

# **2015 JOINT MINISTERIAL STATEMENT OF THE THIRTY THIRD ASEAN MINISTERS ON ENERGY MEETING (33RD AMEM): “POWERING ASEAN TOWARDS A GREENER COMMUNITY”**

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1. The 33<sup>rd</sup> ASEAN Ministers on Energy Meeting (AMEM) was held on 7 October 2015 in Kuala Lumpur, Malaysia. H.E. Datuk Seri Panglima Dr. Maximus Johnity Ongkili, Minister of Energy, Green Technology and Water of Malaysia, chaired the Meeting and H.E. U Zay Yar Aung, Union Minister for Energy of Myanmar, was the Vice Chair. The 12<sup>th</sup> ASEAN+3 Ministers on Energy Meeting (AMEM+3) and the 9th East Asia Summit Energy Ministers Meeting (EAS EMM) were also held back-to-back with the 33rd AMEM.

## **Opening Ceremony**

2. H.E. Datuk Seri Panglima Dr. Maximus Johnity Ongkili, Minister of Energy, Green Technology and Water of Malaysia officiated the 33rd AMEM. In his Opening Remarks, the Minister underscored the theme for this year's meeting where ASEAN Member States will intensify collaboration with its partners to work towards achieving greater energy security and enhancing ASEAN connectivity. The Minister also highlighted the challenges faced in ensuring energy sustainability in the face of rising energy demand against the backdrop of declining oil prices and amidst volatile geopolitical situation in the Middle East. To respond to these challenges, the Minister called for greater support and cooperation from Governments, industries, companies and individuals in order to achieve a sustained and cost-efficient energy supply without depriving future generations.

## **Achievements in ASEAN Energy Cooperation**

3. The Ministers commended the remarkable achievements made in the implementation of ASEAN Plan of Action for Energy Cooperation (APAEC) 2010-2015. This is the third cycle of ASEAN energy cooperation action plans which will support the ASEAN Economic Community Blueprint 2015. The Ministers welcomed the completion of the Full Term Report of APAEC 2010-2015, which shows that ASEAN has achieved 90% of the targets and activities under the seven programme areas of the APAEC 2010-2015. In particular, ASEAN Member States have exceeded the aspirational targets of 8% reduction in energy intensity and 15% share of renewable energy in installed power generation capacity.

## **Powering ASEAN towards a Greener Community**

4. The Ministers welcomed the achievements made by the Heads of ASEAN Power Utilities/Authorities (HAPUA) in the implementation of the ASEAN Power Grid (APG), including the successful operationalisation of the high priority Sarawak–West Final Kalimantan interconnection. The Ministers also noted the efforts to study the constraints of cross border power trade and investments with the completion of two studies on (i) taxation of cross border power transactions and (ii) models, including guidelines, for public-private partnership (PPP) in exploring potential financing modalities for APG projects. The Ministers took note of efforts to build capacity in individual ASEAN Member States with the launch of a handbook on best practices in asset management as well as the completion of various ASEAN reference books on carbon emissions reduction, geothermal development, and power plant efficiency improvement.

