

# “The Advantages and Disadvantages of Merger Activities in the Oil and Gas Industry”

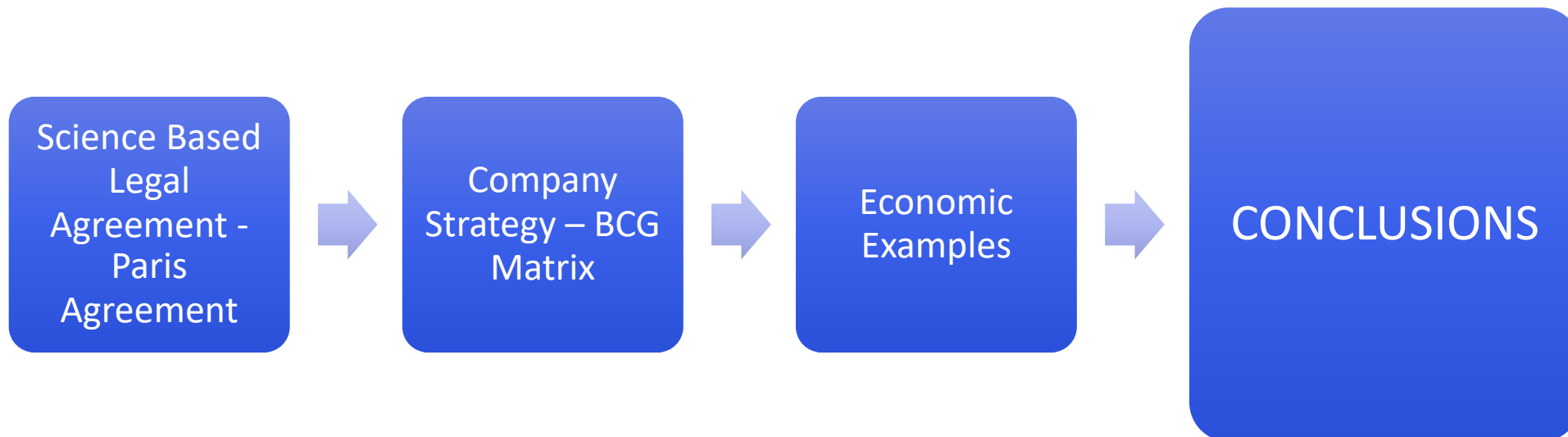
Theresa Betty Sumarno, PhD Candidate  
University of Dundee

