

# 2015 JOINT MINISTERIAL STATEMENT OF THE 12<sup>TH</sup> ASEAN+3 (CHINA, JAPAN AND KOREA) MINISTERS ON ENERGY MEETING

*Issued in Kuala Lumpur, Malaysia on 8 October 2015*

## Introduction

1. The 12<sup>th</sup> ASEAN+3 (China, Japan and Korea) Ministers on Energy Meeting (AMEM+3) was held in Kuala Lumpur, Malaysia on 8 October 2015. The Meeting was chaired by H.E. Datuk Seri Panglima Dr. Maximus Johnity Ongkili, Minister of Energy, Green Technology and Water (MEGTW) of Malaysia and co-chaired by H.E. Mr. Zhang Yuqing, Deputy Administrator of National Energy Administration (NEA) of China, Mr. Hirohide Hirai, Director-General for International Energy and Technology Cooperation, Ministry of Economy, Trade and Industry of Japan, representing H.E. Motoo Hayashi, Minister of Economy, Trade and Industry (METI) of Japan; and H.E. Mr. Chung Yang Ho, Deputy Minister for Trade, Industry and Energy (MOTIE) of the Republic of Korea. The Meeting was also attended by the Ministers of Energy of Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Myanmar, the Philippines, Singapore, Thailand and Vietnam.
2. The Ministers affirmed the need to achieve energy security with economic efficiency and environmental sustainability. The Ministers recognised the importance of developing high quality energy infrastructure, bearing in mind the lifecycle costs, environmental impacts and safety aspects of projects. The Ministers affirmed the importance of ASEAN+3 cooperation towards energy sustainability in the region.
3. The Ministers noted the endorsement of the ASEAN Plan of Action for Energy Cooperation (APAEC) 2016-2025 at the 33<sup>rd</sup> AMEM and acknowledged that enhancing energy connectivity and market integration would contribute towards achieving energy security, accessibility and sustainability for the region. In this regard, the Ministers underlined their commitment to support ASEAN in its implementation of the APAEC through various activities, such as capacity building, knowledge sharing and information exchange amongst countries.

## Energy Security

4. The Ministers welcomed the steady progress of cooperation and collaboration in sharing best practices and policy development relating to energy security for the region, on oil, coal, liquefied natural gas (LNG) and civilian nuclear energy, amongst others. 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 cooperation. The Ministers noted the 12<sup>th</sup> ASEAN+3 Energy Security Forum held on 19 May 2015 in Jakarta, Indonesia and emphasised the importance of the energy security forum in ASEAN+3 energy cooperation as a platform to strengthen energy security and sustainable development within the region.
5. The Ministers encouraged the ASEAN+3 countries to continue to share information which are helpful references in identifying and developing policy options to ensure energy sustainability in the region.
6. On oil stockpiling, the Ministers appreciated the efforts of Oil Stockpiling Road Map (OSRM) Secretariat: ASEAN Centre for Energy (ACE) and Japan Oil, Gas and Metals National Corporation (JOGMEC), for organising the 3<sup>rd</sup> Workshop of OSRM for ASEAN+3 held on 18 May 2015 in Jakarta, Indonesia which was hosted by the Ministry of Energy and Mineral Resources (MEMR) of Indonesia with support from the Institute of Energy Economics, Japan (IEEJ). The Ministers also

appreciated Japan for organising the Energy Security on Oil Capacity Building Programme for Director General Level held on 15-19 June 2015 in Tokyo, Japan, in which the participants exchanged information and discussed current issues and the directions of future cooperation, amongst others, on Japan's petroleum policies and emergency response measures.

