

# 2014 JOINT MINISTERIAL STATEMENT OF THE 11<sup>TH</sup> ASEAN+3 (CHINA, JAPAN AND KOREA) MINISTERS ON ENERGY MEETING

*Issued in Vientiane, Lao People's Democratic Republic on 23 September 2014*

## **Introduction**

1. The 11<sup>th</sup> ASEAN+3 (China, Japan and Korea) Ministers on Energy Meeting (AMEM+3) was held in Vientiane, Lao People's Democratic Republic (Lao PDR) on 23 September 2014. The Meeting was chaired by H.E. Soulivong Daravong, Minister of Energy and Mines of Lao PDR and co-chaired by H.E. Guan Huabing, China's Ambassador to Lao PDR, H.E. Daishiro Yamagiwa, State Minister of Economy, Trade and Industry (METI) of Japan; and H.E. Deputy Minister, Chung Yang Ho, Ministry of Trade, Industry and Energy of the Republic of Korea. The Meeting was attended by the Ministers of Energy of Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.
2. The Ministers urged Japan to continue sharing with the international community its accumulated knowledge and strategic energy plan, including those on the safe and secure use of nuclear energy as well as on its related environmental impact. Amidst developments, such as, the volatile geopolitical situation in the Middle East and its implications on energy security, and taking into account the rising energy demand, the Ministers raised concern over energy sustainability in the region. The Ministers decided to strengthen their commitment to the ASEAN+3 energy cooperation towards achieving energy security, economic growth and environmental protection (3Es) at the same time and promoting international cooperation.
3. Enhancing improved linkages in energy cooperation, the Ministers confirmed that realizing ASEAN connectivity would bring the region closer to its goal of achieving greater energy security. The Ministers expressed their appreciation to the progress made by the Senior Officials Meeting on Energy +3 (SOME+3). They noted that capacity building, information sharing and exchange amongst the countries are key elements of deepening cooperation and promoting sustainable development and low-carbon growth economies.

## **Energy Security**

4. The Ministers welcomed the steady progress of stakeholder cooperation on study, best practices sharing and policy works relating to energy security for the region, among others; on oil, coal, and civilian nuclear energy. In this regard, the Ministers expressed their appreciation to Japan for leading the Energy Security Forum in ASEAN+3 energy cooperation, and to China and Korea for supporting the energy security cooperation. The Ministers emphasized the importance of the Energy Security Forum in ASEAN+3 energy cooperation to serve as a platform to strengthen energy security and sustainable development within the region. The Ministers noted the 11<sup>th</sup> ASEAN+3 Energy Security Forum was held on 26 February 2014 in Siem Reap, Cambodia.
5. Commending the continuous conduct of ASEAN+3 Study on Oil Product Information and ASEAN+3 Oil Price Database as the references in helping identify policy options to ensure energy security, the Ministers encouraged the ASEAN+3 countries to continue their valued contributions to the collection and submission of oil product quality information, oil price and energy data under the auspices of the ASEAN Centre for Energy (ACE) and the Institute of Energy Economics, Japan (IEEJ) to bolster the robustness of the reports.

