

## **PIONEERING DAYS IN THE INTERNATIONAL GAS SCENE**

BG Group is very much a global company these days, with energy assets and businesses in many different parts of the world. But I wonder how many ex-employees will recall the fledgling development of the company's international business back in the mid-1970s? Of course, the company was very different in structure those days to the industry as it is today. It was a large state-owned utility, British Gas Corporation (BGC), whose technological developments under the inspirational Sir Denis Rooke, were being demanded on an increasing basis around the world, particularly in the USA. Hence, the company set up the International Consultancy Service (ICS as it became known) to exploit BGC technology on a commercial basis. Initially, it was gas manufacturing and process technology that was the focus, firstly under the Directorship of Harry Hart and then Ray Sharman. Licensing of BGC gasification technology was a mainstay of the business in those early days. Then other gas companies and Governments around the world began seeking our technology and expertise in gas transmission, distribution and utilisation and this demand led to my almost 20 years involvement in international gas business.

In June 1976 I held the position of Pipeline Engineer in Segas, based at Croydon. One Wednesday afternoon, I was called to the office of the Director of Engineering. The first question was "Did I know what ICS was?" My answer of "A cleaning company, sir" did not go down too well! ICS's role was then explained to me and I was told that they were seeking a transmission and distribution engineer to go on secondment to manage a project in the Irish Republic. Was I interested?

My initial response of "But there is so much to do here in Segas" was met with a withering stare and for the first time in my career I really did understand that no-one is indispensable! I was told to go home, discuss it with my wife and confirm my decision the following morning. Most of the questions my wife asked about the effect on our family life and my career couldn't be answered because I had very little information on these matters. In the end we said "What the hell, go for it!" and so the following morning I rang my Director and agreed for my name to be put forward to ICS. An hour later I got a message to attend an interview with Ray Sharman and his colleague, Alf Bradley, at ICS's High Holborn office that afternoon, which I duly did. Some of my questions on the workings of ICS were answered but on the train back to Croydon that afternoon I was still asking myself "What the hell have I let myself in for?" Just before lunch the following day, Friday, I received a call to say ICS wanted me and that I was to present myself at Heathrow, complete with passport, on the following Monday morning at 08.00 to join Ray and Alf on a flight to Dublin "For a few days of meetings and negotiations". But what about all my outstanding work and responsibilities in Segas I asked, and I was told in no uncertain terms that those were no longer my concern!

So the adventure began. The project in Ireland was to assist the newly formed Irish Gas Board - Bord Gáis Éireann (BGE) - to develop the onshore natural gas transmission system into Cork and beyond. ICS was to provide a whole range of services from initial route surveys, through detailed engineering, procurement and eventually project management. It was the first major consultancy to be undertaken by ICS and I was to be responsible for all aspects of the commercial management of the project including identifying all appropriate resources. Responsibility for providing all technical services would lie with HQ Pipelines Dept. at Hinckley. My secondment was initially for 6 months and this was soon extended to 12 months, but by the spring of 1977 it was clear that ICS would have even more work in Eire. So in June that year I was appointed on a permanent basis to ICS as a Senior Consultant Engineer. It was to be another 3 years before ICS involvement in the BGE project was to finish.

Throughout the late 1970s and early 1980s, demand for ICS support from around the world grew. As a state utility then, we could only provide consultancy services. It wasn't until after privatisation, that British Gas plc was allowed to invest in and acquire gas businesses and assets internationally. Nevertheless, it seemed sometimes that virtually every country in the world who were developing their gas systems wanted to tap into our expertise.

In those heady days, I found myself travelling into Algeria, Tunisia, Libya, Egypt, Greece, Turkey, the UAE, Saudi Arabia, Iraq, Syria, Canada, Venezuela, the Philippines, Vietnam and most interesting of all, Hong Kong and China, responding to requests for our expertise and technology and trying to secure commercial deals. Additional consultancy staff were appointed into ICS, seeking business in other countries such as Chile, Brazil, Argentina, Portugal, Spain, Italy, India, Pakistan, Bangladesh, Malaysia, Thailand, Indonesia, Japan and Australia to name but a few!

By the early 1980s, I was heavily involved in a major project to develop natural gas distribution networks in Cairo. This project was funded by the World Bank and the Egyptian Government had set up a fledgling gas utility, PetroGas. ICS won the contract to provide design, engineering and project management services to PetroGas. This was “a pioneering project” as it was the first time that ICS and BG were required to put staff on the ground overseas on a long term basis. The whole process of recruiting BG staff from Regions and HQ to man such a project and setting them up in Cairo, proved a very challenging task. No-one inside BG at the time had any experience of this, so much of what I was responsible for then was largely achieved on a “suck it and see” basis! In close association with HQ Personnel, a series of overseas staff packages were developed covering all aspects of salary, allowances, welfare, accommodation, transport, schooling and local support. It was a tribute to the professionalism and dedication of all the ICS secondees on the ground in Cairo that over a period of some 5 years in both technical and commercial aspects, the project achieved its objectives. The day-to-day responsibility for the management of all technical and engineering aspects in Cairo rested with the Project Manager, Jack Bates, and all of us involved were extremely proud when Jack, on the recommendation of the British Embassy in Cairo, was awarded the OBE at the end of his assignment, for his dedication to ensuring the project was a success.

In 1985, I became immersed in negotiations with the World Bank and the Indonesian Government, for ICS to be appointed as the Consultants for projects to expand NG distribution and utilisation in the cities of Jakarta, Bogor and Medan. Again this project required ICS to provide various disciplines of BG staff to operate on the ground with Perum Gas Negara (PGN) for a number of years. The big difference from the Cairo project, was that ICS secondees were required to work on a “twinning” basis with various levels of management within PGN with a far greater emphasis on the need for skills as well as technology transfer. My responsibilities were focused on ensuring the most appropriate manpower recruitment and the commercial viability of the ICS contracts and this continued for the next 4 years, during which time ICS was absorbed into the newly formed Global Gas.

Ever since my first visit to Hong Kong and China in 1977, I had retained responsibility for business development in those countries. With more and more potential business here as well as in Malaysia, Thailand and Singapore by 1989, it was decided that I should be located within SE Asia to better discharge my responsibilities for business development in the region. This was the first time that Global Gas had placed business development staff on long-term assignment overseas, and so I was to become a “pioneer” for the setting up of Global Gas overseas offices. Kuala Lumpur in Malaysia was chosen as the office base and in early 1990 my wife and I moved to KL. The next 3 years or so were to prove the most demanding but also the most rewarding for my wife and me as BG’s business expanded rapidly in the Asia Pacific region. My experiences whilst based in Malaysia, both business-wise and personal, warrant a detailed account in themselves - maybe that’s for another day!

By the time I left BG in 1995, the overseas business had developed into a global business worth hundreds of millions of pounds due to the efforts of hundreds of dedicated staff around the world. From its humble beginnings in the mid ‘70s, licensing technology in the USA, BG had become a major player in the global gas business operating in over 50 countries around the world in a period of 20years. I had been very proud to have been a very small part of that globalisation process.

**Dave Kemp**