2014 JOINT MINISTERIAL STATEMENT OF THE 32ND ASEAN MINISTERS OF ENERGY MEETING: "POWER INTEGRATION FOR ASEAN PROSPERITY"

Issued in Vientiane, Lao PDR on 23 September 2014

- 1. The 32nd ASEAN Ministers on Energy Meeting (AMEM) was held on 23 September 2014 in Vientiane, Lao PDR. H.E. Soulivong Daravong, Minister of Energy and Mines of Lao PDR, chaired the Meeting, and Hon. Dato' Seri DiRaja Mahdzir Bin Khalid, Deputy Minister of Energy, Green Technology and Water of Malaysia was the Vice-Chairperson. The 11th ASEAN Plus Three Ministers on Energy Meeting, the 8th East Asian Summit Energy Ministers Meeting, and a dialogue with the International Energy Agency (IEA) were also held back-to-back with 32nd AMEM.
- 2. H.E. Thongsing Thammavong, the Prime Minister of Lao PDR officiated the 32nd AMEM and related meetings. In his keynote address, H.E. Thammavong highlighted the importance of energy cooperation and power integration in ASEAN, particularly potential of hydropower as a clean, non-polluting and renewable energy source. He underscored the need for a concerted effort to reduce the impacts of climate change caused by greenhouse gasses while ensuring sustainability of economic growth in the ASEAN region. In this context, he encouraged ASEAN Member States work together to: (i) clearly define a legal and policy framework to promote renewable energy into sustainable development strategy; (ii) strengthening research and development on renewable energy technology appropriate to the ASEAN region; (iii) continue studies on renewable energy market and provide funding for promotion of environmentally friendly green energy; and (iv) encourage high-voltage power integration. In closing, he expressed profound thanks to ASEAN Member States, Dialogue Partners and International Organisations for the kind supports extended to Lao PDR.

TOWARDS POWER INTEGRATION FOR ASEAN PROSPERITY

- 3. The Ministers reiterated the need for a concerted effort to promote energy efficiency and conservation, develop and deploy renewable energy sources, and achieve interconnected regional power systems to ensure sustainability of energy resources.
- 4. The Ministers also recognised the important roles of the energy sector in advancing regional integration process and agreed that the development of the next ASEAN Plan of Action for Energy Cooperation (APAEC) for the period of 2016-2020 should build on the achievements of the APAEC 2010–2015, and contribute to the development of post-2015 Vision for the ASEAN Economic Community (AEC). The Ministers endorsed the following theme for the APAEC 2016-2020: "Enhancing energy connectivity and market integration in ASEAN to achieve energy security, accessibility, affordability and sustainability for all".
- 5. The Ministers commended the Heads of ASEAN Power Utilities/Authorities (HAPUA) for its on-going efforts to establish the ASEAN Power Grid (APG), including the successful conclusion of several studies on fuel security, taxation, private sector participation, and ASEAN Transmission System Operator; the establishment of ASEAN Generation and Transmission Planning Group; and the development of the guideline for enhancing power quality. The Ministers also welcomed APG's initiatives to conduct sub-region multilateral electricity trading by 2018 and complete Sarawak–West Kalimantan interconnection, one of the priority interconnection projects, by 2015 as planned.

- 6. The Ministers applauded the initiative to undertake a pilot project to explore cross border power trade from Lao PDR to Singapore which could serve as pathfinder to further enhance multilateral electricity trading beyond neighboring borders to support the realisation of APG. The pilot project will involve four ASEAN Member States including Lao PDR, Thailand, Malaysia and Singapore.
- 7. The Ministers commended the ASEAN Council on Petroleum (ASCOPE) for its ongoing efforts to advance the implementation of the Trans-ASEAN Gas Pipeline (TAGP), amongst others, including the successful completion of the Zawtika (Block M-9, located in Myanmar) which serves as the 12th interconnection project in the TAGP Map that brings the total pipeline connection to 3,377km. The Ministers noted that the new TAGP Map contains information on LNG terminals in ASEAN Member States and the commencement of several Regasification Terminal (RGT), including (a) Map Ta Phut LNG Receiving Terminal, Thailand; (b) Floating Storage Regasification Unit, West Java, Indonesia; (c) Singapore LNG Terminal; and (d) RGT Sungai Udang, Melaka, Malaysia.
- 8. The Ministers welcomed ASCOPE's initiative to further study legal issues relating to multilateral LNG contracts focusing on destination restrictions and diversions, quantity flexibility, LNG specifications, and shipping and receiving facilities which would serve as inputs to ASEAN Member States in the development of general terms and conditions of multilateral LNG contracts. The Ministers also recognised the importance of establishing standard operating procedures and rules of engagement on energy cooperation during emergency or any possible oil disruption by invoking the ASEAN Petroleum Security Agreement (APSA).
- 9. The Ministers noted the progress made on the implementation of ASEAN Forum on Coal's (AFOC) Work Plan for both 2013-2014 and 2014-2015 including the completion of two important publications ASEAN Carbon Capture and Storage Strategic Considerations and ASEAN Clean Coal Technologies (CCT) Handbook for Power Plant, prepared by AFOC and ASEAN Centre for Energy (ACE), in collaboration with Global Carbon Capture and Storage Institute (GCCSI) and Japan Coal Energy Center (JCOAL) respectively. The Ministers looked forward to further collaborations with both dialogue partners and international organisations on the reduction of CO₂ through the implementation of CCT projects, be it through capacity building, procedure of coal utilisation and coal distribution, and long-term financing.
- 10. The Ministers supported the on-going efforts to address the increase in electricity demand, the reduction of greenhouse gas emissions, and the development of high efficient coal-fired power plants in the region. Such efforts include the promotion of the adoption of CCT, enhancement of technology transfer and public financing. The Ministers also look forward the ASEAN Coal Business Roundtable and Conference which will be held back-to-back with AFOC Annual Meeting in Viet Nam in 2015.
- 11. The Ministers welcomed the significant progress in implementing the Energy Efficiency and Conservation Programme including the (a) completion of Work Packages 1 and 2 of the ASEAN Standards Harmonisation Initiative for Energy Efficiency (ASEAN-SHINE) project; (b) completion of ASEAN Energy Management Accreditation Scheme (AEMAS) project in January 2014; and (c) launching of the 1st ASEAN Green Building Awards. The Ministers also noted the successful implementation of the AJEEP Schemes 2 and 3 Programme, organisation of three ECAP Workshops in Japan, and ASEAN-Japan Pilot Project on Energy-Efficiency Market Transformation with Information Provision Scheme (EMTIPS) under the SOME-METI Work Programme 2013 2014. The Ministers further welcomed the proposal on ASEAN Cooperative on Financing Mechanism Design for EE Projects Implementation. The Ministers encouraged ASEAN Member States to cooperate on data sharing regarding the ASEAN Long Term Energy Intensity Reduction Target.