SPE University of Dundee Student Chapter

Wednesday, 24<sup>th</sup> April 2019

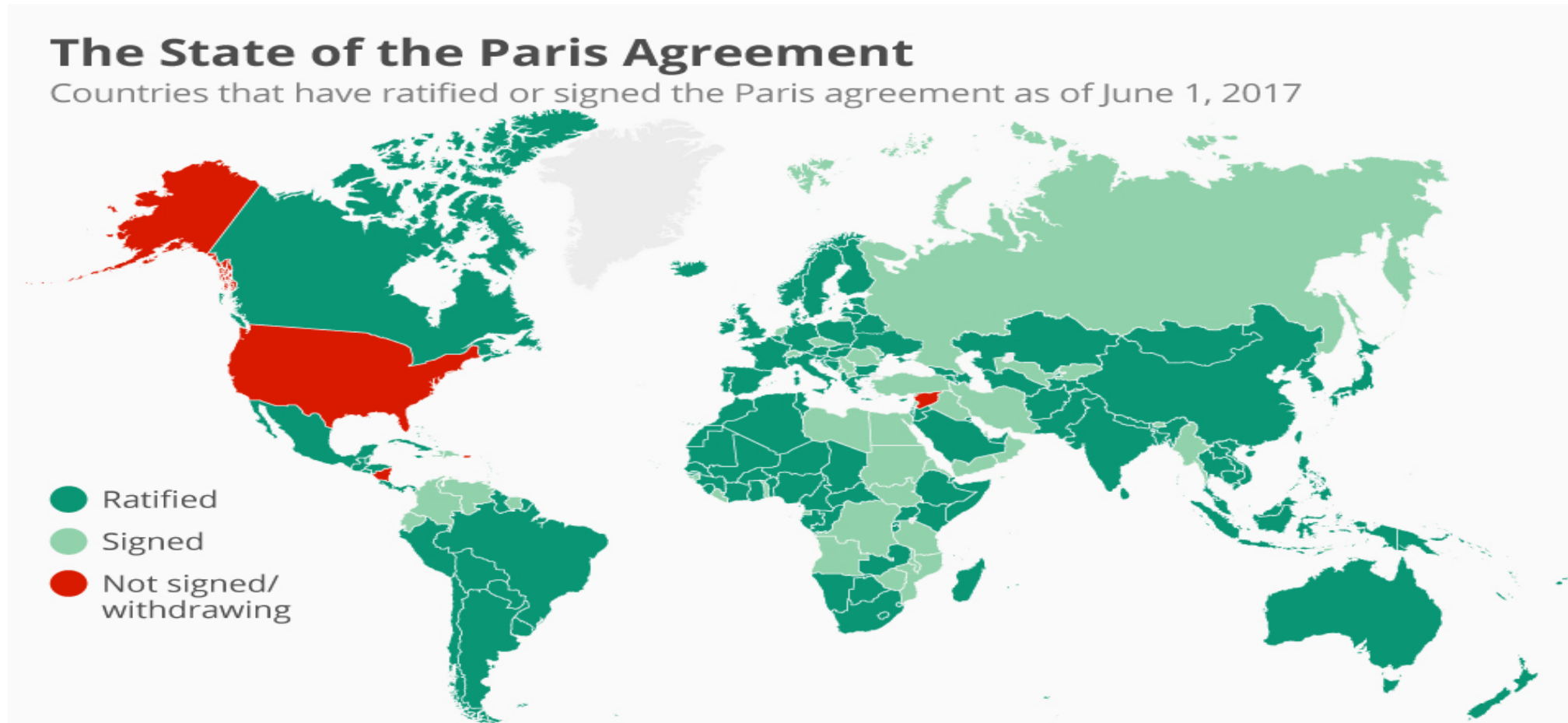
Sandman Signature Hotel, St.  
Andrews Street, Aberdeen  
AB25 1AD

## INTERDISCIPLINARY APPROACH Law – Business – Economic



# Global Energy Trends *influenced* by Science-based Legal Agreement

Paris Agreement 2018 – 197 signatories, 184 ratified countries



Sources: United Nations Climate Change, 2018

# Influence of the Paris Agreement



Aberdeen Section  
www.spe-uk.org



Paris Agreement  
2015

Global  
temperature  
<2°C  
(preferably to  
1.5°C)