7. As the way forward, the Ministers welcomed the follow-up activities for 2015-2016, namely: (a) to 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) to conduct a detailed assessment of the oil stockpiling situation in ASEAN Member States (AMS) through meeting/discussion with respective officials in each country for on-site data; (c) to develop guidelines for the development of oil stockpiling at national level through a joint study; (d) to conduct joint study with ASEAN Council on Petroleum (ASCOPE) on impact of OSRM on ASEAN Petroleum Security Agreement (APSA); and (e) to implement the Energy Security on Oil Capacity Building Programme for ASEAN for Director Level. The Ministers noted the conduct of on-site data collection and discussion in the AMS, and looked forward to the progress report at the next Meeting.
8. Recognising that coal continues to be a major fuel source in the region, the Ministers reiterated their collective call to step up efforts to develop partnership programmes, continue public financial support for new coal-fired power plants, promote policies for clean coal technologies (CCT) including high efficiency coal-fired power generation, which will contribute to energy security and the reduction of GHG emissions, the upgrading of low rank coal technologies, and coal gasification/liquefaction, and develop of 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 support and promote positive collaboration on CCT and enhance public perception on it. In this regard, the Ministers reiterated their collective call to the +3 countries to deepen cooperation with ASEAN through knowledge transfer in clean coal and carbon mitigation technologies which can both significantly address both the increase in electricity demand and the need to reduce GHG emissions.
9. The Ministers supported the safe and efficient development of nuclear power in AMS. As a clean energy resource which functions as a base load power source, the Ministers recognised the importance of nuclear power in advancing energy security and sustainable economic growth as well as in developing diversified energy strategies, addressing the increase of electricity demand and reducing GHG emissions. The Ministers encouraged ASEAN+3 to exchange their experience and best practices, to pursue practical cooperation including in improving nuclear safety performance and coordinating emergency response and preparedness mechanisms, and to help AMS to develop nuclear power, under the precondition of commitment to safety, security and nonproliferation.
10. The Ministers expressed appreciation to China for organising the 1<sup>st</sup> ASEAN-China Capacity Building on Civilian Nuclear Energy held on 1-7 June 2015 in Shenzhen, China and noted the agreement signed between the ACE and China General Nuclear Power Corporation (CGN) to implement the activities under the AMEM+3/SOME+3 Work Programme in the area of capacity building on nuclear energy. The Ministers welcomed the continuous capacity building activities on nuclear non-proliferation and nuclear security tapping on the expertise of Japan Atomic Energy Agency (JAEA)'s Integrated Support Center for Nuclear Nonproliferation and Nuclear Security (ISCN). The Ministers noted the successful convening of the ACE-JAEA Seminar on Nuclear Security Culture held on 16-17 March 2015 in Da Lat, Vietnam. The Ministers welcomed continuous cooperation for capacity building between ACE and JAEA in the region.

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

11. Recognising the current global and the ASEAN+3 oil and natural gas markets, the Ministers encouraged the ASEAN+3 countries to continue sharing and exchanging information on policy updates, best practices, experiences, technologies on oil and gas exploration and production, human resource development, and challenges and opportunities. The Ministers emphasised the necessity for continued investment in oil and gas development and production for stable and competitively priced supply in future. Given the increasing gas demand and changing gas flow in the region, the Ministers noted the importance of enhancing gas security and promoting flexible LNG markets.
12. The Ministers expressed appreciation to Thailand for organising the 4<sup>th</sup> Oil Market and Natural Gas Forum and the 4<sup>th</sup> ASEAN+3 Oil Market and Natural Gas Business Dialogue on 5-6 February 2015 in Bangkok, Thailand. The Ministers welcomed the recommendation of the Forum and Business Dialogue to further study the benefits of relaxation of destination clauses in LNG transaction and gas market reform and competitiveness.

