

Eni and Petronas Explore Joint Venture to Expand Upstream Presence in Malaysia and Indonesia

February 28, 2025



Italian energy major Eni and Malaysia's Petronas have announced they are in exclusive discussions to establish a joint venture overseeing selected upstream assets in Malaysia and Indonesia. The companies have signed a Memorandum of Understanding (MoU) to advance detailed discussions regarding the proposed partnership.

The strategic joint venture aims to unlock significant growth opportunities in both nations, generating substantial synergies and positioning the entity as a major liquefied natural gas (LNG) player in the region. The venture is projected to achieve a medium-term sustainable production target of 500,000 barrels of oil equivalent per day (boepd).

The combined portfolio would encompass approximately 3 billion barrels of oil equivalent (boe) in reserves, with an additional 10 billion boe of potential exploration upside. The joint venture will prioritize investments in new gas development projects, reflecting Eni and Petronas' commitment to the energy transition and addressing the increasing regional domestic gas demand.

This initiative aligns with Eni's plans to partner on its Kutei basin gas projects offshore Indonesia, while Petronas seeks to expand its exploration and production (E&P) portfolio in the country. A comprehensive business plan will be developed to pursue future opportunities in exploration, development, and portfolio expansion.

The assets will maintain their existing operational structures, with a continued focus on health, safety, and

environment (HSE), project delivery, and efficiency, while upholding the companies' sustainability commitments. The new entity will leverage the combined competencies and financial capabilities of Eni and Petronas, with plans to secure external financing on a standalone basis.

Eni and Petronas intend to ensure production stability for Malaysian assets and facilitate timely new developments in Indonesia.

Both companies have notified the Indonesian and Malaysian governments of their intentions, and any final transaction will be subject to relevant governmental, regulatory, and partner approvals. Sources and related content