Paris Agreement 2015

Sources: United Nations Climate Change, 2018

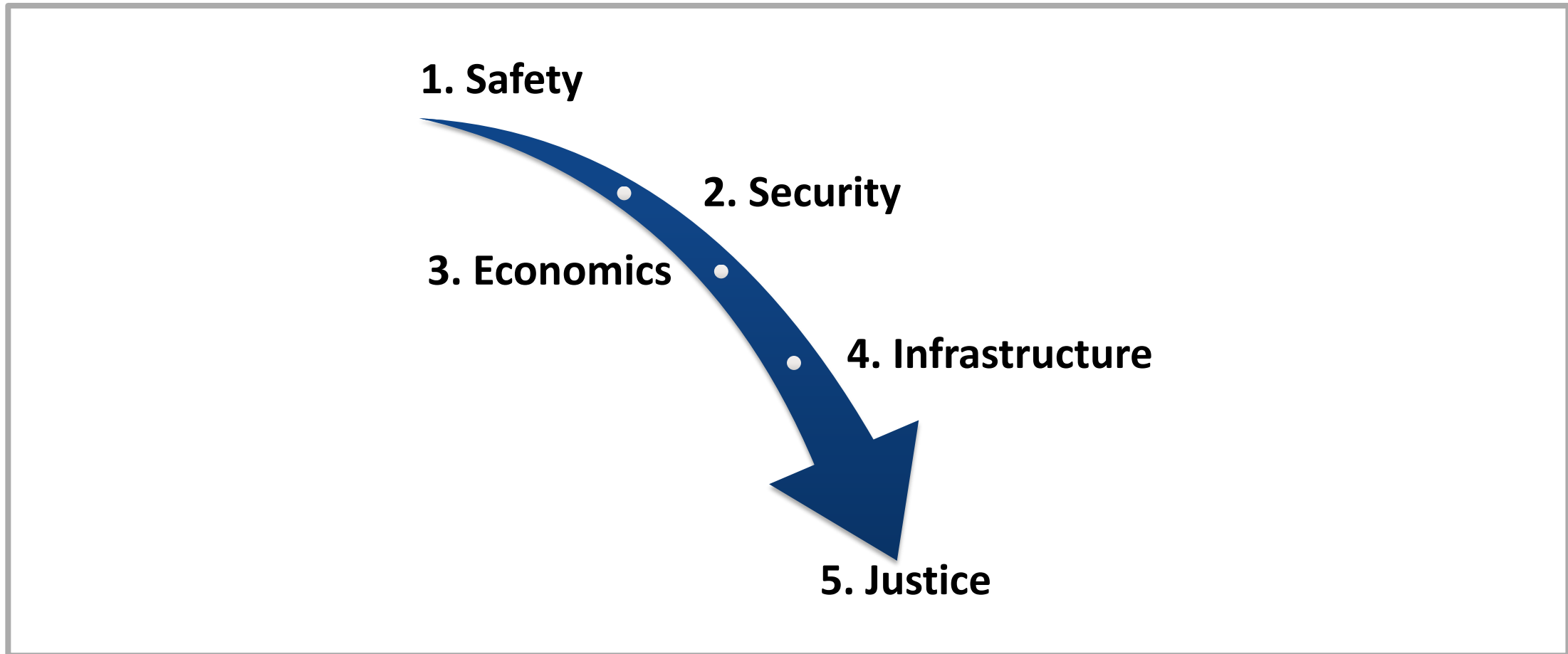


Aberdeen Section

[www.spe-uk.org](http://www.spe-uk.org)



# Key Energy Law Research - 5 Key Drivers of Energy Governance



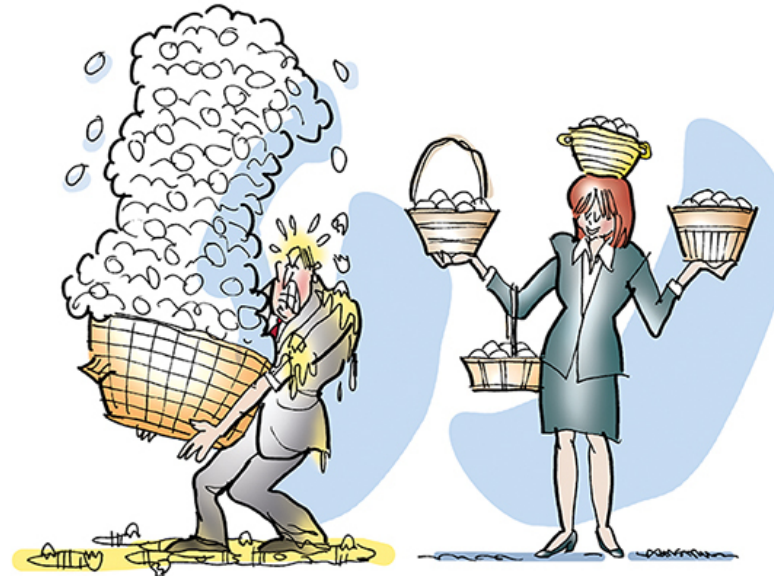
Sources: Heffron & Talus, 2016

As a result Society has a Low-Carbon Energy Challenge

What's then the Company Strategy?



