

## **Malaysia, Brunei Finalise O&G Exploration In Overlapping Area**

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**From Kamarul Ariffin Md Yassin**

BANDAR SERI BEGAWAN, Aug 11 (Bernama) -- Malaysia and Brunei has finalised matters related to oil and gas (o&g) exploration in the overlapping area in Blocks CA1 and CA2, Datuk Seri Najib Tun Razak said.

The prime minister said matters pertaining to "government take" and some technical aspects were discussed between him and the Sultan of Brunei, Sultan Hassanal Bolkiah in conjunction with the 19th Malaysia-Brunei Annual Leaders' Consultation at Istana Nurul Iman here.

"On the Exchange of Letters, an agreement signed in 2009, we finalised certain aspects of the interpretation, including the definition of 'government take' to Brunei by 15 per cent.

"The interpretation was resolved by both of us, and also other technical aspects.

"In other words, if oil and gas were found in Blocks CA1/CA2, there will be no problem in terms of dividing them between Malaysia and Brunei," he told the Malaysian media at the end of his visit to Brunei at the Brunei International Airport here Tuesday.

Najib said the Exchange of Letters resolved the issue of overlapping area in Blocks CA1 and CA2, while a decision was made on the interpretation of the content of the agreement today.

"It's based on the Exchange of Letters on areas denoted by CA1 and CA2. This is the areas being explored. (As for) today's decision, in case we discover oil, we have to decide on the divisional between Malaysia and Brunei. That area has been part of the overlapping area between Malaysia and Brunei," he said.

Petronas and Petroleum BRUNEI entered into a Production Sharing Agreement for Blocks CA1 and CA2 in 2010.

On investment, Najib said Brunei was looking into the possibility of increasing its investments in Malaysia, especially in Sabah and Sarawak in the fields of electric power generation, hydroelectric, agriculture and halal food.

"We will also enhance cooperation in tourism... it will be expanded to promote Brunei and Malaysia, especially in Sabah and Sarawak," he said.

On project bids, he said most of the 11 projects in Brunei worth RM1.8 billion were offered to Malaysian companies.

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