

# 1998 JOINT PRESS STATEMENT FOR THE 16TH ASEAN MINISTERS ON ENERGY MEETING

*Issued in Singapore on 1 August 1998*

1. The Sixteenth ASEAN Ministers on Energy Meeting (AMEM) was held on 1 August 1998 in Singapore, preceded by the ASEAN Senior Officials Meeting on Energy (SOME) held from 29-30 July 1998.
2. The 16th ASEAN Ministers on Energy Meeting was officially opened by H.E. BG (NS) Lee Hsien Loong, Deputy Prime Minister of the Republic of Singapore.
3. The Meeting was attended by H.E. Pengiran Indera Wijaya Pengiran Dr. Haji Ismail Bin Pengiran Haji Damit, Minister of Development of Brunei Darussalam; H.E. Dr. Kuntoro Mangkusubroto, Minister of Mines and Energy of Indonesia; H.E. Mr. Soulivong Daravong; Minister of Industry and Handicrafts of Lao People's Democratic Republic; H.E. Dato' Chan Kong Choy, Deputy Minister of Energy, Telecommunications and Posts of Malaysia; H.E. Brig. Gen. Lun Thi, Minister of Energy of Myanmar, H.E. Mr. Mario V. Tiaoqui, Secretary of Energy of the Philippines; H.E. Mr. Lee Yock Suan, Minister for Trade and Industry of Singapore; H.E. Dr. Savit Bhotiwihok, Minister to the Prime Minister's Office of Thailand; H.E. Dr. Dang Vu Chu, Minister of Industry of Vietnam; and H.E. Mr. Rodolfo C. Severino Jr., ASEAN Secretary-General, and their respective delegations.
4. The Meeting was chaired by H.E. Mr. Lee Yock Suan, Minister for Trade and Industry of Singapore and H.E. Dr. Savit Bhotiwihok, Minister to the Prime Minister's Office of Thailand, as Vice-Chairman.
5. The Minister of Mines and Energy of Indonesia briefed his fellow ASEAN Energy Ministers on the related activities of the Organization of Petroleum Exporting Countries (OPEC). The Minister was of the view that OPEC will continue to pursue stability in the petroleum market, to seek a fair and equitable price for its oil, and a fair return to those investing in the oil industry.

## **IMPACT OF THE ECONOMIC AND FINANCIAL CRISIS IN THE ASEAN ENERGY SECTOR**

6. The Ministers exchanged views on the effects of the current economic and financial crisis on the region. They acknowledged that the present turmoil has dampened the overall energy demand. However, they agreed that ASEAN should not lose sight of long term strategic goals and while tackling immediate problems, must continue to pursue economic cooperation at the working level and keep strategic projects moving.
7. In this regard, the Ministers collectively resolved to further strengthen cooperation in the area of energy, as part of ASEAN's overall efforts to address the economic and financial crisis, through closer economic cooperation and integration.
8. In particular, they expressed strong confidence in the growing opportunities for long term mutual cooperation in electricity and gas interconnections, joint exploration and production etc., in the region, as exemplified by the following cooperation projects among the ASEAN Member Countries:
  - a. Indonesia (West Natuna) – Singapore Gas Sales Agreement;
  - b. Thailand – Laos Power Interconnection Agreement;
  - c. Thailand – Myanmar (Yadana) Gas Pipeline;
  - d. Laos – Vietnam Power Interconnection;

- e. Upgrading of Thailand – Peninsular Malaysia Power Interconnection Project;
- f. Malaysia – Thailand Gas Sales Agreement – Heads of Agreement
- g. Sabah-Brunei Darussalam – Sarawak Power Interconnection
- h. Sabah-West Kalimantan (Indonesia) Power Interconnection;
- i. Thailand-Myanmar Yetagun Gas Export Project;
- j. Tasang and Nam Kok Hydro Power Project (Thailand and Myanmar);
- k. Thailand – Myanmar Electricity Purchasing Agreement and Power Interconnection, and
- l. Indonesia – Philippines Coal Supply Agreement.

