# 2016 JOINT MINISTERIAL STATEMENT OF THE 13<sup>TH</sup> ASEAN+3 (CHINA, JAPAN AND KOREA) MINISTERS ON ENERGY MEETING

Issued in Nay Pyi Taw, Myanmar on 22 September 2016

## Introduction

- 1. The 13<sup>th</sup> ASEAN+3 (China, Japan and Korea) Ministers on Energy Meeting (AMEM+3) was held in Nay Pyi Taw, Myanmar on 22 September 2016. The Meeting was chaired by H.E. Dr. Tun Naing, Deputy Minister of Electricity and Energy of Myanmar and co-chaired by H.E. Mr.Li Fanrong, Deputy Administrator of National Energy Administration (NEA) of China, H.E. Mr. Toshinao Nakagawa, Parliamentary Vice-Minister of Economy, Trade and Industry (METI) of Japan; and H.E. Jang Young Jin, Director General, Ministry 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, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. The Deputy Secretary-General of ASEAN for ASEAN Economic Community was also in attendance.
- 2. Considering global and regional challenges such as volatile oil prices, the geopolitical uncertainties in the Middle East and its implications on energy security and adverse impacts of climate change, the Ministers affirmed the need to achieve energy security with economic efficiency and environmental sustainability on the premise of safety. 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 amidst developments.
- 3. The Ministers noted the progress and priorities of the ASEAN Plan of Action for Energy Cooperation (APAEC) 2016-2025 at the 34<sup>th</sup> AMEM and re-affirmed that enhancing energy connectivity and market integration would contribute towards achieving energy security, accessibility, affordability and sustainability for the region. In this regard, the Ministers reiterated their commitment to support ASEAN in the implementation of the APAEC through various activities, such as capacity building, knowledge sharing and information exchange amongst member 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, natural gas 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 achievements and priorities of the 13<sup>th</sup> ASEAN+3 Energy Security Forum held on 21 June 2016 in Vientiane, Lao PDR and emphasised the importance of the Energy Security Forum in ASEAN+3 energy cooperation as a platform to consolidate initiatives in energy security and sustainable development within the region.
- 5. On oil stockpiling, the Ministers noted the progress and priorities of the 4<sup>th</sup> ASEAN+3 OSRM Workshop held on 20 June 2016 in Vientiane, Lao PDR hosted by the Ministry of Energy and Mines (MEM) and jointly organised by JOGMEC and ACE. The Ministers also noted the Energy Security on Oil Capacity Building Programme held on 1-4 August 2016 in Tokyo, Japan. 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. The Ministers further noted the JOGMEC's initiative to develop guidelines for the development of oil stockpiling in Cambodia.

- The Ministers noted the efforts to continue the activities on Oil Stockpiling Roadmap (OSRM) for 2016-2017 such as explore further research as may be required by AMS and capacity building programme by JOGMEC.
- 7. 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 the industry in the region. The Ministers encouraged the plus three (+3) countries to participate in the activities of the ASEAN Forum on Coal (AFOC) in order to support and promote positive collaboration on CCT. In this regard, the Ministers reiterated their collective call to the plus three (+3) countries to have tangible engagement with AFOC through knowledge transfer in clean coal and carbon mitigation technologies which can significantly address both the increase in electricity demand and the need to reduce GHG emissions.
- 8. The Ministers supported the safe and efficient development of civilian nuclear power in ASEAN Member States (AMS). As a clean energy resource which functions as a base load power source, the Ministers recognised the importance of civilian nuclear power in advancing energy security and sustainable economic growth as well as in developing diversified energy strategies, addressing the increase in electricity demand and reducing GHG emissions. The Ministers of the plus three countries expressed willingness to share their experiences and best practices to develop civilian nuclear power under the precondition of commitment to safety, security, and non-proliferation and to pursue practical cooperation.
- 9. The Ministers acknowledged the continuous support in capacity building activities on nuclear non-proliferation and nuclear security tapping on the expertise of Japan Atomic Energy Agency's (JAEA) Integrated Support Center for Nuclear Non-Proliferation and Nuclear Security (ISCN). The Ministers noted that the Workshop/Forum on Nuclear Security Framework will be planned by ACE, JAEA and NEC-SSN in March 2017.
- 10. The Ministers welcomed the initiative of Korea on Energy Safety Management System which aims to provide comprehensive solutions to establish an efficient energy safety management system and implement the development of energy safety technologies. The Ministers noted the effort of Korea to organise the 1st Energy Safety Policy Forum held on 7 April 2016 in Incheon, Korea. The Ministers also noted Korea's effort to organise the 2nd Energy Safety Policy Forum in 2017 and looked forward to the report on its key outcomes at the next Meeting. The Ministers took note of the establishment of a local office in Jakarta to implement the project.
- 11. The Ministers noted the ASEAN-China Capacity Building on Civilian Nuclear Energy by China General Nuclear Power Group (CGN) on 21-28 November 2016. The Ministers also noted China's initiative to promote China-ASEAN Clean Energy Capacity Building Programme. Under this framework, taking into consideration various demand from different countries to foster the clean energy in ASEAN, China will continue capacity building programmes such as nuclear training programme in 2017 and cooperate with ASEAN government agencies and energy research institutions in the fields of interconnectivity and joint planning. The Ministers looked forward to the progress of the programme at the next Meeting.

