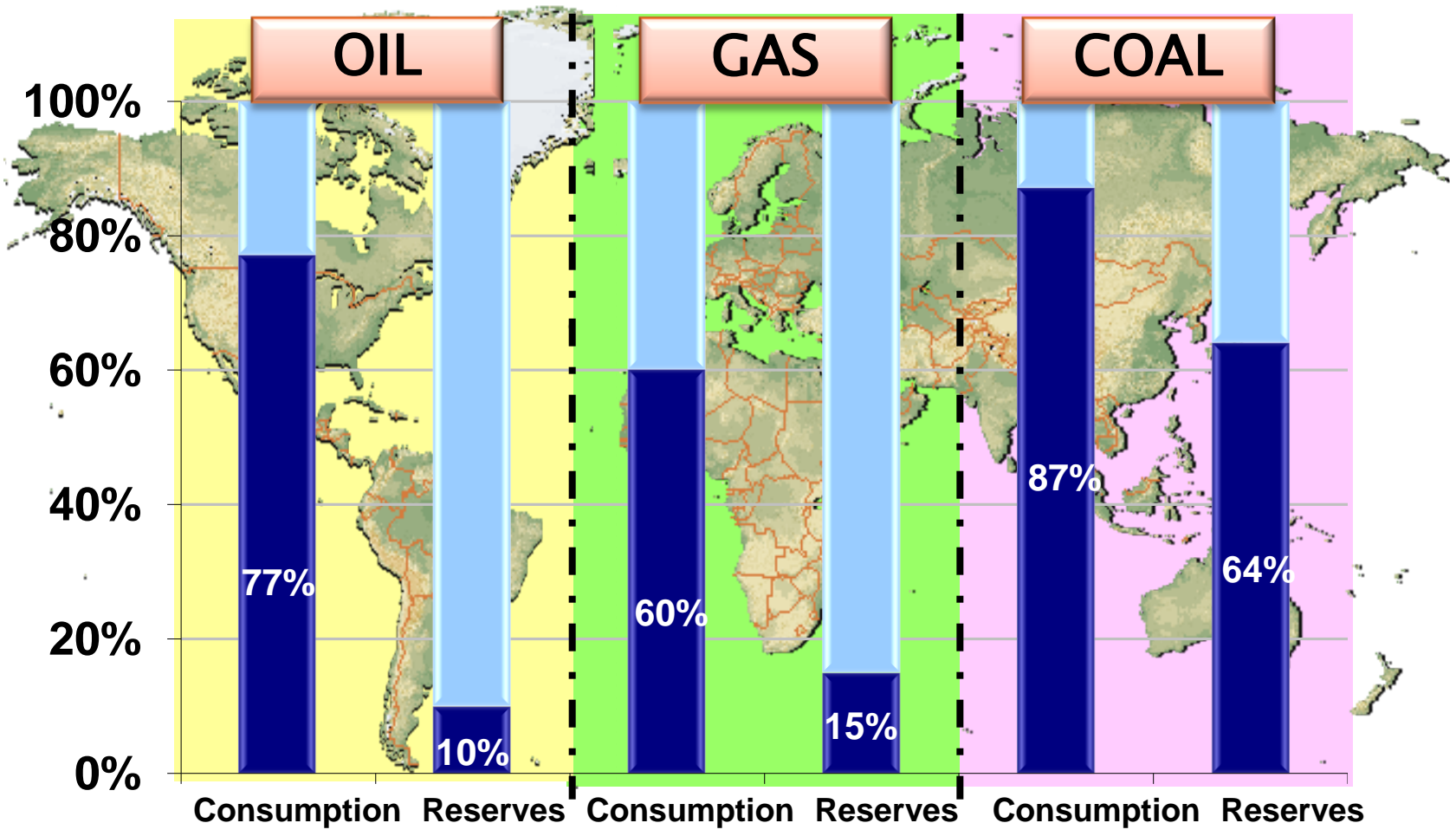
WHY INTERNATIONAL PARTNERSHIPS?