5. Recognising that interconnectivity and power trade beyond neighbouring borders can contribute towards energy security, the Ministers reiterated their support for the Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (LTMS-PIP) as a pathfinder to complement existing efforts towards realising the ASEAN Power Grid and the ASEAN Economic Community. The Ministers commended the efforts of the LTMS Working Group (LTMS-WG) and LTMS Technical Taskforce (LTMS TTF) in examining the feasibility of cross border power trade of up to 100MW from Lao PDR to Singapore using existing interconnections. They noted the 11 official meetings thus far and the plans to continue cooperation in assessing the technical viability of using existing interconnections; exchanging information on existing and planned electricity generation sources and electricity demand within each respective country; identifying the legal and regulatory issues that need to be addressed; and exploring possible commercial arrangements for cross-border power trade amongst the parties. The Ministers looked forward to the possible signing of a LTMS Memorandum of Understanding on Power Integration when the parties are ready.
6. On activities related to gas infrastructure development under the ASEAN Council on Petroleum (ASCOPE), the Ministers welcomed the efforts to complement the physical pipeline connections under the Trans-ASEAN Gas Pipeline (TAGP) with the virtual pipelines of LNG storage and regasification facilities. The Ministers noted the progress in the development of regional gas infrastructure, such as (i) the new B17 Joint Development Area gas pipeline to Kerteh, Malaysia, which upon commissioning would bring the TAGP total pipeline from 3,270 to 3,673 km; (ii) the development of four LNG terminals in the Philippines, the first of which is expected for completion by 2016; (iii) the ongoing development of Singapore's LNG infrastructure and additional regasification facilities bringing the facility's throughput capacity to 11 million tons per annum (MTPA) by 2017; and (iv) the capacity expansion of the Map Ta Phut LNG Terminal in Thailand to 10 MTPA by 2017.
7. To address emergencies or possible disruptions in oil and gas supplies in the region, the Ministers noted the draft ASEAN Petroleum Security Agreement (APSA) Manual and Localisation Guideline as a basis for continued work to operationalise the APSA. The Ministers urged that actions be taken to conclude the Manual and Guideline before the Special SOME in January 2016.
8. The Ministers were also pleased with the completion of ASCOPE initiatives to address operational concerns through (i) the development of health, safety, security and environment management system guidelines for ASEAN and (ii) a guidebook for decommissioning oil and gas facilities. The Ministers also noted ASCOPE initiatives to Final improve the commercial environment for oil and gas through the development of (i) a study on ASCOPE unitisation framework involving resource extraction across national boundaries and (ii) a model for LNG destination flexibility contracts for ASEAN buyers which can provide greater level of flexibility in destination and associated contract costs.
9. The Ministers welcomed the activities of the ASEAN Forum on Coal (AFOC) in moving into a new phase of ASEAN-Japan cooperation in coal, focusing on Clean Coal Technology (CCT)'s potential to contribute towards a sustainable electricity supply in ASEAN. The activities will include (i) an advisory on issues related to coal value chains, with focus on coal power; (ii) a study on barriers and issues to be addressed to enhance and promote coal power development with CCT; (iii) information exchange on coal and coal power; and (iv) an advisory to improve the social perception of coal. The Ministers commended the ongoing efforts to share knowledge and experience within ASEAN Member States in implementing CCTs, to study carbon capture storage/utilisation (CCS/U), and to share information on coal development in ASEAN.

10. In the area of energy efficiency and conservation (EE&C), the Ministers hailed the progress made in the implementation of the ASEAN Standards Harmonisation Initiative for Energy Efficiency (ASEAN-SHINE), including the progress made in developing a regional roadmap for minimum energy performance standards in air conditioners, and mutual recognition agreements for energy performance testing. The Ministers also acknowledged the implementation of ASEAN-Japan Energy Efficiency Partnership Program (AJEEP) and ASEAN-Japan Pilot Project on Energy Efficiency Market Transformation with Information Provision Scheme (AJ-EMTIPS) which support the development of energy efficiency in ASEAN.
11. The Ministers also noted the progress on the cooperative effort to compile ASEAN Energy Intensity Data as well as the initiative to compile data and information on EE&C policies, regulatory frameworks, policy instruments, targets, programmes and action plans through ACE. The Ministers welcomed initiatives from Dialogue Partners/International Organisations, including (i) the regional harmonisation of efficient lighting standards in ASEAN by the UN Environment Programme; (ii) the second Energy Efficient Buildings Workshop in Singapore on 28-29 September 2015, under the auspices of ASEAN-US energy cooperation; (iii) the energy efficiency and climate change mitigation in the land transport sector; and (iv) ASEAN-German energy programme which was supported by GIZ.
12. On activities relating to renewable energy, the Ministers welcomed the initiative under the Renewable Energy Sub-Sector Network (RE-SSN) to further explore the potential of ocean renewable energy in the ASEAN region and to initiate a detailed work plan or roadmap to move ocean renewable energy forward. The Ministers similarly noted the study on the development and harmonisation of standards and codes for solar PV in ASEAN which will help develop the region's PV technology market and strengthen consumer protection.
13. The Ministers welcomed the completion of the study on climate change impacts on hydro power production in ASEAN, which produced a framework and screening tool to help identify climate change vulnerabilities and potential adaptation measures. The Final Ministers noted that this was subsequently tested in two hydropower plants in the Philippines and Viet Nam. The Ministers encouraged other ASEAN Member States to also conduct similar testing on other hydropower infrastructure, to help strengthen the climate and disaster resilience of energy infrastructure in the region.
14. The Ministers commended the ASEAN Regional Energy Policy and Planning Sub-Sector Network (REPP-SSN)'s efforts along with all the sub-sector networks and specialised energy bodies towards the completion of APAEC 2010-2015. In addition, the Ministers noted the adoption of the ASEAN-US Work Plan 2016-2020 and the continued good progress in the ASEAN-IEA energy cooperation. The Ministers welcomed the enhancement of collaboration with international organisations, in particular the International Renewable Energy Agency (IRENA) and the International Atomic Energy Agency (IAEA).
15. The Ministers welcomed the key findings of the 4th ASEAN Energy Outlook (AEO4) which showed that (i) ASEAN's energy intensity would improve over the period 2013-2035 as its energy requirement is expected increase by only 2.7 times while the GDP grows by 3.7 times, and (ii) coal is expected to take over from oil as the major energy source in ASEAN by 2025. In this regard, the Ministers emphasised the need for the implementation of cleaner coal technologies while continuing to tap the potential of renewable energy and enhancing energy efficiency.

16. The Ministers noted the continuing efforts to facilitate information sharing and capacity building for ASEAN Member States considering civilian nuclear energy for power generation as an option to meet their energy needs. The Ministers welcomed the discussions on nuclear energy cooperation with China, Canada, the United States, ROSATOM and the Economic Research Institute for ASEAN and East Asia (ERIA) under the Nuclear Energy Cooperation Sub-Sector Network (NEC-SSN) to support the development of future nuclear cooperation activities. The Ministers welcomed the interest from the International Atomic Energy Agency (IAEA) to work with the ASEAN Senior Officials Meeting for Energy (SOME) and looked forward to establishing collaboration in the areas of nuclear safety.
17. The Ministers also welcomed the efforts of the ASEAN Energy Regulators' Network (AERN) to provide strategic support to the implementation of the action plans of the APG and TAGP projects, including the proposal to establish working groups to support the work of HAPUA on (i) technical and regulatory harmonisation and (ii) legal and commercialisation. The Ministers welcomed AERN's future plans to focus on capacity building activities to enhance the efficiency and effectiveness of energy regulation and to strengthen the network among the regulators. The Ministers agreed that AERN members will work and coordinate closely with the APGCC of HAPUA and ASCOPE on such capacity building.
18. The Ministers were pleased with the ongoing enhancement of ACE, citing the organisation's important role in helping coordinate and implement ASEAN energy cooperation. The Ministers noted that ACE's transformation would focus on the implementation of its Business Plan 2015-2017, which introduces among others a new Final organisational structure, strategy and programmes, external funding, and newly revised internal rules and procedures.

#### **Strategising the ASEAN Plan of Action for Energy Cooperation Post 2015**

19. The Ministers reaffirmed that energy connectivity and market integration play crucial roles in the realisation of the ASEAN Community Vision 2025, which calls for a well-connected, integrated, competitive and resilient ASEAN. The Ministers agreed that the new ASEAN Plan of Action for Energy Cooperation (APAEC 2016-2025), with the strategic theme of "Enhancing energy connectivity and market integration in ASEAN to achieve energy security, accessibility, affordability and sustainability for all", will be the blueprint for ASEAN energy cooperation and integration for the next 10 years and will be implemented in two phases.
20. The Ministers applauded the good work of the APAEC Drafting Committee and adopted the first phase of APAEC 2016-2025 covering the period of 2016-2020 with short to medium-term measures to enhance energy security cooperation and move towards greater connectivity and integration. The APAEC 2016-2025 Phase I builds on the achievements of past APAECs and sharpens cooperation in seven strategic areas, namely in (i) the ASEAN Power Grid by initiating multilateral electricity trade in at least one sub-region in ASEAN; (ii) the Trans-ASEAN Gas Pipeline by enhancing connectivity within ASEAN for energy security and accessibility via pipelines and regasification terminals; (iii) coal and clean coal technologies by enhancing the image of coal in ASEAN; (iv) energy efficiency and conservation by reducing energy intensity in ASEAN; (v) renewable energy by increasing its share in the ASEAN energy mix; (vi) regional policy and planning by greater profiling of the ASEAN energy sector internationally; and (vii) civilian nuclear energy by building capabilities on nuclear energy.

21. The Ministers emphasised the intention to advance clean energy development in ASEAN, including renewable energy, energy efficiency and clean technology applications. The Ministers encouraged the Sub-Sector Networks and the Special Energy Bodies to continue advancing the uptake of clean energy technologies in the region and to strengthen cooperation with dialogue partners and international organisations to achieve robust technology transfer in these areas. The Ministers called for a determined pursuit of the integration of energy infrastructure and markets so that the benefits of sharing the region's indigenous resources, expert human and technical resources, and the resiliency of shared energy systems may be fully realised.

#### **Propagating Best Practices in the Region through Energy Awards**

22. The Ministers congratulated the 55 awardees of the annual ASEAN Energy Awards recognised in five categories for best practices in (i) energy efficient building; (ii) energy management for building and industries; (iii) green building; (iv) renewable energy project; and (v) excellence in energy management by individual.

23. The Ministers also congratulated 18 awardees of the biennial ASEAN Coal Awards for best practices in six categories of (i) surface coal mining; (ii) clean coal use Final and technology in power generation; (iii) clean coal use and technology in industry; (iv) coal distribution; (v) corporate social responsibility; and (vi) special submission for innovative application and use of coal.

24. The Ministers commended the Sub-Sector Networks (RE-SSN, EE&C-SSN, AFOC) and ACE for this year's successful ASEAN Energy Awards 2015. The Awards help to engage the private sector in the promotion and development of renewable energies, energy efficiency and conservation, as well as encourage the uptake of clean coal technologies and responsible coal resource development in the region.

#### **34th AMEM**

25. The Ministers expressed their sincere appreciation to the Government and people of Malaysia for the warm hospitality accorded to the delegations and the excellent arrangements made for the 33<sup>rd</sup> AMEM and associated meetings.

26. The Ministers agreed to convene the 34<sup>th</sup> AMEM in the third week of September 2016 in Myanmar.

## **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. Dr. Ith Praing**, Secretary of State of the Ministry of Mines and Energy of Cambodia;
3. **Mr. Jarman, Jr., MSc.**, Director General of Electricity of the Ministry of Energy and Mineral Resources, representing H.E. Mr. Sudirman Said, Minister of Energy and Mineral Resources of Indonesia;
4. **Hon. Dr. Khammany Inthirath**, Minister of Energy and Mines of Lao PDR;
5. **H.E. Datuk Seri Panglima Dr. Maximus Johnity Ongkili**, Minister of Energy, Green Technology and Water of Malaysia;
6. **H.E. U Zay Yar Aung**, Union Minister for Energy of Myanmar;
7. **H.E. Mdm. Zenaída Y. Monsada**, Officer-in-Charge, Department of Energy of the Philippines;
8. **H.E. Mr. S. Iswaran**, Minister for Trade and Industry (Industry) of Singapore;
9. **H.E. General Anantaporn Kanjanarat**, Minister of Energy of Thailand;
10. **H.E. Mr. Hoang Quoc Vuong**, Deputy Minister of Industry and Trade of the Socialist Republic of Viet Nam; and
11. **H.E. Mr. Lim Hong Hin**, Deputy Secretary General of ASEAN for ASEAN Economic Community.