

2002 JOINT PRESS STATEMENT OF THE 20TH ASEAN MINISTERS ON ENERGY MEETING

Issued in Bali, Indonesia on 5 July 2002

1. President Megawati Soekarnoputri today, in her opening speech to the 20th ASEAN Ministers on Energy Meeting (20th AMEM), highlighted on how the energy question has shifted from simply national issue to regional and even international topic. The President expressed that ASEAN demand for energy increases as a result of the AFTA implementation and the good prospects of economic relations with the three East Asian countries. She stressed on the importance of more concrete action programs as the supply and development of energy would require long term and well-prepared planning and huge capital.
2. H.E. Dr. Purnomo Yusgiantoro, Minister of Energy and Mineral Resources of Indonesia, chaired the 20th AMEM, with H.E. Datuk Amar Leo Moggie, Minister of Energy, Communications and Multimedia Malaysia, as Vice-Chairman.
3. The ASEAN Energy Ministers reiterated their call for a unified response towards addressing the emerging challenges in the ASEAN energy sector by strengthening further cooperation in various energy areas.
4. The Ministers signed the ASEAN Memorandum of Understanding (MoU) on the Trans-ASEAN Gas Pipeline (TAGP) Project. The MoU sets out the cooperative framework for greater public-private partnership and collaboration in the TAGP implementation.
5. The TAGP Project will link gas demand and utilization centers with a pipeline infrastructure tapping the gas fields of Natuna and others in the Gulf of Thailand, South China Sea and Sumatra supplying all the major gas demand centers in ASEAN. Several cross-border and domestic gas pipelines in ASEAN have been completed or firmed up. These include a) Malaysia-Singapore (operational in 1991); b) Yadana and Yetagun (Myanmar)-Ratchaburi (Thailand) (1998 and 2000, respectively); c) West Natuna (Indonesia) – Singapore (December 2000); d) the Camago-Malampaya in the Philippines (October 2001); e) West Natuna (Indonesia) – Duyong (Malaysia) (October 2002); f) Malaysia-Thailand Joint Development Area; and g) South Sumatra – Singapore (2003). ASEAN countries have identified seven gas pipeline interconnections with total investment of about US \$7 billion.
6. Under the TAGP MOU, ASEAN countries shall study the regulatory and institutional frameworks for cross-border supply, transportation, and distribution of natural gas in the region involving multilateral countries. To support its implementation and to address the above cross-border issues towards reducing barriers to the implementation of the projects, the ASEAN Gas Consultative Council will be set up.
7. The Ministers approved the roadmaps for realizing the ASEAN leaders' vision of interconnecting arrangements of natural gas and electricity networks in Southeast Asia.
8. The Ministers endorsed policy initiatives on the ASEAN Power Grid Project. ASEAN countries will formulate a policy framework on regional electricity interconnection and trade and develop an agreement on power interconnection policy and implementation. The regional master plan study on the ASEAN Power Grid will be completed in March 2003.

9. The Ministers, in response to the challenges of globalization, free trade and market competition, endorsed a new cooperation to have greater exchange of ideas and information on energy policy and regulatory issues such as liberalization, restructuring, and trends towards market reforms to achieve a more competitive and efficient energy sector in ASEAN. This cooperation will take into account the different levels of development or maturity of the energy markets in individual ASEAN countries.
10. The Ministers welcomed the convening of the first consultations of their senior officials with their counterparts from China, Japan and the Republic of Korea. Japan will organize two capacity building programs in 2003; the ASEAN + 3 Petroleum Security Seminar and the ASEAN-Japan Seminar on Clean Development Mechanism (CDM). Japan will also continue to support ASEAN programs in energy supply security planning, energy efficiency and conservation and renewable energy. Japan's Ministry of Economy, Trade and Industry (METI) and the Jakarta-based ASEAN Centre for Energy (ACE) are managing these programs. ASEAN-METI cooperation in the energy sector is now entering its third year of partnership.
11. The Ministers also welcomed the activities of the EC-ASEAN Energy Facility launched in March 2002. The first set of 20 energy projects would be selected in November 2002, for implementation beginning March 2003. The program will cover technical assistance to five energy sectors: electricity, natural gas, clean coal technology, energy efficiency and conservation and renewable energy.
12. The Ministers had a dialogue with senior representatives of the US-ASEAN Business Council on shaping policy and regulatory frameworks to stimulate and sustain business and investment opportunities in the ASEAN energy market.
13. The Ministers endorsed the Winners and Runners-Up of the ASEAN Best Practices Competition for Energy Efficient Buildings and Renewable Energy (NRSE) Project Competition for 2002. The awardees are Changi General Hospital Building, and the Ministry of Education Headquarters Building in Singapore for the new and existing buildings. Under this category, special citation will be given to Thai Farmers Bank Headquarters Building; Shangri-La Hotel Building and the Alexandra Hospital Building, both in Singapore for retrofitted buildings; Special awards will be given to Malaysia's Sutera Harbor Resort and Singapore Changi Naval Base Building for cutting-edge technology; and to Myanmar's Kanbawza Bank Headquarters Building for appropriate technology. Ta'ba Micro Hydro Power Project of Indonesia and Fluidized Bed Drying System using Rice Husk Fired Cyclonic Furnace of Thailand for NRSE – Off Grid Category; and Central Java Ketenger Hydro Electric Power Project, and Riau PV-Diesel Hybrid System Project, both in Indonesia for NRSE – On Grid Category. In addition, six former SOE Leaders/Members of the ACE Governing Council will be given special award based on specific criteria for Excellence in Energy Management. They will be appointed as Honorary Advisors to the ACE Governing Council.
14. The 4th annual ASEAN Energy Business Forum will be held in Bangkok, Thailand on 21-22 October 2002, with the theme "Energy for the 21st Century".
15. The ASEAN Ministers on Energy will meet again in Malaysia on 3 July 2003.
16. The Association of Southeast Asian Nations is composed of Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam.