PETROCHINA IN INDONESIA
North Garaga Fractionation Unit, operated by PetroChina Jabung, in Tanjung Jabung Timur, Jambi

Betara Gas Plant, operated by PetroChina Jabung, in Tanjung Jabung Barat, Jambi

This book was prepared by the PetroChina Communication Department with valuable contributions from Amira Hasna Khalisha, a staff member of the Finance General Accounting and Treasury Department, as main illustrator.
PetroChina International Jabung Ltd. has been operating for more than 16 years. In all those years, we have always strived to carry out our responsibilities.

Chief among these responsibilities is our continued support of the Indonesian government in developing the nation’s oil and gas industries. This has been achieved by encouraging the transfer of knowledge between our employees, our partners and our stakeholders. We are also committed to improving the well-being of our employees and local communities. We continue to promote sustainability and ethical business practices.

Our achievements in 2018 demonstrated our continued commitments to these responsibilities. Production-wise, we reached the milestone of 60,000 BOEPD and reactivated the Bangko Block. We were Green PROPER audit certified for two consecutive years by the Environment and Forestry Ministry. We also successfully launched indigenous community empowerment and disaster relief programs.

In the years ahead, we aim to achieve high-quality development in all of our activities. High-quality development is centered on people, driven by innovation, oriented towards effectiveness, focused on preserving the environment, led by strategic decision-making and motivated by legal compliance.

Surely the main goal of high-quality development is to gain recognition as the leading energy company with an excellent reputation for oil and gas production and social investments.

To achieve this lofty goal, we need to continue nurturing sustainable collaborations with the government, our collaboration partners and external stakeholders. Above all, we will continue to listen to our employees’ aspirations to understand their needs. Through leadership and teamwork, we will be able to work together to realize our march of “One Company, One Dream”. This is in line with our vision of “Caring for People, Energy and Environment”.

Sincerely,
Gong Bencai

President’s Note

Geragai Camp in the late 1990s, during the earliest years of the development of Jabung block.
PetroChina began operating in Indonesia in 2002. Indonesia was PetroChina’s first overseas investment destination. Over the years, PetroChina has developed itself into one of Indonesia’s most prominent upstream oil and gas companies.

PetroChina’s parent company, the China National Petroleum Corporation (CNPC), is an integrated international energy company with businesses in oil and gas exploration and development; refining and chemicals; as well as oil field services and engineering and construction.

A giant energy firm, PetroChina has operations in over 30 countries and booked a Top 5 spot in the Fortune Global 500. The company is listed on the stock exchanges in Hong Kong, New York and Shanghai.

Who We Are

Mission
To be the leading oil and gas company in Indonesia

Vision
To support Indonesia’s energy security through PetroChina’s sustainable development

Values
Safety, Innovation, Collaboration, Trust
The Jabung Block spans 1,643 square kilometers in Jambi province. PetroChina has been the operator of Jabung Block since 2002 following its acquisition from the block’s previous operator, Devon Energy.

As the operator of Jabung Block, PetroChina works under the monitoring and supervision of the Indonesian government’s upstream oil regulator, SKK Migas (Special Task Force for Upstream Oil and Gas Business Activities).

Since 2002, PetroChina has built strategic cooperation with its Jabung Block partners, namely, Petronas Carigali and Pertamina Hulu Energi.

Jabung Block has enjoyed average daily production of 55,000 BOEPD for years. In 2018, Jabung’s peak production reached the milestone of 60,000 BOEPD.

The Bangko Block covers 798 square kilometers of area in Jambi and South Sumatra provinces. Similar to the Jabung Block, the Bangko Block has been managed by PetroChina since 2002, following its purchase from Devon Energy.

Exploration in the block was halted in 2009. In 2017, the production in Bangko Block was recorded as low as 10 BOPD. For a long time, PetroChina was unable to develop the block properly due to infrastructure and technical challenges.