6. On oil stockpiling, the Ministers appreciated the efforts of Oil Stockpiling Road Map (OSRM) Secretariat: ACE and Japan Oil, Gas and Metals National Corporation (JOGMEC), for organizing the 2<sup>nd</sup> Workshop of OSRM for ASEAN+3 held on 25 February 2014 in Siem Reap, Cambodia and also appreciated the excellent hospitality and hosting arrangement provided by the Ministry of Mines and Energy of Cambodia with support from IEEJ. As the way forward, the Ministers welcomed the follow-up activities for 2014-2015, namely: (a) Continue to organise the Workshop of OSRM based on the Result of Country Needs by taking into consideration the specific needs of the various countries; (b) Conduct a detailed assessment of the oil stockpiling situation in ASEAN Member States (AMS), by conducting one day meeting/discussion with respective officials in each country for on-site data discussion; (c) Develop guidelines for the Development of Oil Stockpiling at National Level through a joint study; and (d) Conduct joint study with ASEAN Council on Petroleum (ASCOPE) on Impact of OSRM on ASEAN Petroleum Security Agreement (APSA). On the progress, the Ministers noted that OSRM Secretariat has conducted the OSRM on-site data collection and discussion in Cambodia, Lao PDR and the Philippines, and requested OSRM Secretariat to continue the same activity with the other ASEAN+3 Member Countries.
7. Recognizing that coal is a major fuel source for the region, the Ministers reiterated their collective call to step up efforts to develop cooperation programs, promote policies on clean coal technologies (CCT), such as high efficiency coal-fired power generation, the upgrading of low rank coal technologies, carbon capture and storage (CCS), cokes making, coal gasification, coal liquefaction and develop the industry in the region. The Ministers expressed that tangible engagement by the +3 countries will contribute to future activities of the ASEAN Forum on Coal (AFOC) in order to foster closer cooperation and promote positive collaboration on clean coal utilization. Concerning the limitation of the public financial support for new coal-fired power plants (CFPP), the Ministers expressed their collective voice to continue technology transfer and public financial support by developed countries and Multilateral Development Banks (MDBs) in order to develop and deploy highly efficient CFPP which can significantly address both the increase of electricity demand and reduction of greenhouse gas (GHG) emissions in the region.
8. The Ministers also appreciated the efforts in the publication of ASEAN CCS Strategic Considerations by AFOC, ACE, Global Carbon Capture and Storage Institute (GCCSI) and ASEAN CCT Handbook for Power Plant by AFOC, ACE and Japan Coal Energy Center (JCOAL). The Ministers welcomed the initiative of China to launch the “Conference on China-ASEAN Clean Coal Conversion Technology” at Ordos city of Inner Mongolia, and to organize the ASEAN representatives to visit the demonstration plants of coal to liquids (CTL), coal to olefins (CTO), synthetic natural gas (SNG) and methanol to gasoline (MTG) and so forth.
9. The Ministers commended the completion of Korea’s Second Phase 2012-2014 ASEAN+3 HRD Program for Civilian Nuclear Energy (CNE) for ASEAN Countries jointly implemented by Korea Nuclear Association for International Cooperation (KNA) and ACE that successfully trained 49 participants for Senior Policy Makers Course and 63 participants for Working Level Course and Japan’s Capacity Building Support Activities on Nuclear Non-proliferation and Nuclear Security with the use of the expertise of the Japan Atomic Energy Agency (JAEA)’s Integrated Support Center for Nuclear Nonproliferation and Nuclear Security (ISCN) in 2011- 2014. In line with the priority needs of ASEAN on Nuclear Cooperation, the Ministers welcomed the plan to organize the 2nd ACE-JAEA Seminar with focus on Nuclear Security Culture, US–ASEAN Workshop on Civil Nuclear Power in Developing a Safe and Secure Nuclear Power Program: The Essential Elements; and China-ACE Capacity Building on Experience Sharing for New Nuclear Power Builds for ASEAN. The Ministers also noted the activities on Human Resource Development on international nuclear development by Japan Atomic Industrial Forum (JAIF) International Cooperation Center.

### **Oil Market and Natural Gas**

10. Oil price is expected to stay in a relatively high range caused by supply fundamentals that are not enough to support the current demand level and geopolitical situations. Thus, the Ministers encouraged the ASEAN+3 countries to continue sharing and exchanging information on counter measures in response to oil prices volatility in the global market.
11. Recognizing the latest world and the ASEAN+3 oil and natural gas market situation and economic impact and constraints of shale gas revolution, the Ministers encouraged the continuation of study and information sharing on best practices and experiences and latest technologies on oil and gas exploration and production from the +3 countries as well as from advanced countries, namely; the United States and Canada. Given that the ASEAN+3 countries will see strong growth in natural gas demand, the Ministers affirmed the importance of competitive natural gas prices and further promotion of flexible gas markets including relaxation of destination clauses. The Ministers also encouraged enhancing cooperation in the natural gas sector, in particular LNG and unconventional gas, by increasing and encouraging the private sector participation to be facilitated by ASCOPE.
12. The Ministers noted the 3<sup>rd</sup> Oil Market and Natural Gas Forum and the 3<sup>rd</sup> ASEAN+3 Oil Market and Natural Gas Business Dialogue was held on 26-27 March 2014 in Manila, the Philippines. The Ministers welcomed the initiative of the Forum and Business Dialogue to develop a report on Oil and Gas Market at the national level, to compile Unconventional Gas Situation in ASEAN+3 and to continue information sharing on best practices and experiences and latest technologies on oil and gas exploration and production from +3 countries as well as from advanced countries, among others. The Ministers expressed their appreciation to the Philippines for leading the Oil Market and Natural Gas Forum and Business Dialogue.

