

04/09/2000

Petronas gets Kazak offer to extract oil

KUALA LUMPUR, Sun. - Petronas has been invited to help mine the vast oil fields in Kazakhstan.

Its ambassador to Malaysia, Bolatkhan Taizhan, said there were many opportunities to raise the production of oil and gas in the former Soviet republic.

He said opportunities were more pronounced in the country with the recent discovery of the largest oil field in the past 30 years.

Estimated to hold between two and seven billion tonnes of oil, the field is reputed to be the world's largest.

Taizhan said this at an interview on Friday.

Explaining that Kazakhstan was hoping to offer its vast resources to developing Asian nations, he said the republic would welcome Petronas as an internationally reputed company.

There are several of the world's largest oil companies operating in the republic, including Shell, British Petroleum and Chevron.

Taizhan said he hoped to meet with Petronas officials to convey the message.

The ambassador's invitation to Petronas comprises one of many opportunities for bilateral trade, which he hopes both nations will pursue.

He said at the recent Organisation of Islamic Conference ministerial meeting here, both nations had come to the conclusion they would intensify relations, particularly in political and economic affairs, through an exchange of visits at the top level of government.

While oil exists in vast quantities, the industry is hampered by the fact that there is only one direct oil pipeline from the country to Russia.

However, this situation will improve as plans are under way to construct pipelines to Turkey, China and Iran.

Kazakhstan's oil production for this year stands at 30 million tonnes and is aimed at surpassing a production rate of 100 million tonnes within the next three to four years.

Its yearly gas production stands at 26 million tonnes.

Indeed, so richly is the nation endowed with minerals that when queried on its natural resources, Taizhan said:

"There is no chemical element on earth that you cannot find in Kazakhstan in large quantities."

It boasts the world's seventh largest gold reserve, stores 26 per cent of the world's uranium and is responsible for more than half of Asia's supply of the world's coal.

Silver, chrome, platinum and zinc are other minerals available.

Kazakhstan and Malaysia established bilateral ties in 1996 via an exchange of visits between Prime Minister Datuk Seri Dr Mahathir Mohamad and Kazakhstan President Nursultan Nazarbayev.

Malaysian exports to Kazakhstan last year amounted to some RM15.3 million and included electronic and consumer goods, furniture, fats and edible oil.

Imports from Kazakhstan in turn amounted to RM700,000 and comprised ferrous and non-ferrous metals, chemicals and chemical products and industrial products.

The republic's exports from January to May this year totalled RM12.92

billion, while imports totalled RM6.46 billion.

Formed as a republic in 1991 when it gained independence from the Soviet Union, Kazakhstan has a population of 15 million.

(END)