

JOINT MINISTERIAL STATEMENT

4TH ASEAN +3 (China, Japan and Korea) Ministers on Energy Meeting
Singapore, 23 August 2007

1. The 4th ASEAN +3 (China, Japan and Korea) Ministers on Energy Meeting (AMEM+3) was held in Singapore on 23 August 2007. The Meeting was chaired by H.E. S Iswaran, Minister of State for Trade and Industry, Singapore and co-chaired by the Ministers from China, Mr. Zhao Xiaoping, Director General of the Energy Bureau, National Development and Reform Commission; Japan, H.E. Akira Amari, Minister of Economy, Trade and Industry; and Korea, H.E. Koh Jung-Sik, Deputy Minister, Ministry of Commerce, Industry and Energy. The Meeting was attended by the Ministers on Energy from ASEAN Member Countries.
2. On the occasion of the 10th Anniversary of the ASEAN+3 cooperation this year, the Ministers noted with appreciation the significant achievements gained so far in strengthening and furthering the cooperation of ASEAN + 3 Countries on energy under the five program areas identified – energy security, oil market, oil stockpiling, natural gas and renewable energy and energy efficiency and conservation.
3. The Ministers reaffirmed their commitment to ensure energy security in the region, realizing the prevailing situation of instability of energy prices, limited reserves of fossil fuels and growing concern on the environment.
4. As an oil-importing region, the Ministers expressed their concern about the increasing dependence on oil as well as the high and volatile oil prices. The Ministers recognized the need to strengthen the emergency preparedness and participate in measures to manage the risks and consequences of short-term energy supply disruptions. In this context, the Ministers welcomed the progress towards the development of oil stockpiles among ASEAN+3 countries as a possible approach to mitigate the adverse impact of a supply disruption. The Ministers expressed hope that ASEAN+3 Countries would, where possible, share information on the progress of their respective oil stockpiling policies and methods/systems to enhance regional security.
5. The Ministers agreed to continue discussions between ASEAN + 3 and the oil producing countries, to promote mutual understanding of the oil markets in a bid to encourage freer trade of oil. In this context, the Ministers welcomed the outcome of the 2nd Asian Ministerial Energy Roundtable Meeting in Riyadh on 2 May 2007. Noting the importance of market transparency, the Ministers recognized the Joint Oil Data Initiative (JODI) as an international initiative that addresses investor uncertainty, contributes towards global harmonization of energy data, and strengthens producer and consumer dialogue by demonstrating concrete action.
6. The Ministers recognized that improving energy efficiency is one of the most cost-effective ways to enhance energy security and address climate change in the region. They agreed to improve energy efficiency, where possible, in all sectors, such as the industrial, transport, residential/commercial and power sectors, through setting individual goals and formulating action plans for improving energy efficiency.

The Ministers recognized that these goals and action plans would be voluntary, acknowledging the varying levels of development among ASEAN + 3 countries. They also acknowledged that the ASEAN Energy Awards Competition was well received and encouraged the ASEAN Centre for Energy to further expand and promote the competition. They welcomed the launch of the Asia Energy Conservation Collaboration Centre in Japan.