### **Renewable Energy and Energy Efficiency and Conservation**

13. The Ministers noted the good progress in achieving ASEAN's aspirational goals of reducing regional energy intensity by at least 8% by 2015 based on the 2005 level, and the 15% target for the share of renewable energy in the total installed power capacity by 2015. The Ministers acknowledged the great potentials of renewable energy for energy security especially hydropower resources which will continue to remain a cost-effective solution in this region for quite a long time. The Ministers acknowledged the progress of the ASEAN+3 Mitigation Cooperation Program and welcomed its capacity building activities for 2014-2015. The Ministers thanked Korea for leading the New and Renewable Energy and Energy Efficiency and Conservation Forum.
14. The Ministers noted the progress of the ASEAN-Japan Energy Efficiency Partnership Programme (AJEEP) including ECAP (Energy Conservation Workshop under AJEEP) program, and Energy Efficiency Market Transformation with Information Provision Scheme (EMTIPS) coordinated by The Energy Conservation Center, Japan (ECCJ) and ACE and further noted the importance of continuous implementation of these programs for sustainable energy development in the region.
15. The Ministers recognized the importance to foster innovative solutions and they encouraged the ASEAN+3 countries to initiate information sharing/capacity building and site visit in Smart Grid/Smart Community projects, Potential Energy Service Company (ESCO), RE Assessment, Rural Electrification Business Model, Green Buildings, Waste-to-Energy, Smart Grid Technologies. The Ministers welcomed the proposal of Japan to organize Roundtable Discussion on smart grids to be held tentatively in 2014/2015.

16. The Ministers welcomed the Republic of Korea's new offer for "Cooperation Program on Integration of Renewable Energy and Energy Storage System (RE+ESS)" to promote efficient use of and stable supply of energy using renewable resources through developing and applying ESS technologies. The Ministers also noted that ACE has been tasked to review the proposal for further action.
17. The Ministers encouraged China to implement her proposed initiative on New Energy Sustainable Development Initiative, consisting of four (4) proposals, namely: i) China-ASEAN Nuclear Power Capacity Building Program; ii) Seminar on ASEAN Emergency Response in Case of Power Failure; iii) ASEAN Region Electricity Grid Inter-Connection Study; and iv) China-ASEAN Clean Coal Conversion Technology Exchange and Promotion. The Ministers welcomed the China's activity on EAS Clean Energy Forum, which encourages cooperation on policy and technology exchange, sharing of best practices on nuclear power, solar, biomass, clean coal and smart energy township so as to promote the electricity for all and realize the equalization of energy for basic public service.

### **Next Meeting**

18. The Ministers agreed to meet again in Malaysia in September 2015 for the 12<sup>th</sup> ASEAN+3 Ministers on Energy Meeting.
19. The delegation of ASEAN+3 Countries, the ASEAN Secretariat and the ACE expressed their appreciation to the Government and People of the Lao PDR for the warm hospitality and the excellent arrangements made for the 11<sup>th</sup> ASEAN+3 Ministers on Energy Meeting.

### **LIST OF MINISTERS**

- a. **Hon. Pehin Dato (Dr.) Mohammad Yasmin Umar**, Minister of Energy at the Prime Minister's Office of Brunei Darussalam;
- b. **H.E. Suy Sem**, Minister of Mines and Energy of Cambodia;
- c. **H.E. Guan Huabing**, China's Ambassador to Lao PDR;
- d. **H.E. Susilo Siswoutomo**, Vice Minister of Energy and Mineral Resources of Indonesia;
- e. **H.E. Daishiro Yamagiwa**, State Minister of Economy, Trade and Industry of Japan;
- f. **H.E. Chung Yang Ho**, Deputy Minister of the Ministry of Trade, Industry and Energy of the Republic of Korea;
- g. **H.E. Soulivong Daravong**, Minister of Energy and Mines of Lao PDR;
- h. **H.E. Dato' Seri DiRaja Mahdzir Bin Khalid**, Deputy Minister of Energy, Green Technology and Water of Malaysia;
- i. **H.E. U Aung Htoo**, Deputy Minister of the Ministry for Energy of Myanmar;
- j. **H.E. Loreta G. Ayson**, Undersecretary, Department of Energy of the Philippines;
- k. **Mr. Chee Hong Tat**, Chief Executive of Energy Market Authority of Singapore, representing H.E. S. Iswaran, Minister in the Prime Minister's Office and Second Minister for Home Affairs and Trade and Industry of Singapore;
- l. **H.E. Dr. Narongchai Akrasanee**, Minister for Energy of Thailand;
- m. **H.E. Dr. Cao Quoc Hung**, Deputy Minister of the Ministry of Industry and Trade of Viet Nam;  
and
- n. **H.E. Dr. Lim Hong Hin**, Deputy Secretary-General for ASEAN Economic Community.