Companies Are Entering Into Deals With Partners Across The Value Chain



The Dislocation of Supply and Demand - Access to Reserves

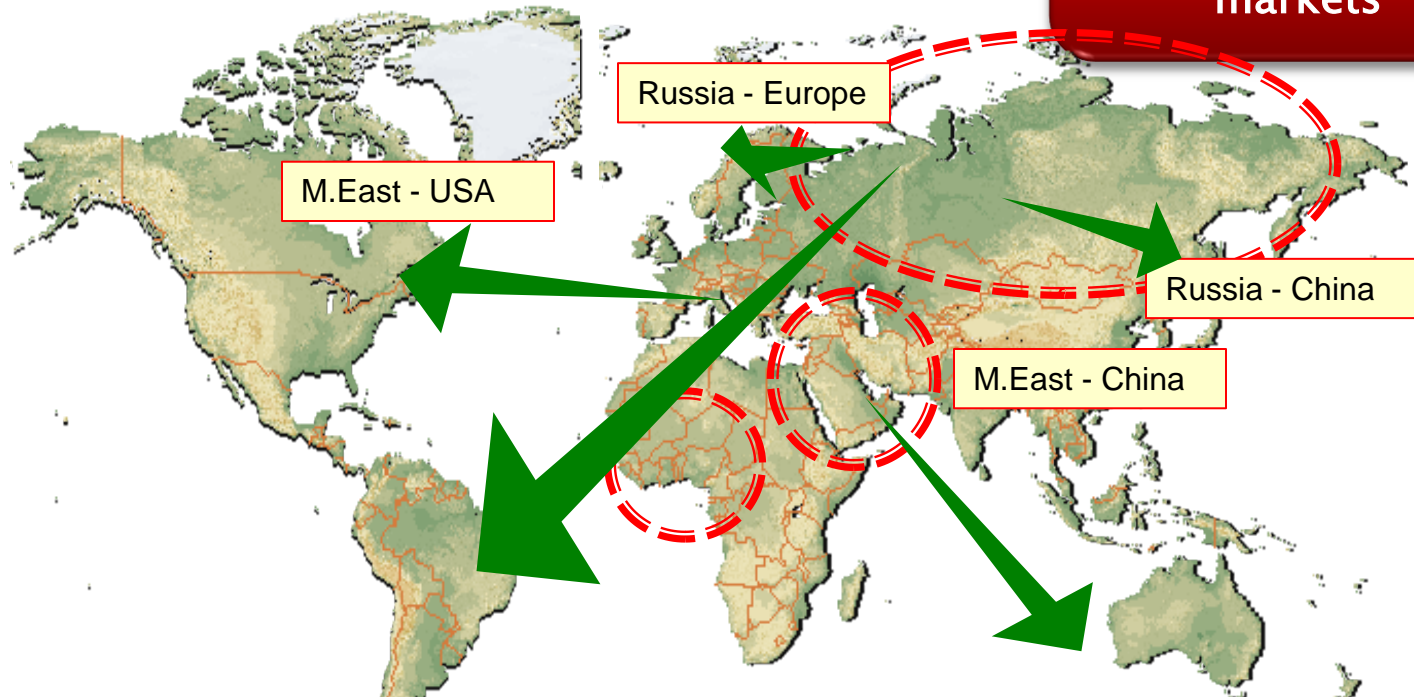


3 largest energy markets (N. America, Europe and Asia Pacific)
 Rest of the world