In 2018, the sleeping block was reawakened with the start of workover and well services projects in the West Piano field. Workover projects took place in West Piano-1 and West Piano-7, while well services were done in West Piano-4 and West Piano-6.

By September 3, 2018, all four wells were online. The workover and well services program in Bangko Block increased production from 10 BOPD to 1,300 BOPD according to well test results, exceeding an original target of 480 BOPD.

Further developments and follow-up projects are required to maximize the potential of the Bangko Block. Improvements must also be made on the block’s production facilities.
Safety is our first priority. PetroChina is committed to maintaining balance and is ever mindful of health, safety, security and the environment. PetroChina Jabung was awarded Green PROPER audit certification, which acknowledges the company’s commitment to the environment, from the Environment and Forestry Ministry. Green PROPER certification is awarded to companies with successful programs covering waste utilization and conservation, as well as community development.

In 2017, PetroChina also received the Subroto Award from the Energy and Mineral Resources Ministry for zero accidents.

PetroChina Jabung received SKK Migas’ Health, Safety and Environment (HSE) Award for its work-safety performance in 2018.

A health and safety officer getting ready for an inspection.
PetroChina’s Social Investment programs are designed to empower and stimulate the development of local capacities. While our main goal is to contribute more to the socio-economic betterment of the people in our operational areas, we also seek to create sustainable partnerships. Synergy is one of the key elements in the establishment of our social programs.

Referring to the 2030 Agenda for Sustainable Development set by the United Nations and the regional development plans of local governments, PetroChina incorporates guidelines from all levels with the company’s core values to help us make informed and effective strategies.

Over the last few years, we have made efforts to include more inclusive programs to accommodate the dynamics of social challenges.
01 EDUCATION
We support the provision of adequate facilities for education, including mobile libraries that reach the most remote communities. For high school and university students in Tanjung Jabung Barat and Tanjung Jabung Timur regencies, PetroChina regularly provides scholarships.

02 HEALTH
Access to clean water is one of the key issues in Tanjung Jabung Timur. PetroChina has given clean water and water filtration systems to 31 villages in seven sub-districts. Moreover, PetroChina continues to provide health centers, as well as training for local health officials.

03 ECONOMIC EMPOWERMENT
Both Tanjung Jabung Barat and Tanjung Jabung Timur are gifted with many talents in the creative industry. Acknowledging their potential, PetroChina continues to make efforts to assist local businesses in moving forward. In Tanjung Jabung Barat, where the coffee industry is more established, we have worked together with local tourism services to develop a coffee-based ecotourism area. In collaboration with Geragai Agricultural Technology Park and Jambi University, PetroChina has been helping a local farmers group to establish a composting business.

04 ENVIRONMENT
Educating young people on reducing their environmental impact is a key element in tackling climate change. We also work with local services to improve their community-based waste-management systems.
05 INFRASTRUCTURE
Public facilities projects are currently the main national concern in Indonesia; this is reflected in the priorities of local government programs around our operational areas. In 2018, we invested around US$1.2 million to support better connectivity in remote areas through construction of drainage systems, bridges and roads.

06 DISASTER RELIEF
PetroChina has also provided aid to several communities located throughout Indonesia when disasters have struck. The company recently donated aid to the survivors of the earthquakes in Donggala, Palu and Sigi in Central Sulawesi and Lombok in West Nusa Tenggara. The firm also launched its “PetroChina Care” initiative to collect donations from its employees. PetroChina’s headquarters funded the reconstruction of Al Abrar Mosque in Sigi following the devastating earthquake in mid-2018.

07 INDIGENOUS COMMUNITY EMPOWERMENT
While we respect the existence and traditions of Indonesia’s indigenous communities, PetroChina believes these people also deserve a better quality of life. PetroChina teamed up with the Social Affairs Ministry and various NGOs to give clean water and sanitation facilities, as well as a healthcare and education center, to the Suku AnakDalam, an indigenous community in Jambi. We followed up empowerment programs by offering workshops on developing a sustainable livelihood.