#### Oil Market and Natural Gas Forum and Business Dialogue

- 12. Noting the developments in 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 natural gas exploration and production, human resource development, and challenges and opportunities. The Ministers emphasised the necessity for continued investment in oil and natural gas development and production for stable and competitively priced supply in future. Given the increasing and changing demand trends of natural gas in the region, the Ministers underscored the importance of enhancing regional connectivity through the promotion of transparent and competitive gas markets.
- 13. Acknowledging that promoting the utilisation of natural gas is beneficial for tackling climate change and securing energy security and it also stimulates related investment and creates growth opportunity in the region, the Ministers shared the need to enhance the environment where natural gas, inter alia LNG, is produced and supplied affordably and stably. To this end, the Ministers noted the importance of: i) more flexible and transparent gas market in Asia and the enhancement of its tradability; ii) facilitating investment in related infrastructure and equipment such as upstream, regasification and pipelines; and iii) promoting new natural gas demand such as LNG bunkering and gas cogeneration.
- 14. The Ministers expressed appreciation to Vietnam for organising the 5<sup>th</sup> Oil Market and Natural Gas Forum and the 5<sup>th</sup> ASEAN+3 Oil Market and Natural Gas Business Dialogue on 29-31 March 2016 in Ho Chi Minh City. The Ministers welcomed the recommendation of the Forum and Business Dialogue to further study the benefits of relaxed destination clauses in LNG transaction and gas market reform and competitiveness.

#### Renewable Energy and Energy Efficiency and Conservation

- 15. The Ministers acknowledged the progress and priorities of the 12<sup>th</sup> ASEAN+3 NRE and EE&C Forum held on 29<sup>th</sup> January 2016 in Osaka, Japan. The Ministers noted the discussions on policies and programmes to enhance the further deployment of renewable energy and sustained promotion of energy efficiency and conservation in the ASEAN+3 region. The Ministers welcomed the ASEAN+3 Work Programme 2016-2017 and looked forward to a progress update at the next Forum.
- 16. The Ministers welcomed the continued support of Korea towards building capacity in ASEAN, through the ASEAN+3 Mitigation Cooperation Programme, including the establishment of the Action Plan for Energy Efficiency Standards and Labelling (EE S&L) and Minimum Energy Performance Standards (MEPS) for refrigerators in Cambodia, GHG Mitigation Capacity Building focusing on sharing the policies and programmes, and the current status and future plan for obtaining technology development and best practices.
- 17. The Ministers acknowledged the progress of Japan's cooperation programme on energy efficiency and conservation which are 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 welcomed the Japan's new approach on customising further cooperation of ASEAN's energy efficiency and conservation.

18. The Ministers acknowledged the importance of fostering innovative solutions and encouraged the ASEAN+3 countries to continue information sharing, capacity building and site visits on smart grid/community projects, policy/economic analysis and modelling on renewable energy, business models for energy service companies (ESCO), and waste-to-energy systems.

### **Next Meeting**

- 19. The Ministers agreed to meet again in September 2017 in the Philippines for the 14<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 Myanmar for the warm hospitality and the excellent arrangements made for the 13<sup>th</sup> ASEAN+3 Ministers on Energy Meeting.

#### LIST OF MINISTERS

- 1. **H.E. Dato Hamdan Abu Bakar**, Deputy Minister at the Prime Minister's Office of Brunei Darussalam;
- 2. H.E. Mr. Suy Sem, Minister of Mines and Energy of Cambodia;
- 3. H.E. Mr. Li Fanrong, Deputy Administrator, National Energy Administration of China;
- 4. **Mr. Jarman, Ir., MSc.**, Director General of Electricity of the Ministry of Energy and Mineral Resources, representing the Minister of Energy and Mineral Resources of Indonesia;
- 5. **H.E. Mr. Toshinao Nakagawa**, Parliamentary Vice-Minister, The Ministry of Economy, Trade and Industry of Japan;
- 6. **Mr. Jang Young Jin**, Director General, Ministry of Trade, Industry and Energy representing H.E. **Mr. Hee-Bong Chae**, Minister of Trade, Industry and Energy of the Republic of Korea;
- 7. H.E. Mr. Viraphonh Viravong, Vice Minister of Energy and Mines of Lao PDR;
- 8. **Hon. Datuk Seri Panglima Dr. Maximus Johnity Ongkili**, Minister of Energy, Green Technology and Water of Malaysia;
- 9. **H.E. Dr. Tun Naing**, Deputy Minister of Electricity and Energy of Myanmar;
- 10. H.E. Mr. Alfonso G. Cusi, Secretary of Department of Energy of the Philippines;
- 11. H.E. Ms. Sim Ann, Senior Minister of State, Ministry of Trade and Industry of Singapore;
- 12. H.E. General Anantaporn Kanjanarat, Minister of Energy of Thailand;
- 13. **H.E. Dr. Cao Quoc Hung**, Vice Minister of Industry and Trade of the Socialist Republic of Viet Nam; and
- 14. H.E. Dr. Lim Hong Hin, Deputy Secretary General of ASEAN for ASEAN Economic Community.