7. The Ministers recognized that with increasing economic growth, the region's demand for oil will continue to increase, especially in the transport sector. To meet the growth in the transportation sector while taking into account environmental considerations, the Ministers agreed to pursue efforts to encourage investments in the upgrade of refineries so that sufficient supplies of clean liquid fuels would be made available both in domestic and regional markets.
8. The Ministers welcomed the positive developments in the use of renewable energy. In particular, the Ministers acknowledged the initiatives of countries to develop, produce and utilize biofuels in a sustainable manner, addressing issues such as competition between biofuel feedstock with food crop, environmental impact, investments, downstream market development as well as social awareness.
9. As a region where there are both major gas producers and consumers, the Ministers acknowledged their mutual dependence with regard to natural gas. The Ministers agreed that discussions on natural gas issues should be in an atmosphere of transparency and on a win-win basis, mutual trust and respect so as to ensure an open, efficient and transparent investment climate. This would ensure that the ASEAN + 3 as a region would be able to enjoy the benefits of regional gas trade while providing for domestic requirements.
10. The Ministers encouraged gas producing countries to further exploit resources and develop the gas infrastructure and gas supply industry. The Ministers also encouraged countries with huge capital to explore possibilities of joint ventures with the gas producing countries to carry out exploration and production activities both in small and large scale reserves.
11. The Ministers requested the ASEAN Centre for Energy (ACE) and the ASEAN Council on Petroleum (ASCOPE) with assistance from ASEAN + 3 countries to prepare a compendium of the natural gas (Coal Bed Methane) industry which will provide vital information on doing business in the natural gas (Coal Bed Methane) industry in the ASEAN +3 region, including among others, incentives, policies, business processes and detailed map of resources.
12. The Ministers recognized that coal will play an important role in the regional energy supply and that the clean use of coal is essential for achieving both energy security and environmental protection. The Ministers supported the activities of the ASEAN Forum on Coal to discuss coal-related issues, efficient use of coal including clean coal technologies, coal trade and regulation and environmental concern in coal use. The Ministers also welcomed the Japan's initiative to establish Coal Liquefaction Assistance Centre in Indonesia for promoting the early commercialization.
13. The Ministers acknowledged the efforts of countries to explore civilian nuclear energy as an alternative energy source to address the energy needs and to also

mitigate greenhouse effects in the longer term. The Ministers encouraged to open more dialogues and discuss the more viable nuclear technologies and exchange information on the development of nuclear energy as a sustainable and safe option.

LIST OF MINISTERS

- a) **H.E. Pehin Dato Haji Yahya**, Minister of Energy, Prime Minister's Office for Brunei Darussalam;
- b) **H.E. Mr. Suy Sem**, Minister of Industry, Mines and Energy for Cambodia;
- c) **Mr. Zhao Xiaoping**, Director General of the Energy Bureau, National Development and Reform Commission, representing **H. E Chen Deming**, Vice Chairman, National Development and Reform Commission, for China;
- d) **H.E. Dr. Purnomo Yusgiantoro**, Minister of Energy and Mineral Resources for Indonesia;
- e) **H.E. Akira Amari**, Minister of Economy, Trade and Industry for Japan;
- f) **H.E. Koh Jung-Sik**, Deputy Minister, Ministry of Commerce, Industry and Energy for Korea;
- g) **H.E. Dr. Bosaykham Vongdara**, Minister of Energy and Mines for Lao PDR;
- h) **H.E. Dato' Sri Dr. Lim Keng Yaik**, Minister of Energy, Water and Communications for Malaysia;
- i) **H.E. Brig. Gen. Lun Thi**, Minister of Energy for Myanmar;
- j) **H.E. Mr. Angelo T. Reyes**, Secretary of Energy for the Philippines;
- k) **H.E. Mr. S Iswaran**, Minister of State for Trade and Industry for Singapore;
- l) **H.E. Dr. Piyasvasti Amranand**, Minister of Energy for Thailand;
- m) **H.E. Mr. Le Duong Quang**, Vice Minister of Industry for Viet Nam; and
- n) **H.E. Mr. Nicholas T. Dammen**, Deputy Secretary-General of ASEAN;

**JOINT MINISTERIAL STATEMENT
FIRST EAS ENERGY MINISTERS MEETING
SINGAPORE, 23 AUGUST 2007**

1. The 1st EAS Energy Ministers' Meeting (EMM1) was held on 23 August 2007 in Singapore. The Meeting was chaired by H.E. S Iswaran, Minister of State for Trade and Industry of the Republic of Singapore and co-chaired by H.E. Akira Amari, Minister of Economy, Trade and Industry of Japan. The Meeting was also attended by the Ministers Responsible for Energy from the ASEAN Member Countries, Australia, People's Republic of China, Republic of India, Republic of Korea and New Zealand.

