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Mahathir-Oil

PETRONAS WILL NOT INCREASE OIL PRODUCTION, SAYS DR MAHATHIR

KUALA LUMPUR, June 11 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that the government has no intention of asking Petronas, the national oil company, to increase oil production.

He said Petronas has always produced limited quantity of oil and this would continue even if the nation was going through a tough time economically.

"Even though we go through tough times, Petronas will be careful in its gas and oil production as we do not want our reserves to dwindle and eventually run out," he said when launching a book entitled "A Vision Realised - The Transformation of a National Oil Corporation" here.

That was why Petronas did not solely concentrate on local oil exploration but went abroad in search of business ventures with other multinationals related to oil and gas production.

"Since going abroad, Petronas has expanded rapidly, carrying out work in 25 countries, so much so that 30 per cent of the company's revenue is generated from its foreign investments," he said.

The book is on the history of Petronas and its activities over the last 25 years.

Dr Mahathir said Petronas's achievement was considered very good, taking into account that the company had only been in business over the last 25 years.

He said the country's rapid development had forced Malaysian firms like Petronas to acquire knowledge and skill in a short period of time.

"Petronas is one example where it had built a workforce which is professional and skilled at every level of its business and its top executives have proven that they are on par with others in the industry," he added.

The prime minister said that through the skilled workforce, the national oil company learnt to be cautious in undertaking oil and gas explorations overseas.

"There are many countries requesting Petronas to begin oil and gas exploration in their countries but with the skilled workforce, the company had managed to minimise risks," he said.

He said an example of this was Petronas' exploration in Sudan where it was bold enough to undertake the project when no other multinational company wanted to step in.

He said the skilled workforce of Petronas had resulted in the company doing well even when the country and the region were in economic chaos over the last few years.

He said the national oil company had over the last 25 years expanded beyond any wildest imagination, considering the period of time, which is "young for an oil and gas company."

"Who would have suspected in the early years that the coast off Terengganu would have high deposits of oil and gas...we are quite lucky that the government gave out contracts for exploration at that place in parcels and not in blocks...imagine what would have happened if foreign multinational companies had an opportunity to explore oil there," he said.

On the book, he said it was a must read for all executives and politicians as it told a story of how ambition brought about success.

"Petronas's success has justified that these ambitions do become realities like the vision 2020 where we aim to become a developed nation by

our own definition," he added.
-- BERNAMA
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