### **ASCOPE ACTIVITIES**

9. The Ministers noted that ASEAN Council on Petroleum (ASCOPE) has proven to be an effective instrument for regional development, cooperation and collaboration among petroleum industries in the ASEAN region. The Ministers noted the substantial progress achieved in the ASCOPE's Human Resources Development Programmes.

### **TRANSLATING THE ASEAN ENERGY VISION 2020 INTO ACTION: HANOI PLAN OF ACTION**

10. The Ministers endorsed a Conceptual Planning Framework for incorporation into the ongoing formulation of the Hanoi Plan of Action which is to be adopted by the ASEAN Heads of State/Government in the Sixth ASEAN Summit in Hanoi in December 1998. This planning framework which builds on the positive developments of the ASEAN Medium-Term Programme of Action on Energy Cooperation (1995-1999) provides broad policy and implementation initiatives, to pursue the early realisation of the trans-ASEAN energy networks covering the ASEAN Power Grid and Trans-ASEAN Gas Pipeline Projects, among others.
11. The Ministers endorsed the convening of an ad-hoc SOME Experts Group to develop the pertinent policy framework and implementation modalities for the proposed energy cooperation areas covered under the Hanoi Plan of Action.
12. The Ministers welcomed the expansion of the ASEAN Power Grid to 10 electricity interconnection projects, with the inclusion of Thailand – Lao PDR and Vietnam – Lao PDR interconnections. With this expansion, the Ministers expressed the view that an integrated and coordinated planning policy approach for the ASEAN Power Grid's implementation would pave the way for greater opportunities for enhancing intra-regional electricity trade, developing business opportunities, and promoting joint or cross-border investment in energy projects in the ASEAN Member Countries.
13. The Ministers were pleased to note the proposal to prepare a Masterplan for the ASEAN Power Grid Interconnection, as this is a timely initiative to move forward the ASEAN vision of electricity interconnection.

### **PROGRESS ON THE IMPLEMENTATION OF THE ASEAN MEDIUM-TERM PROGRAMME OF ACTION ON ENERGY COOPERATION (1995-1999)**

14. In considering the implementation status of the ASEAN Medium-Term Programme of Action on Energy Cooperation, the Ministers endorsed, among others, the following measures for the enhanced implementation activities of the three Sub-Sector Networks on Coal (CSN-AF-C), Energy Efficiency and Conservation (EE&C-SSN), and New and Renewable Sources of Energy (NRSE-SSN):
  - a. Work Programme/Action Plan of the Sub-Sector Networks on Coal, Energy Efficiency and Conservation, and New and Renewable Sources of Energy; and

- b. Transformation of the Coal Sub-Sector Network into an independent ASEAN Forum on Coal.

15. The Ministers encouraged greater private sector participation in future meetings of the Energy Efficiency and Conservation Sub-Sector Network under the ASEAN Energy Cooperation.

#### **IMPLEMENTATION PROGRESS OF THE 1998 ASEAN EFFICIENCY AND CONSERVATION YEAR**

16. In line with the Ministerial decision made at the 15th AMEM in Makati City, Philippines in July 1997, to declare 1998 as the ASEAN Energy Efficiency and Conservation Year, the Ministers noted national initiatives undertaken by Member Countries. The Ministers called upon all relevant agencies of all Member Countries to continue to undertake energy efficiency and conservation programmes and activities.

#### **PREPARATORY ACTIVITIES FOR THE ESTABLISHMENT AND OPERATION OF THE ASEAN CENTRE FOR ENERGY (ACE)**

17. The Ministers noted that the Agreement on the Establishment of the ASEAN Centre for Energy (ACE) had been signed by all the ASEAN Foreign Ministers and that Member Countries had already remitted their contribution to the ASEAN Energy Endowment Fund.

18. The Ministers expressed satisfaction to the preparations made for the eventual operation of the ASEAN Centre for Energy in Jakarta, Indonesia, by 1 January 1999.

#### **17th AMEM**

19. The 17th ASEAN Ministers on Energy Meeting (AMEM) will be held in Thailand in July 1999.