2. The Ministers shared the views of the Leaders that the EAS is an important component of the emerging regional architecture, and the Ministers affirmed that the EAS complements other existing regional mechanisms, such as the ASEAN Dialogue Partners, the ASEAN+3 and the Asia-Pacific Economic Cooperation (APEC) processes, in community building efforts.

3. Recognising the Leaders' emphasis on the "shared goal of ensuring affordable energy sources for development" in the East Asia region, as articulated in the Cebu Declaration on East Asian Energy Security and adopted at the 2nd EAS on 15 January 2007 in Cebu, the Philippines, and the urgent need to address climate change, the Ministers deliberated on the key energy concerns and strategies for the early realisation of the goals set by the Leaders.

4. The Ministers acknowledged and took a cue from the Cebu Declaration on East Asian Energy Security to work closely to enhance energy security for the region. The goal of this is to ensure the supply of reliable, adequate and affordable energy for sustainable economic growth and to enhance competitiveness. The Ministers, thereby, agreed to push forward the Cebu Declaration and produce concrete results through greater cooperation and coordination of measures and activities. The Ministers welcomed Japan's Cooperation Initiative for Clean Energy and Sustainable Growth and Japan's energy cooperation package that focuses on promoting energy efficiency, biomass and utilisation of clean coal.

5. The Ministers acknowledged the formation of the East Asia Summit (EAS) Energy Cooperation Task Force (ECTF) on 1 March 2007, to follow up on the outcome of the 2nd EAS. The work of the EAS ECTF shall be based on existing ASEAN energy sectoral mechanisms where possible. The Ministers noted with appreciation that EAS Countries had taken turns to host the EAS ECTF Meetings, and that since its establishment, the EAS ECTF had met on five occasions to work towards forging closer energy cooperation and establishing critical links among EAS Countries.

6. The Ministers commended the work undertaken by the EAS ECTF to successfully identify three energy cooperation work streams – namely, energy efficiency and conservation (EE&C), energy market integration, and bio-fuels for transport and other purposes – as a starting point to focus their efforts and to work towards the goal of affordable, secured and sustainable energy at all economic

levels.

7. The Ministers affirmed the importance of cooperation among the EAS Countries to advance measures on EE&C, the development of open and competitive energy markets, and renewable and alternative energy sources, to meet the goals set by the Leaders.

8. In recognition that improving energy efficiency and conservation is one of the most cost-effective ways of enhancing energy security and addressing climate change, the Ministers supported the EAS ECTF's recommendations to promote EE&C, and agreed to undertake concrete actions to implement them, including to formulate, on a voluntary basis, individual, quantitative, and where possible, sector specific energy efficiency goals and action plans and to present a preliminary report at the EAS EMM2 in 2008, with a view to presenting the first goals and action plans at the EAS EMM3 in 2009. The Ministers also agreed to monitor each country's progress towards its energy efficiency goals. The Ministers further noted the on-going work on the "EAS Energy Outlook" by the Economic Research Institute for ASEAN and East Asia (ERIA). The Ministers also welcomed the launch of the Asia Energy Conservation Collaboration Centre in Japan.

9. Given that the EAS region is both a major energy consumer and producer, and that EAS Countries are located within a well-defined geographical region, the Ministers recognised that there is significant scope for increasing intra-EAS energy trade and investments. The Ministers encouraged the establishment of efficient, transparent, reliable and flexible energy markets, which will help to provide affordable, secure and clean energy supplies for the region. The Ministers recognised the importance of addressing impediments to the efficient functioning of markets. The Ministers supported the EAS ECTF work plan to promote better understanding of integrated and liberalised energy markets, and to launch a study to examine the state of energy markets in the EAS region, identify trade and non-trade barriers (NTBs), and investment barriers, and recommend policies and measures to develop an integrated EAS energy market. The Ministers also recognised the importance of transit issues for the energy market integration in the EAS region.

