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S4-2 APERC's Future Cooperative Activities

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Asia-Pacific
Economic Cooperation



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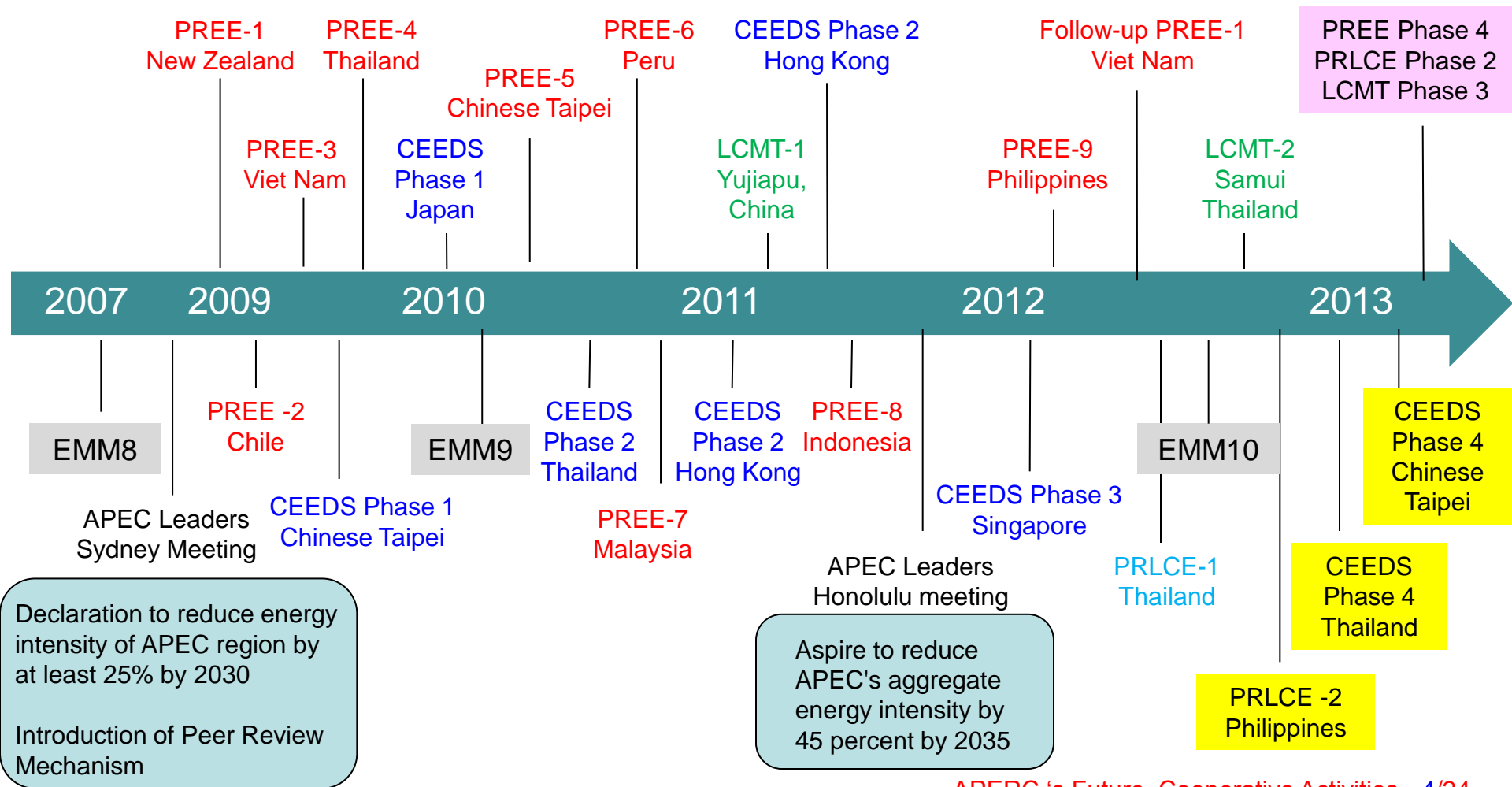


1-1. Introduction

What are APERC's Cooperative Activities?

- APERC's Cooperative Activities can be defined as “APERC's activities to directly cooperate with the APEC member economies in solving their energy problems or improving their energy situation”.
see APERC's *APEC Energy Demand and Supply Outlook*
- The major methods of APERC's Cooperative Activities are **peer reviews** and **workshops**.
 - **Peer reviews**: Experts, mainly from the APEC region, visit a host economy to review its energy situation and policies, and make recommendations for the host economy.
 - **Workshops**: Experts from both within and outside of the APEC region give presentations to delegates from APEC member economies and work with them to share information necessary for policy planning.
- APERC's Cooperative Activities started in 2008; The first activity was the Peer review on Energy Efficiency (PREE) for New Zealand.

