



## **KEYNOTE ADDRESS**

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**NATIONAL OIL AND GAS, SERVICES AND EQUIPMENT (OGSE)**

**ROADSHOW 2022 | 4 OCTOBER 2022 (TUESDAY)**

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Assalamualaikum warrahmatullahi wabarakatuh,

Distinguished guests,

Ladies and gentlemen,

1. Welcome to the fourth and final National Oil and Gas, Services and Equipment (OGSE) Roadshow 2022 to be held this year. Thank you to Malaysia Petroleum Resources Corporation (MPRC) for your efforts in organising this series of roadshows together with the Economic Planning Unit (EPU).
2. Since May 2022, we have conducted roadshows in Terengganu, Sarawak and Sabah to engage with industry players and showcase the opportunities and initiatives under the National OGSE Industry Blueprint 2021-2030 (OGSE Blueprint). I am pleased to see so many of you present here today.

3. We have all gone through a tumultuous period these past few years. The COVID-19 pandemic had shut down many key sectors of the economy which led to dwindling demand for energy. Then, just as economies were beginning to reopen and recover, Russia's war in Ukraine had left devastating effects through supply chain disruptions as well as skyrocketing energy and commodity prices. Our OGSE companies were affected and many faced difficult times.
4. The OGSE Blueprint thus aimed to support industry players and develop a robust, resilient and globally competitive Malaysian OGSE industry. We hope to accomplish this by addressing fundamental challenges in the industry and exploring value-added business opportunities in oil and gas. This is crucial given OGSE's role in servicing the oil and gas value chain.

Ladies and gentlemen,

5. The Government through MPRC, which is an agency under the EPU has been hard at work to accomplish the initiatives set out in the blueprint. Allow me to share some of the good work that we have achieved since its launch in April last year.
6. Firstly, the Government has committed RM8.48 million to 36 companies for the OGSE Development Grant. This grant aims to accelerate technology adoption. Some of the projects being undertaken by the recipients include robotics and AI analytics.

7. Secondly, we are also making headway with the OGSE company recognition initiative. Formal recognition will allow for targeted support through which industry players will be empowered to meet their working capital needs and expand their businesses. To date, almost 500 companies have been recognised as OGSE companies.
  
8. Thirdly, in developing and retaining talent, we have actively been promoting OGSE job opportunities and capacity building to encourage upskilling and certification in line with industry requirements. I was informed that in a career fair held in Kuala Lumpur in June, MPRC hosted an OGSE Pavilion that consisted of 12 companies. They collectively received roughly 3,000 applications for 300 job openings, with 100 successful hirings taking place within three months of the fair.

Ladies and gentlemen,

9. 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. I am happy to share that the EPU along with MPRC are currently working on formulating the National OGSE Sustainability Plans (NOSP) scheduled to be published by the end of the year.
  
10. 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.

11. In order for this to happen, the OGSE industry cannot operate in the business as usual mode. Changes in systems, business models, economic assumptions, market rules and governance frameworks are required to tackle the challenges posed by the energy transition and decarbonisation.

12. The OGSE industry plays an integral role in this as industry players are best positioned to advise on technological needs and technical know-how. The Government will press on with our efforts to engage and collaborate with the industry. In today's interconnected and globalised world, no man is an island.

Ladies and gentlemen,

13. As we navigate this global energy transition, it is important that the OGSE industry is able to build upon its resilience towards external shocks and enhance its capabilities towards adjacent skill-sets such as renewable energy, energy storage and decarbonisation.

14. OGSE companies must also embed a sustainability component into their business strategy. I firmly believe that those able to develop products and services that address global energy challenges will be around for the long haul. I am optimistic that these initiatives will help OGSE players to meet the needs of the sustainability agenda.

Ladies and gentlemen,

15. As we look back on the implementation of the OGSE Blueprint thus far, we are humbled by the fact that the journey is a marathon and not a sprint. It is vital for us to have a shared vision for the future, and recognize the importance of providing future generations with secure, affordable and sustainable energy.

16. The challenges ahead are complex and wide. Delivering on the commitments of the blueprint will not be easy. However, I am confident that we will succeed through perseverance and close cooperation.

17. Before I conclude, allow me to once again express my appreciation to my colleagues at the EPU for the stewardship of the OGSE Blueprint and MPRC for leading the implementation of the blueprint's initiatives, not to mention MPRC's valued efforts in organising the OGSE Roadshows.

18. Thank you to the various ministries, government agencies, the private sector, industry associations and PETRONAS for your immense support and contribution.

Sekian. Wabillahi taufiq wal hidayah. Wassalamualaikum warahmatullahi wabarakatuh.