

KERATAN AKHBAR

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Govt committed RM8.48mil under OGSE Development Grant to 36 companies



In total, the government has allocated RM25 million for OGSE Development Grant under the 12th Malaysia Plan.

KUALA LUMPUR: The government has committed RM8.48 million to 36 companies for the Oil and Gas, Services and Equipment (OGSE) Development Grant since the launch of the OGSE Blueprint, Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed said.

In total, the government has allocated RM25 million for OGSE Development Grant under the 12th Malaysia Plan.

Mustapa said the grant aims to accelerate technology adoption among OGSE players, and some of the projects being undertaken by the recipients include robotics and artificial intelligence (AI) analytics.

"Our commitment to the 2030 Agenda remains a priority for the nation.

"This is also reflected in our pursuit of achieving sustainable growth in the oil and gas industry," he said during his speech at the National OGSE Roadshow 2022 here today.

Today's roadshow marked the fourth and final leg of a series of roadshows conducted by the Malaysia Petroleum Resources Corporation (MPRC).

The series of roadshows started in Kuala Terengganu in May before making its way to Kuching in June and onward to Kota Kinabalu in August.

Mustapa added that the Economic Planning Unit (EPU) and MPRC are currently working on formulating the National OGSE Sustainability Plans (NOSP), scheduled to be published by the end of the year.

"Down the line, the government's plans for OGSE sustainability will be outlined through the development of the National OGSE Sustainability Roadmap in 2023 and the National OGSE Sustainability Framework in 2024.

"Undertaking this exercise on an annual basis will allow us to address structural changes in this dynamic industry and make adjustments where necessary," he said.

MPRC president and chief executive officer Mohd Yazid Ja'afar said that in 2019, the corporation was entrusted by the EPU to develop a national blueprint to strengthen the competitiveness, resilience, and sustainability of the country's OGSE industry.

He said that when MPRC developed the OGSE Blueprint, it was projected that the industry would see a more significant contribution to the country's gross domestic product (GDP) of around RM40 billion by 2030 from current levels of about RM20 billion.

"In order to ensure a robust implementation of the OGSE Blueprint, we have been coordinating government initiatives and implementing selected programmes from the OGSE Blueprint since its launch in April 2021.

"MPRC has also held several engagements and collaborations with industry stakeholders—financial institutions, statutory bodies, and more—in the last 12 months.

"These engagements have been focused on the OGSE Roadshows, which aim to raise awareness of the blueprint and the pathways it has set out to shape the continuous development of OGSE in Malaysia," said Mohd Yazid.

Meanwhile, on the NOSP, Yazid said that while a few OGSE companies are already implementing the environmental, social, and governance (ESG) components in their businesses, a majority still fail to realise the importance of adopting these guidelines in their businesses.

"They are trying to understand how ESG is key to their future survivability. And here is where MPRC is trying to educate them.

"For example, we are trying to make them understand that this would make it difficult for them to secure financing to fund their business," he said.

He said an announcement on the NOSP will be made on Nov 15.