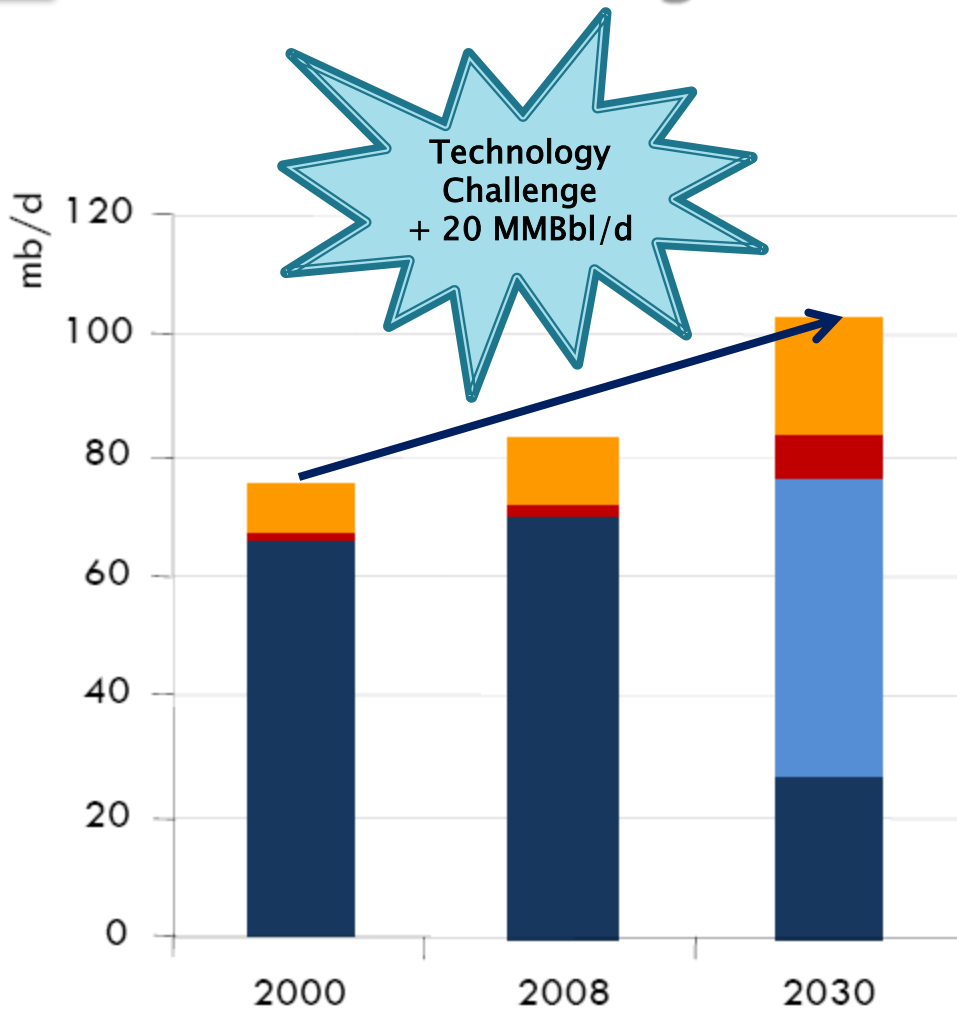
Source: BP Statistical Review 2005

Gaining Access to Markets

Resource rich nations' possible mode of entry into markets



The E&P Industry Faces A Dramatic Growth Challenge - Technology



The global oil demand is expected to rise from around 85 million barrels per day in 2008 to 105 million barrels a day in 2030

Technologies required to unlock new reserves as well as unconventional oil will prove to be the greatest challenge in the E&P arena

- NGLs
- Unconventional oil
- Crude oil - fields yet to be developed or found
- Crude oil - currently producing fields