10. In light of increasing international demands for imported oil and the need to address greenhouse gas emission, the Ministers acknowledged that bio-fuels have great potential in addressing some of the energy security concerns in the EAS region. However, the production of bio-fuels may have adverse environmental impacts if not applied in a sustainable manner. In this regard, the Ministers acknowledged the importance of integrating considerations for sustainable development in the life cycles of biofuels, including the production, utilisation, quality testing and trading of biofuels. The Ministers also acknowledged the need for preservation of valuable ecosystems.

11. The Ministers agreed to formulate principles for production and promotion of environmentally and socially sustainable bio-fuels in the region. The Ministers also support cooperation in developing benchmarks for bio-fuels in engines and other equipment utilising bio-fuels, which countries can refer to when developing national standards. The Ministers also noted the role to be played by the ERIA in this area. The Ministers instructed the EAS ECTF to undertake further work on this proposal. The Ministers agreed to explore the possibility of cooperation in new technologies on bio-fuels. The Ministers welcomed the establishment of Asia Biomass Energy Research Core and

Asia Biomass Energy Cooperation Promotion Office in Japan.

12. The Ministers recognised the importance of eradicating energy poverty in East Asia. In this regard, the Ministers urged cooperation in the region to improve access to affordable energy.

13. Recognising that the three energy cooperation work streams are a starting point for EAS energy cooperation, the Ministers encourage the EAS ECTF to deliberate and report to them in 2008 on how to progressively address the broader range of goals and measures as articulated in the Cebu Declaration on East Asia Energy Security.

14. The Ministers reaffirmed that mitigating greenhouse gas emissions, thereby contributing to global climate change abatement, is also an important goal set by the Leaders. The Ministers urged further cooperation in the region in this area, and where appropriate, in relation to the measures being considered under the three energy cooperation work streams.

15. The Ministers were pleased with the progress made in fostering closer energy cooperation among EAS countries by the EAS ECTF since its formation, and re-affirm the need to entrench regional dialogue on energy security through the EAS ECTF as well as the EAS EMM in order to foster even closer energy cooperation in the region. The Ministers look forward to reviewing the progress made by the EAS ECTF when the Ministers next meet at the EAS EMM2 in Thailand in 2008.

List of Ministers

- a) **H.E. Robert Baldwin**, Parliamentary Secretary to the Minister for Industry, Tourism and Resources for Australia;
- b) **H.E Pehin Dato Haji Yahya**, Minister of Energy, Prime Minister's Office for Brunei Darussalam;
- c) **H.E. Mr. Suy Sem**, Minister of Industry, Mines and Energy for Cambodia;
- d) **Mr. Zhao Xiaoping**, Director General of the Energy Bureau, National Development and Reform Commission, representing **H. E Chen Deming**, Vice Chairman, National Development and Reform Commission, for China;
- e) **Mr. S Srinivasan**, Secretary, Ministry of Petroleum and Natural Gas for India;
- f) **H.E. Dr. Purnomo Yusgiantoro**, Minister of Energy and Mineral Resources for Indonesia;
- g) **H.E. Akira Amari**, Minister of Economy, Trade and Industry for Japan;
- h) **H.E. Koh Jung-Sik**, Deputy Minister, Ministry of Commerce, Industry and Energy for Korea;
- i) **H.E. Dr. Bosaykham Vongdara**, Minister of Energy and Mines for Lao PDR;
- j) **H.E. Dato' Sri Dr. Lim Keng Yaik**, Minister of Energy, Water and Communications for Malaysia;
- k) **H.E. Brig. Gen. Lun Thi**, Minister of Energy for Myanmar;
- l) **H.E. Hon. Harry James Duynhoven**, Associate Minister of Energy for New Zealand;
- m) **H.E Mr. Angelo T. Reyes**, Secretary of Energy for the Philippines;
- n) **H.E. Mr. S Iswaran**, Minister of State for Trade and Industry for Singapore;
- o) **H.E. Dr. Piyasvasti Amranand**, Minister of Energy for Thailand;
- p) **H.E. Mr. Le Duong Quang**, Vice Minister of Industry and Trade for Viet Nam; and
- q) **H.E. Mr. Nicholas T. Dammen**, Deputy Secretary-General of ASEAN.