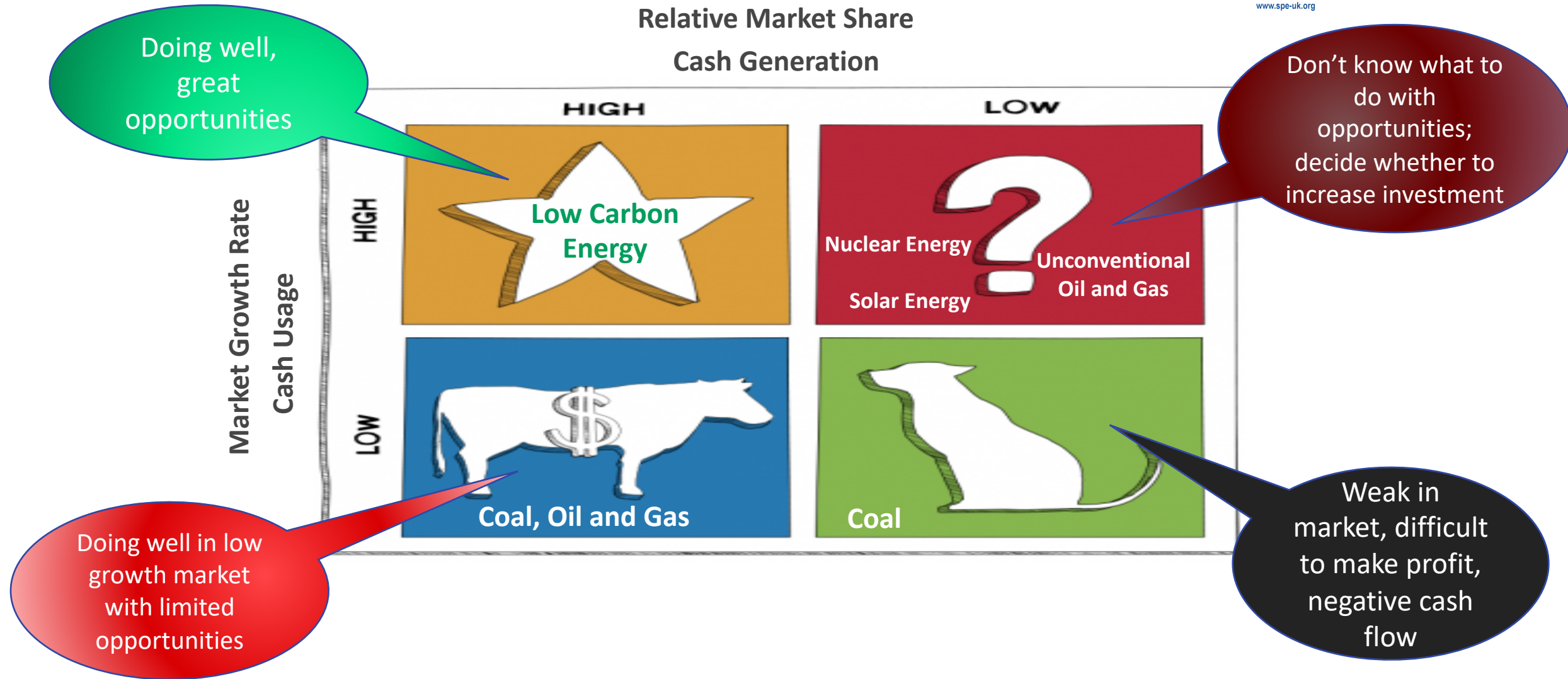
Ensure a Balanced *Portfolio*  
(i.e. some diversification)



