

Chevron seeks solution to Thai-Cambodia claim talks

The US-based energy giant Chevron has called on Thailand and Cambodia to speed up negotiations over the two countries' long-awaited overlapping claims area (OCA).

While committed to its ongoing investments, the company said the OCA's rich resources would benefit economic development and energy security in both countries.

"Clearly, there's an opportunity for both countries to go in and see what's there and to use those resources for their mutual benefit. Energy security depends on [a country's] resources," said Joseph Geagea, managing director of Chevron Asia South Ltd.

"We are ready to take part in developing the area as soon as the resolution is made," said Mr Geagea, who is in charge of Chevron's upstream activities in six countries in South Asia.

Decades of border disputes between the two countries have delayed offshore exploration in the 27,000-square-kilometre area in the northern Gulf of Thailand, where multinational energy firms have been granted concessions.

Chevron and its partners are working closely with the Cambodian government on a regulatory framework for the industry, said Mr Geagea.

Chevron is the biggest multinational oil-and-gas player in Thailand, producing about one-third of the country's demand for natural gas.

In 2008 the company produced 210,000 net barrels of oil equivalent per day (boed) in Thailand. Its owned and operated Platong project is scheduled to start production in 2011 with total gas capacity of 420 million cubic feet per day (mmcf).

Chevron's assets in South Asia also include operations in Bangladesh, China and Burma, as well as a US\$4-billion gas project in Vietnam, he said. Chevron's assets in the six countries account for 48% of net oil and gas production in the Asia-Pacific region, where the company produces about 700,000 boed.

Chevron has confidence in the region's economy and its opportunities for the natural gas business, and ongoing projects have stayed on course despite the global recession, said Mr Geagea.

"Asia is expected to lead future energy demand growth. We do believe in Asia coming out quickest in the [economic] recovery and providing the fastest growth opportunity for Chevron," he said.

By 2030, Asia is expected to account for 52% of world economic growth in terms of gross domestic product, while the Asia-Pacific region will become the largest consumer of oil and gas.

The region's share of oil-and-gas demand will top 30% in 2030, up from 23% in 2005, driven mainly by increasing power generation.

Source: Bangkok Post

