

## Briefing on study for Muara integrated oil refinery project



PHOTO COURTESY OF BEDB

Mr Satvinder Roopra, Mohd Zaman Noordin (c) during Q&A

By Sonia K.

IN support of the development of the downstream industry in Brunei, the BEDB (Brunei Economic Development Board) yesterday hosted a briefing on the findings of a feasibility study for an integrated oil refinery project on Pulau Muara Besar (PMB).

The detailed study conducted by Wood Mackenzie, a leading international consultant for energy companies, was to provide more concrete findings to further validate the economic viability of the project in Brunei. The briefing was delivered by the Head of Asia-Pacific Downstream Oil of Wood Mackenzie, Mr Satvinder Roopra.

Acting Chairman of BEDB Dato Paduka Timothy Ong said, "The BEDB would always welcome initiatives aimed at creating new centres of growth and new economic opportunities that would bring significant benefits to the country and its people."

He added that the establishment of an integrated oil refinery and storage facility in Brunei would provide another unique opportunity in the country's effort to extend the oil and gas industry chain, particularly in downstream.

Chief Executive Officer of PetroBru Mohd Zaman Noordin was also present to give an introductory background to the project. PetroBru is a private-owned Brunei company leading the refinery project. Mohd Zaman said the project would drive the development of petrochemical industry and also fulfil the growing demand for refinery products in both the regional and global markets.

Based upon the study's assessment of regional target markets where the demand for refinery products has been forecast to grow, Brunei is well-positioned to supply the regional market deficits by setting up an export-oriented refinery. This is because Brunei is strategically located on the East-West trade route, an ideal location for such a facility, targeting the increasing demand for energy security especially in the North Asia market.

According to a press release from BEDB, the oil refinery on Pulau Muara Besar, which is expected to attract an investment of US\$4.3 billion, is targeted to begin construction as early as 2013, subject to approval of His Majesty's Government. It will produce a refinery capacity of 200,000 barrels per day with feedstock based on 100% imported crude, ie 50% Arab Light and 50% Seria Light.

Its target markets include China, Vietnam, Philippines, Malaysia and Indonesia. The project will not only complement the development of PMB as a dynamic logistics and industrial hub but will also bring significant economic benefits like employment, human resource development, business opportunities for local SMEs as well as spillover benefits to retail and tourism sectors, the press release added.

The briefing held at the Sheraton Utama Hotel concluded with a Q&A and an open forum. It was also attended by the Deputy Minister of Industry & Primary Resources and senior government officials from the Prime Minister's Office, Office of the Ministry of Energy, Petroleum Unit, Department of Electrical Services, Port, Marine as well as key members of the local business community.