# Boston Consulting Group (BCG) Matrix



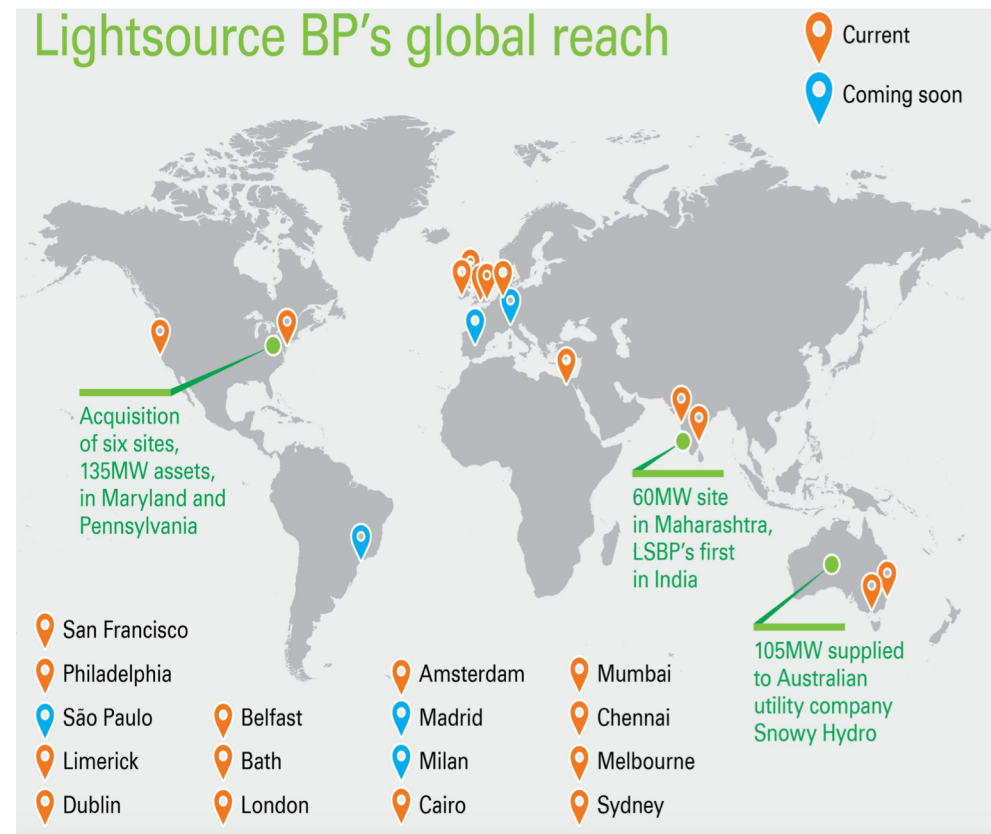
Relative Market Share  
Cash Generation



# The Advantages and an example of a success merger

November 2017

November 2018



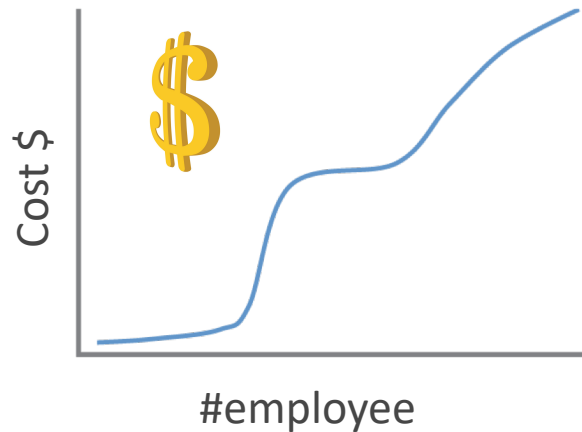
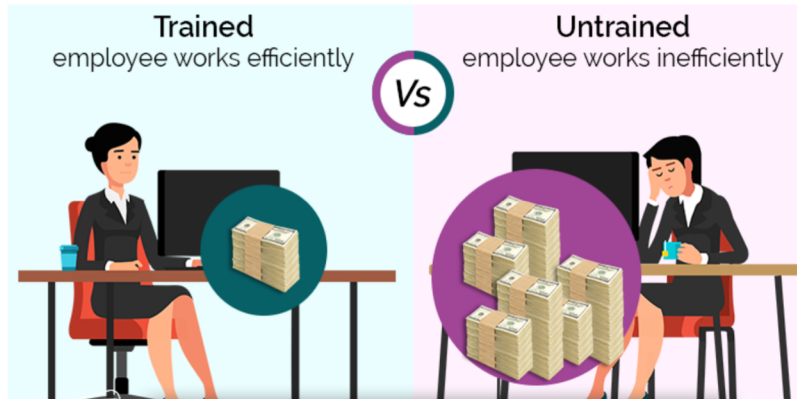
Sources: [www.bp.com](http://www.bp.com)



# Disadvantages (read: Challenges)



Aberdeen Section  
www.spe-uk.org



# Example of merger company that face challenges



SUNPOWER®

Project planning  
management  
differences due to the  
nature of the project

## Conclusions:

- Merger Opportunities in the Market
  - There is risk
- Portfolio Development should be low-carbon based



**Aberdeen Section**

[www.spe-uk.org](http://www.spe-uk.org)

Thank you!