

Dialogue Session between PEMANDU and Malaysian Gas Association (MGA)

9.30 am, 6 November 2014

PEMANDU Meeting Room, Prime Minister's Department, Putrajaya

Attendees from PEMANDU

1. Datuk Shahrol Halmi,
Director, NKEA (Oil, Gas, Energy &
Financial Services) & SRI (GRIB)
2. Mr Kelvin Tan, Associate Director
3. Ms. Ilham Fadilah Sunhaji, Manager

Attendees from MGA

1. Ir Pramod Kumar Karunakaran,
PETRONAS
2. En. Zainal Azhar Ahmad, EMEPMI
3. Mr Ho Sook Wah, MGA
4. En. Ezhar Yazid Jaafar, PETRONAS
5. Ms. Farrah Fazlina Mustapa, Dialog
6. Ir. Dr. Zahrul Faizi Hussien, Malakoff
7. En. Shaja Ibrahim, Malakoff
8. En. Mohd Rozi Othman, Gas Malaysia
9. En. Haris Mohd Harowi, Gas Malaysia
10. En. Mohd Azhan Ismail, MGA

Salient points

1. PEMANDU was briefed on MGA' new vision, mission and objectives and that MGA wanted to play a more active role in shaping Malaysia's gas industry.
2. PEMANDU agreed that gas played a vital role as an energy source for the nation and in reduction of pollution. There was a need to relook at subsidy rationalization. However, it must be noted that the implementation of subsidy rationalization was influenced not just by economic but also political factor.
3. Recently, the Government decided not to increase the regulated gas price to the power sector as planned.
4. Gas Supply Act
 - Amendment to the Gas Supply Act would be tabled to parliament next year.
 - Prime Minister would be chairing a meeting of relevant government agencies to resolve the outstanding issues with regard to the amendment.
5. Subsidy rationalization
 - PEMANDU had a subsidy rationalization team which was responsible in providing data/information to the minister.
 - Industry could accept the planned price/tariff increase. However, the planned implementation was stopped and the people who had invested in efficiency were 'penalized'.

6. Communication

- There was a need to educate the public on tariff increase and subsidy rationalization.
- The machinery to influence the public opinion was not balanced. The small group opposing the subsidy rationalization in social media must be countered.
- MGA could play a role in the communication process such as by coming up with infographic to raise awareness among the public.
- MGA and PEMANDU could collaborate on this. MGA was suggested to come up with the first draft. A specific theme may be chosen to ensure focus. The message must be kept simple and easy to understand but need to be repeated many times. PEMANDU could provide support, inputs and advice on the timing.
- MGA was advised not to rely on the government too much on this matter as the message may get filtered and diluted during the review process.