Opportunities For Business Integration - Downstream Investment



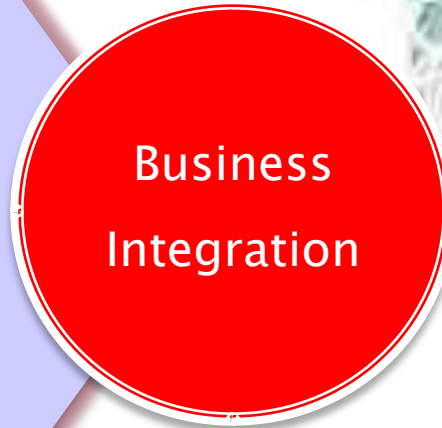
Add Value



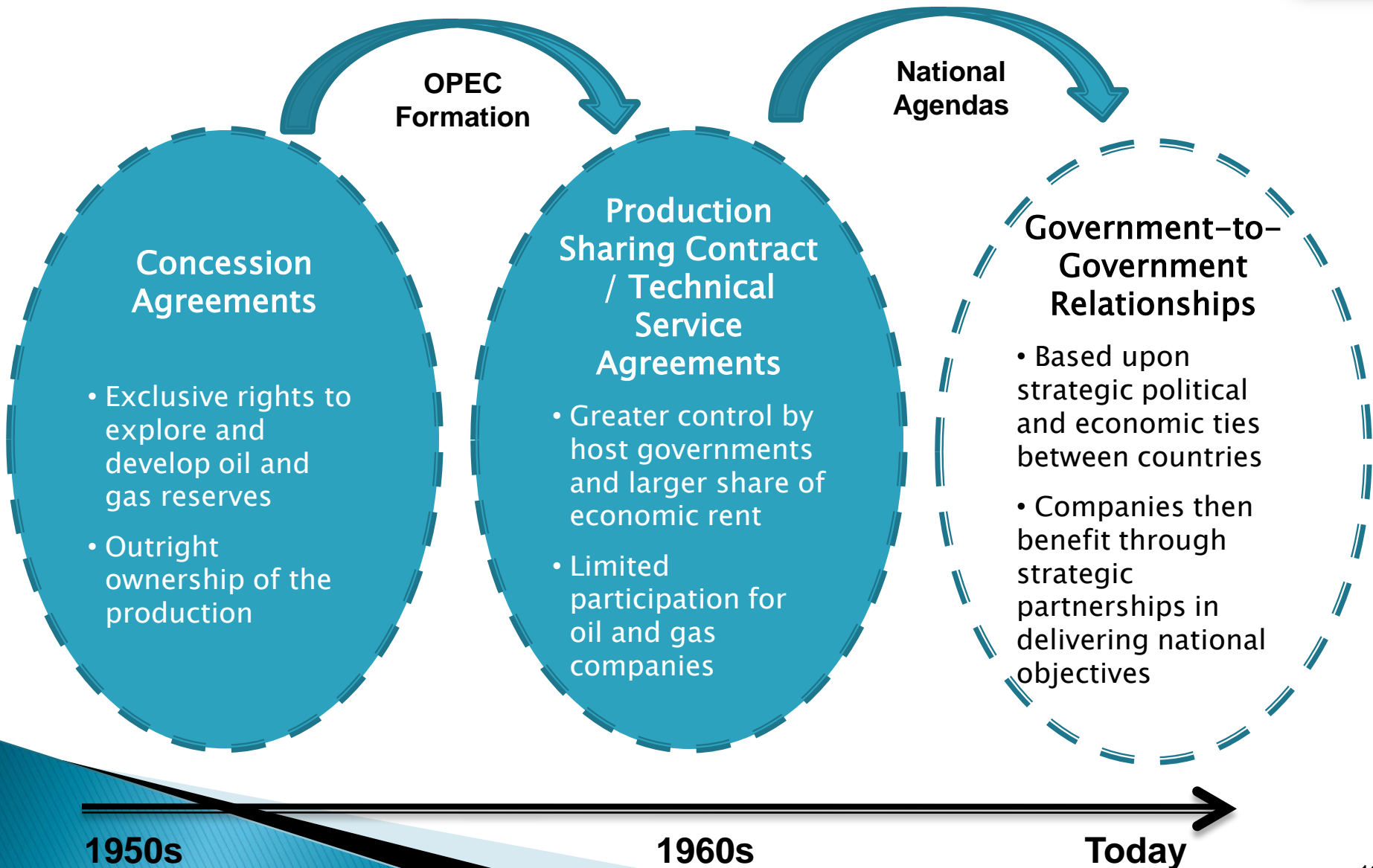
**Market
expansion**



**Transfer of
technology**



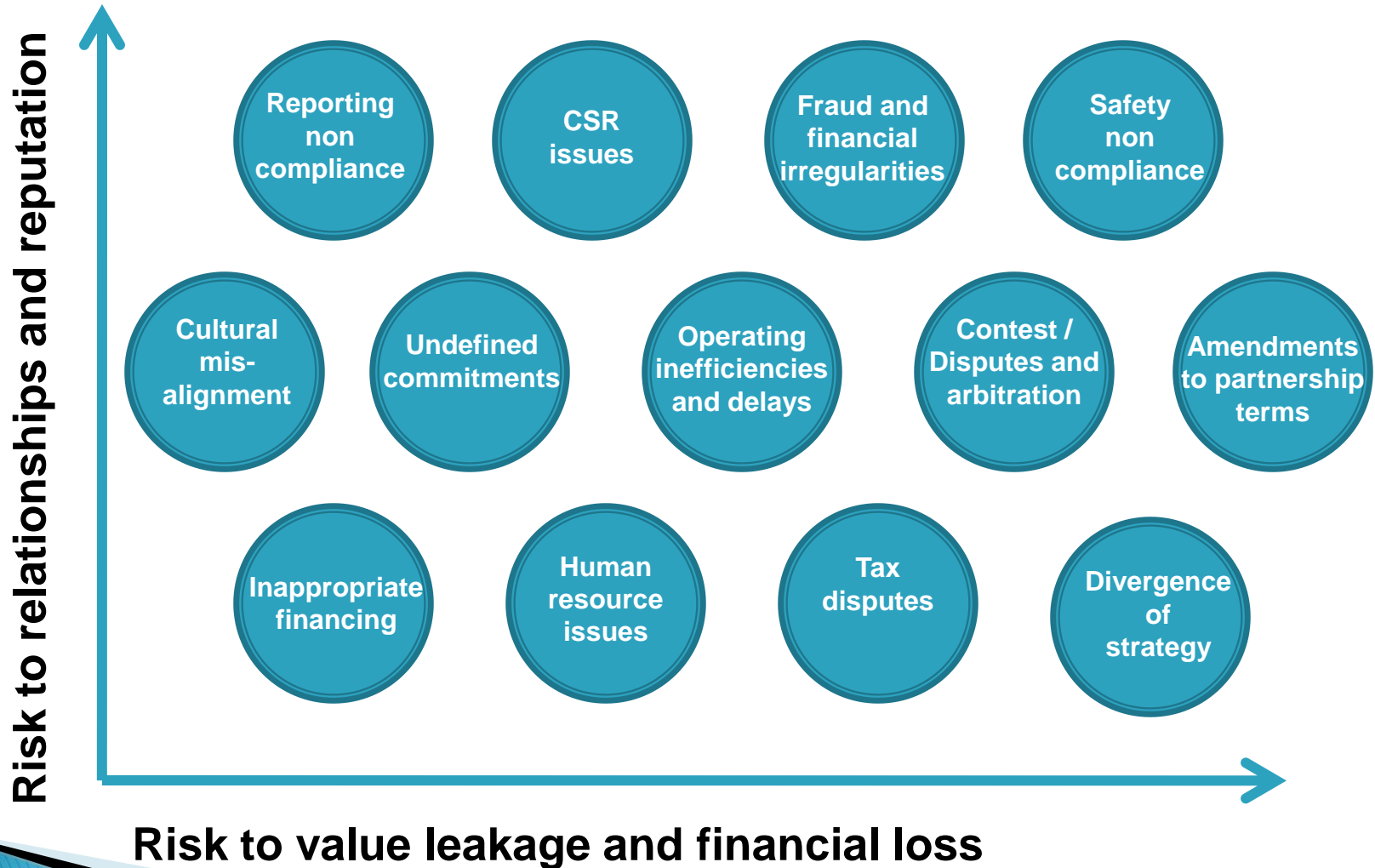
Changing International Landscape of the Oil & Gas Play



PARTNERSHIP RISK



The Risk of Partnering Can Impact Reputation & Value



UNLEASH THE POTENTIAL



Unleashing the Potential...

Form and Nature of Partnering
Arrangement

Understanding and addressing the
different agendas and strategies

Recognition and management of
cultural differences

Framework for dispute and
resolution



**“Successful
International
Partnership”**

25TH WORLD GAS CONFERENCE



**“GAS – SUSTAINING FUTURE
GLOBAL GROWTH”**

**Kuala Lumpur Convention Centre
4 to 8 June, 2012**



Thank You !

SEE YOU IN KUALA LUMPUR
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4 to 8 JUNE. 2012



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