1-2. Summary of PREE, CEEDS, PRLCE & LCMT





2-1. Objectives of PREE

Initiated by APEC Energy Ministers' 2007 Darwin Declaration

- Provide a *broad review* of EE policies and measures for more effective EE policies.
- Provide *recommendations* on how implementation of action plans could be improved to achieve EE goals.
- Two activities are organized:
 - **Peer review**: Visits by experts from member economies to the volunteer economy in order to interview people and meet with stakeholders. A report of the findings and recommendations is provided.
 - **Compendium**: Compiles energy efficiency policies of all the APEC member economies under a common format which reflects the diversity of approaches that could be adopted by member economies.
- PREE considers the whole range of energy efficiency policies and measures for one economy at a time.



2-2. Objective of Follow-up PREE

- The Follow-up PREE is designed to assist former PREE host economies in implementing the earlier recommendations of the PREE review teams.
- The objective is to fill the gap between the implementation of energy efficiency action plans and the monitoring and evaluation of those plans.
- The first Follow-up PREE was held in **Viet Nam** from 27 February to 2 March 2012.
- The Follow-up PREE training in Viet Nam was developed to help the government identify and utilize energy efficiency data in order to ensure that the National Energy Efficiency Programs of Viet Nam are carried out in accordance with best practices currently employed in other economies worldwide.



2-3. Work Plan on PREE Phase 4

- The proposal for PREE Phase 4 funding from the APEC Support Fund was approved in **APEC BMC Session 3**.
- **Brunei** will host the **10th PREE** in late May or June 2013.
- **Thailand** will host **the 2nd Follow-up PREE** in the 3rd Quarter of 2013.



2-4. PREE in the Future

- Will all 21 APEC Economies be reviewed in PREE?

Australia*

Canada*

China

Hong Kong

Japan*

Korea*

Mexico

Papua New Guinea

Russia

Singapore

United States*

Brunei (PREE-10)

Chile (PREE-2)

Indonesia (PREE-8)

Malaysia (PREE-7)

New Zealand (PREE-1)*

Peru (PREE-6)

The Philippines (PREE-9)

Chinese Taipei (PREE-5)

Thailand (PREE-4, Fu-PREE-2)

Viet Nam (PREE-3, Fu-PREE-1)

*IEA member economy which is eligible for IEA peer reviews



2-5. Possible Option for future PREE

- In order to reduce the burden to APERC, it will be necessary to reduce the number of peer reviews per year.

Example:

One PREE **and** one Follow-up PREE (in total **two**) in 2012 and 2013



One PREE **or** one Follow-up PREE (in total **one**) after 2014



3-1. Objectives of CEEDS

Referred in APEC Energy Ministers' 2010 Fukui Declaration

- To promote “high-performance” energy efficiency policy measures in developing economies in the APEC region.
- To assist developing economies who wish to design and implement measures for achieving energy efficiency improvements in a specified sector.
- CEEDS considers policies and practices for several developing economies on one topic at a time.
- Two workshops are organized for each topic:
 - One is presentations by experts on opportunities for energy savings in participating developing APEC economies.
 - The other is focusing on how these measures might be implemented in developing APEC economies, with economy delegates being the main presenters.



3-2. Work Plan for CEEDS Phase 4

- CEEDS Phase 4 deals with **“Promotion of Energy Service Company (ESCO)”**
- **The first workshop** of CEEDS Phase 4 was hosted by **Thailand** on **21-23 January 2013** in Bangkok with the presentation from 5 participating eligible economies: **Chile, China, Malaysia, the Philippines, Thailand**, and invited speakers from Canada, China, Chinese Taipei, and USA. Representatives from Japan, Chinese Taipei, and Thailand also attended.
- **The second workshop** for CEEDS Phase 4 will be hosted by **Chinese Taipei** on **March 26-28 in Taipei**. The same 5 economies as in the first workshop are expected to participate. The invited speakers will be little changed.



3-3. Possible Option for future CEEDS

- CEEDS is a very complicated project to be properly arranged: two workshops in two different economies, with the same participating economy delegates and the same expert speakers for both workshops.
- In order to reduce heavy burden to APERC, it will be necessary to much simplify the structure of the project itself.

Example:

Two workshops only for the **several** participating economies, inviting **several** experts **twice**



One workshop open to the **all** APEC economies, inviting **fewer** experts **once**



3-3. Possible Option for future CEEDS

- The topics of the workshop would be selected from the issues in the previous PREEs. Such workshop could be called a **“Policy Workshop”** and become **an integral part of the PREE project**.
- The PREE Policy Workshop might be held in conjunction with a meeting of **EGEE&C** (Expert Group of Energy Efficiency and Conservation) once a year.
- The Policy Workshop would be a **half day** event led and chaired by an APERC researcher with a few invited guest speakers.



4-1. Objectives of PRLCE

Initiated by APEC Energy Ministers' 2010 Fukui Declaration

- To assist volunteer APEC economies to promote **low-emission power sources** by providing recommendations from APEC peer review experts.
- Share experiences and knowledge on best practices for efficient and effective policies to promote **low emission supplies** (such as renewable energies) in developing APEC economies, and to determine how to adapt policies and measures which have been successful elsewhere to the unique conditions of each economy;
- Encourage developing APEC economies to **set individual goals** on power supply from low emission sources (such as renewable energies), and to formulate action plans to achieve the goals;



4-2. Progress of PRLCE Phase 1

- **Thailand** hosted the first PRLCE in 21~25 May 2012 with the focus on their “Alternative Energy Development Plan (2008 – 2022) on Solar, Wind , Biomass and Biogas (ADEP)”. The review team experts have provided 45 *policy recommendations*.
- **The Philippines** hosted the second PRLCE in 19~23 November 2012 with the focus on the Feed-in Tariff (FIT) system for renewable energy. The peer review was conducted by a team of nine experts (from China, Japan, Malaysia, New Zealand, Thailand, IRENA and APERC) . The review team experts are now drafting policy recommendations.