- 12. The Ministers commended the efforts of the ASEAN Renewable Energy Subsector Network (RE-SSN) in promoting further development of Renewable Energy, including having a broader definition of RE to include all capacities of hydro sources, on grid and off grid RE sources but excluding traditional sources of biomass; the successful convening of the 2nd ASEAN Renewable Energy Week (AREW) in April 2014 in Kuala Lumpur, Malaysia; and the ASEAN regional workshop and focus group discussions on "Integration of Variable Renewable Energies (VRE) into Power Systems: Challenges and Opportunities for Green Power" held in Jakarta, Indonesia on 1-2 April 2014. The Ministers tasked both ACE and ASEAN Renewable Energy Support Programme (RESP) to develop concrete recommendations on enhancing the development and integration of RE into power systems.
- 13. The Ministers lauded the efforts of the Regional Energy Policy and Planning Sub-Sector Network (REPP-SSN) in following up with the recommendations arising from the Mid-Term Review of APAEC 2010-2015 and requested them to enhance its collaborations with dialogues partners and international organisations such as the International Renewable Energy Agency (IRENA) and the International Atomic Energy Agency (IAEA). The Ministers commended the efforts of REPP-SSN in drafting the APAEC 2016-2020. The Ministers welcomed the improvements made in the drafting of the 4th ASEAN Energy Outlook.
- 14. The Ministers noted the efforts made by the Nuclear Energy Cooperation Sub-Sector Network (NEC-SSN) in cooperation with Dialogue Partners to enhance capacity building activities on civilian nuclear energy and in pursuing regional nuclear safety cooperation.
- 15. The Ministers noted the ASEAN Energy Regulators' Network's (AERN) initiative to establish a Working Group, together with HAPUA Working Groups and ASEAN Power Grid Consultative Committee (APGCC), to work on Cross-border Interconnection and Regulatory Harmonisation. The Ministers tasked ACE together with AERN to expedite the necessary study by April 2015 in order to accelerate the realisation of the APG.
- 16. The Ministers noted the progress made by the ACE Enhancement Task Force (AETF) in recruiting a new professional ACE Executive Director and tasked AETF to develop the rules and procedures on the use of the ASEAN Energy Endowment Fund.

ASEAN ENERGY AWARDS 2014

- 17. The Ministers congratulated the 57 awardees of the ASEAN Energy Awards 2014 under the following categories: (i) ASEAN Best Practices for Energy Efficient Building Awards; (ii) ASEAN Best Practices Energy Management for Building and Industries Award; (iii) ASEAN Green Building Awards; (iv) ASEAN Best Practices Renewable Energy Project Award; and (v) ASEAN Excellence in Energy Management by Individual Awards.
- 18. The Ministers commended the RE-SSN, EE&C-SSN and ACE for the successful conclusion of ASEAN Energy Awards 2014 which have help to enhance private sector participation in the promotion and development of renewable energy and energy efficiency and conservation in the region.

NEXT MEETING

19. The Ministers agreed to convene the 33rd AMEM and its associated meetings in Malaysia in 2015.

20. The delegates from ASEAN Member States and ASEAN Secretariat expressed their appreciation to the Government and people of Lao PDR for the warm hospitality accorded and the excellent arrangements made for the meetings.

ASEAN MINISTERS FOR ENERGY

- 1. **Hon. Pehin Dato (Dr.) Mohammad Yasmin Umar**, Minister of Energy at the Prime Minister's Office of Brunei Darussalam;
- 2. H.E. Suy Sem, Minister of Mines and Energy of Cambodia;
- 3. H.E. Susilo Siswoutomo, Vice Minister of Energy and Mineral Resources of Indonesia;
- 4. H.E. Soulivong Daravong, Minister of Energy and Mines of Lao PDR;
- 5. **H.E. Dato' Seri DiRaja Mahdzir bin Khalid**, Deputy Minister of Energy, Green Technology and Water of Malaysia;
- 6. **H.E. U Aung Htoo**, Deputy Minister of the Ministry of Energy of Myanmar;
- 7. H.E. Loreta G. Ayson, Undersecretary, Department of Energy of the Philippines;
- 8. **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;
- 9. H.E. Dr. Narongchai Akrasanee, Minister of Energy of Thailand;
- 10. H.E. Dr. Cao Quoc Hung, Deputy Minister of the Ministry of Industry and Trade of Viet Nam;
- 11. H.E. Dr. Lim Hong Hin, Deputy Secretary General of ASEAN for ASEAN Economic Community.