



ENSURING ENERGY SECURITY IN ASEAN

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FACT SHEET

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Energy plays a vital part in ASEAN economic integration. With the vast reserves of 22 billion barrels of oil, 227 trillion cubic feet of natural gas, 46 billion tonnes of coal, 234 gigawatts (GW) of hydropower, and 20 GW of geothermal capacity, ASEAN countries are intensifying cooperation for the full utilisation of the region's energy potentials.

High energy prices, particularly soaring oil prices, and numerous geopolitical events, in particular the vulnerability of the global energy system to possible supply disruptions, pose a challenge for ASEAN in sustaining its economic growth.

ASEAN Cooperation on Energy

ASEAN's over-reliance on external sources for oil can have serious implications on the security of its energy supply. To mitigate the region's heavy dependence on oil, ASEAN countries are making continuous efforts to reduce oil dependency and increase energy efficiency. ASEAN remains an active partner in promoting mutual understanding and cooperation towards achieving a sustainable energy policy agenda.

ASEAN countries are pursuing both short-to medium-and long-term policy responses to address the broader challenges facing the region's energy supply security and sustainability, and the preservation of the environment. Towards this end, ASEAN is intensifying cooperation activities in the following areas, among others:

- a) development and exploration of new energy sources and supplies;
- b) diversification of the energy mix and promotion of alternative fuel sources;
- c) facilitating energy efficiency and conservation with renewed emphasis on demand side measures, energy savings programmes and energy-efficient technologies;
- d) promotion of renewable energy e.g. hydro power, solar, wind and bio-fuels from palm oil, sugar cane and coconut; and
- e) strengthening emergency response coordination and preparedness in the event of energy supply disruptions.

Given that ASEAN is increasingly dependent on petroleum resources from outside of the region, it is important that energy emergency coordinating measures be established. With this in mind, ASEAN is finalising the new ASEAN Petroleum Security Agreement (APSA) and Annex on Coordinated Emergency Response Measures (CERM). The new APSA and its CERM Annex will contribute to enhancing the supply of petroleum to ASEAN Member States.

To raise the quality of energy supply and greater competition into the region, the ASEAN Vision 2020 calls for the establishment of interconnecting arrangements for electricity and natural gas through the ASEAN Power Grid (APG) and the Trans-ASEAN Gas Pipeline (TAGP) Projects.

The interconnection of national gas pipelines, through the TAGP Project, will enhance and ensure the availability and accessibility of energy in the region. Gas interconnections will bring about affordable and accessible gas to industries, businesses and households across the whole of ASEAN. Availability and access to natural gas will contribute to improving productivity and lead to changes in the quality of life, social behaviours and lifestyles.

ASEAN is currently pursuing 11 bilateral power interconnection projects under the ASEAN APG Project with the objective of optimising the exploitation of regional energy resources. The APG will result in cheaper electricity for all ASEAN countries, ensure sustainability of energy resources and contribute to energy efficiency. -

For more information on ASEAN Energy, please contact Mr. Lee Yoong Yoong (leeyoongyoong@asean.org) of the Bureau of Economic Integration and Finance (BEIF) at the ASEAN Secretariat.

Please visit www.asean.org/4948.htm for more information on the ASEAN Energy sector.