

**REDUCING UNNECESSARY REGULATORY BURDENS ON BUSINESS:  
DOWNSTREAM OIL & GAS**

**August 2014**

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## **Abbreviations**

CF	Certificate of Fitness
CNG	Compressed Natural Gas
DOE	Department of Environment
DOSH	Department of Occupational Safety and Health
DSLBS	Domestic Shipping Licensing Board
EC	Energy Commission
EIA	Environmental Impact Assessment
EPU	Economic Planning Unit (Unit Perancang Ekonomi)
FTPC	Fair Trade Practices Commission
FTPP	Fair Trade Practices Policy
GDL	Goods Vehicle Driving Licence
GDP	Gross Domestic Product
IPC	Integrated Petrochemical Complex
JPJ	Jabatan Pengangkutan Jalan (Road Transport Department)
JTKSM	Jabatan Tenaga Kerja Semenanjung Malaysia (Labour Department)
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
MDTCC	Ministry of Domestic Trade, Co-Operatives and Consumerism
MIDA	Malaysian Industrial Development Authority
MITI	Ministry of International Trade and Industry
MMSCF	Million Standard Cubic Feet
MNC	Multinational Corporation
MNRE	Ministry of Natural Resources and Environment
MOA	Ministry of Agriculture

MOHR	Ministry of Human Resources
MOT	Ministry of Transport
MPC	Malaysia Productivity Corporation
MyCC	Malaysia Competition Commission
NGL	Natural Gas Liquid
NGV	Natural Gas for Vehicles
NIOSH	National Institute of Occupational Safety and Health
NKEA	National Key Economic Areas
PDAM	Petrol Dealers Association Malaysia
PEMANDU	Performance Management & Delivery Unit
PEMUDAH	Pasukan Petugas Khas Pemudahcara Perniagaan (Special Task Force to Facilitate Business)
PETRONAS	Petroleum Nasional Berhad
PSC	Production Sharing Contract
PUSPAKOM	Pusat Pemeriksaan Kenderaan Berkomputer
RSC	Risk Sharing Contract
RTD	Road Transport Department
SPAD	Suruhanjaya Pengangkutan Awam Darat (Land Public Transport Commission)

## Glossary

Appraisal well	a well drilled following a discovery to assess its size and commercial potential
Barrel	measure of crude oil equal to 159 litres
Basin	a dip in the earth's crust usually filled or being filled with sediment
Commercial vehicle	vehicle intended for commercial purposes
Commercial vehicle licence	licence required to own commercial vehicle
Competent person	a person who holds a certificate of competency issued by any government body to perform work in accordance with the restriction, if any, stated in the certificate
Compressed natural gas	natural gas compressed to less than 1 percent of the volume it occupies at standard atmospheric pressure
Condensates	hydrocarbons, usually produced together with natural gas, which are liquid at normal pressure and temperature
Crude oil	liquid petroleum before undergoing refinement process
Deepwater field	oil field at water depth of more than 1000ft or 300m
Development	industry activities after exploration to facilitate production of hydrocarbon
Downstream	industry activities that include refinement of crude oil, processing of gas into various marketable products, marketing, trading and distribution of end products to consumers
Exploration	industry activities to determine the potential of hydrocarbon reserves
Federal regulations	acts enacted by the Parliament and are applicable throughout the country
Goods vehicle driving licence	licence required for driving commercial vehicles
Hydrocarbons	compounds containing only the elements of hydrogen and carbon which may be solid (e.g. coal), liquid (e.g. crude oil),

	and gas (e.g. natural gas)
Local government regulations	by-laws specific to the area of jurisdiction of the local government with regard to assessment tax, planning and development, business licences and permits, and provision of basic amenities
Liquefaction	the process to transform natural gas to LNG
Liquefied natural gas	natural gas that has been converted to liquid form for ease of storage or transport
Liquefied petroleum gas	a mixture of propane and butane, for cooking and heating in homes and a source of energy in industries
Marginal field	oil field with reserves of less than 30 million barrels of recoverable oil or oil equivalent
Natural gas	a mixture of light hydrocarbons (mainly methane) found naturally in the Earth's crust, often in association with crude oil
Natural gas for vehicle	compressed natural gas or liquefied natural gas used as alternative fuel for vehicles
Natural gas liquid	components of natural gas in the form of liquid such as propane, butane, and ethane
Natural gas reserves	an estimate of the amount of technically and economically recoverable natural gas
Offshore fields	oil fields and natural gas deposits beneath the floor of the ocean
Oil field	an area with an abundance of oil wells extracting petroleum from beneath the Earth's surface
Oil reserves	an estimate of the amount of technically and economically recoverable oil
Petrochemicals	chemicals derived from crude oil and natural gas
Petroleum	a complex mixture of hydrocarbons that occurs naturally beneath the Earth's surface in liquid, gaseous, solid forms, namely crude oil, natural gas, and bitumen
Petroleum products	products derived from refinement of crude oil and

	processing of natural gas such as petrol, diesel, and LPG
Pipeline quality natural gas	natural gas composed of at least 70 percent methane by volume and contains total sulphur of 0.5 grains or less per 100 standard cubic feet. It can be transported through pipeline without causing damage.
Processing of natural gas	industry activities to recover mixed natural gas liquids and to produce pipeline quality natural gas
Production	industry activities where hydrocarbons are brought up to the surface of the well from the reservoir beneath the Earth's surface and processed and separated into gas, condensate, and oil
Production sharing contract	a contract by which a company is granted exploration right by PETRONAS. The company provides the financing and bears the risk of exploration, development and production activities in exchange for a share of the total production
Refining of crude oil	a process to transform crude oil into usable products such as petrol, diesel, and lubricants
Regasification	a process of converting LNG back to gas
Risk service contract	a performance-based agreement to develop marginal fields with PETRONAS retaining the ownership of the oil. The contractor is compensated for the exploration costs upon commercial discovery and is entitled to a share of the profits
RON 95	unleaded petrol with Research Octane Number rating 95
RON 97	unleaded petrol with Research Octane Number rating 97
Seismic survey	a method of determining the sub-surface features by sending sound waves into the various buried rock layers in the earth and measuring the time they take to return to the surface
Shelfal water	water depth of less than 200m
State regulations	enactments passed by the State Legislative Assembly which are only applicable in the particular state relating to matters such as land matters, public works, local government, agriculture and forestry, Islamic law and public holidays
Transportation	industry activities to move oil and gas and related products

	by way of pipelines, land , or water
Upstream	industry activities involving exploration, development and production of hydrocarbon resources
Value chain	the sequential set of activities that transforms crude oil and gas into various products for end users