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

13. The Ministers acknowledged the potential of renewable energy, especially hydropower generation which will continue to remain a cost effective supply of electricity in the region in the long-term, in addressing energy security and environmental sustainability. The Ministers acknowledged the progress of the ASEAN+3 Mitigation Cooperation Programme, such as capacity building on energy efficiency standards and labeling (EE S&L), policy consultation to develop an action plan for EE S&L, participation of Member States in the Energy Korea 2014 - International Energy Forum, and 2015 Mitigation Capacity Building. The Ministers welcomed- the ASEAN+3 Mitigation Cooperation Work Programme 2015-2016 and looked forward to a progress update at the next Meeting. The Ministers thanked the Republic of Korea for leading the New and Renewable Energy and Energy Efficiency and Conservation Forum.
14. The Ministers also noted the progress of the ASEAN-Japan Energy Efficiency Partnership Programme (AJEEP), including ECAP (Energy Conservation Workshop under AJEEP) and Energy Efficiency Market Transformation with Information Provision Scheme (EMTIPS) coordinated by Energy Conservation Center, Japan (ECCJ) and ACE. The Ministers further affirmed the importance of continued implementation of these programmes for sustainable energy development in the region.
15. The Ministers expressed appreciation to Japan for organising the Roundtable Discussion on Smart Grids and Smart Community on 10-11 March 2015 in Tokyo, Japan. The Ministers noted the key points in promoting the smart community and grid, amongst others, identification of costs and benefits, necessity of making government-led model projects that are commercially viable and sustainable, development of clear policy, roadmap and national strategy by governments, and necessity to balance conventional power generation and smart grids with renewables to ensure stable electricity systems.
16. The Ministers recognised the importance of fostering innovative solutions and encouraged the ASEAN+3 countries to continue and initiate information sharing, capacity building and site visits to smart grid/community projects, policy/economic analysis and modeling on renewable energy (RE), business model for energy service companies (ESCO), and waste-to-energy systems.

## **New Initiatives**

17. The Ministers encouraged the Republic of Korea to continue the implementation of the Renewable Energy and Energy Storage System (RE+ESS) initiative to promote the efficient use and stable supply of energy using renewable resources through developing and deployment of ESS technologies. The Ministers also welcomed the new proposal of Korea on “Improvement of Energy Safety Management System”, and looked forward to the progress report at the next Meeting.
18. The Ministers encouraged China to continue to implement the proposed New Energy Sustainable Development Initiative, consisting of: i) China-ASEAN Nuclear Power Capacity Building Programme; 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.

## **Next Meeting**

19. The Ministers consented to meet again in Myanmar tentatively in the 3rd week of September 2016 for the 13<sup>th</sup> ASEAN+3 Ministers on Energy Meeting.
20. The delegation of ASEAN+3 Countries, the ASEAN Secretariat and the ACE expressed their appreciation to the Government and People of Malaysia for the warm hospitality and the excellent arrangements made for the 12<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. Dr. Ith Praing**, Secretary of State of the Ministry of Mines and Energy of Cambodia;
- c) **H.E. Mr. Zhang Yuqing**, Deputy Administrator of National Energy Administration of China;
- d) **Mr. Jarman, Jr., MSc.**, Director General of Electricity, Ministry of Energy and Mineral Resources of Indonesia, representing H.E. Mr. Sudirman Said, Minister of Energy and Mineral Resources of Indonesia;
- e) **Mr. Hirohide Hirai**, Director-General for International Energy and Technology Cooperation, Ministry of Economy, Trade and Industry of Japan, representing H.E. Motoo Hayashi, Minister of Economy, Trade and Industry of Japan;
- f) **H.E. Mr. Chung Yang Ho**, Deputy Minister for Trade, Industry and Energy of the Republic of Korea; g) **Hon. Dr. Khammany Inthirath**, Minister of Energy and Mines of Lao PDR;
- g) **H.E. Datuk Seri Panglima Dr. Maximus Johnity Ongkili**, Minister of Energy, Green Technology and Water of Malaysia;
- h) **H.E. U Zay Yar Aung**, Union Minister for Energy of Myanmar;
- i) **H.E. Mdm. Zenaida Y. Monsada**, Officer-in-Charge, Secretary of Department of Energy of the Philippines;
- j) **H.E. Mr. S. Iswaran**, Minister for Trade and Industry (Industry) of Singapore;
- k) **H.E. General Anantaporn Kanjanarat**, Minister of Energy of Thailand;
- l) **H.E. Mr. Hoang Quoc Vuong**, Deputy Minister of Industry and Trade of Viet Nam; and
- m) **H.E. Mr. Lim Hong Hin**, Deputy Secretary General of ASEAN for ASEAN Economic Community.