4-3. Work Plan on PRLCE Phase2

- The proposal for PRLCE Phase 2 was **approved** for the funding from APEC Support Fund in **APEC BMC Session 3**.
- Phase 2 PRLCE is planned to assist **two additional economies** in developing policies to promote low-emission energy supply.
- **Indonesia** will host the first workshop of PRLCE Phase 2.
- Potential hosts for the second workshop of PRLCE Phase 2 are **Mexico** or **Viet Nam**.



4-4. Possible Option for future PRLCE

- Recognizing the smaller number of potential host economies (compared to PREE), as well as the need to reduce the burden on APERC, it will be necessary to reduce the number of PRLCE peer reviews per year.

Example:

Two PRLCEs in 2012 and 2013



One PRLCE after 2014



5-1. Objective and Progress of the APEC LCMT Project

Initiated by APEC Energy Ministers' 2010 Fukui Declaration

- To promote low-carbon town development in order to manage rapidly growing energy consumption in urban areas of the APEC region.
- The key activities are;
 - **Feasibility study** to be conducted by qualified **urban design consultants** to encourage creation of low-carbon communities in urban development plans.
 - to develop the **“Concept of the Low-Carbon Town in the APEC”**.
<Study Group A assisted by APERC>
 - **Policy review** to **assess** actual low carbon town development **projects** from both technical and policy perspectives <Study Group B assisted by APERC>
- In 2012, the case for LCMT Phase 2 was **Samui Island, Thailand**.



5-2. Work Plan on LCMT Phase3

- **Da Nang, Viet Nam**, is endorsed by the LCMT Task Force as the case for LCMT Phase 3.
- The proposal for LCMT Phase 3 was **approved** for funding from the APEC Support Fund in **APEC BMC Session 3**.



6-1. Objective of APEC Oil & Gas Security Exercises

- 2012 APEC Energy Ministers' meeting (Saint Petersburg, Russia, 24-25 June 2012)

St. Petersburg Declaration – *Energy Security: Challenges and Strategic Choices*

*“We encourage the **EWG** and **APERC** to work in collaboration with the International Energy Agency (IEA) and the Association of Southeast Asian Nations (ASEAN) on **activities to improve the response to oil and gas emergency situations in the APEC region**, including emergency response workshops and exercises.”*

- This instruction by energy ministers was confirmed by the 2012 APEC Leaders' Declaration Annex B – *Strengthening APEC Energy Security* (Vladivostok, Russia, 8-9 September 2012)





6-2. Work Plan on APEC Oil & Gas Security Exercises

- **The 1st Security Forum**, a kick-off meeting, will be held on 18~19 April 2013 in Tokyo.
- **Scenarios** for the security exercises will be developed by APERC with the cooperation of outside experts.
- The 1st case study of the security exercises is expected to be **Indonesia** in September or October 2013 in Jakarta.
- The 2nd case study is expected to be **a joint exercise by Southeast Asian APEC economies** in November or December 2013 possibly in Bangkok, **Thailand** (TBC).
- **The 2nd Security Forum**, a wrap-up meeting, will be held in early 2014 in Tokyo.



7-1. Objectives of LNG Producer-Consumer Conference

Initiated by Japan's METI Minister

based upon APEC Energy Ministers' 2012 Saint Petersburg Declaration

- APERC co-hosted **the 1st "LNG Producer-Consumer Conference"** with the Ministry of Economy, Trade and Industry, Japan (METI) on 19 September 2012 in Tokyo.
- In recent years, the environment surrounding LNG has changed dramatically and has reached a turning point, especially in the Asia-Pacific region with unanticipated demand growth and a remarkable increase in unconventional gas supply.
- It is of vital importance to further promote shared understanding and cooperation between producers and consumers in order to ensure stable supply and avoid unnecessary fluctuations the price level.
- The conference is to be instrumental in contributing to a shared global perspective on the LNG market as well as in establishing an international framework for collaboration.



7-2. Work Plan on LNG Producer-Consumer Conference

- APERC will co-host **the 2nd “LNG Producer-Consumer Conference”** with METI on **September 2013** in Tokyo (TBC).
- The preparation for the 2nd Conference has already started.



8. Conclusion

- APERC's Cooperative Activities are recognized for assisting APEC economies in developing energy efficiency and clean energy supply goals, which will contribute to the achievement of the APEC-wide aspirational goal of a reduction in energy intensity, as instructed by APEC Ministers and Leaders.
- However, APERC's Cooperative Activities have rapidly proliferated. In addition, APERC's Cooperative Activities have now expanded to cover energy security issues.
- This has created **an increasing burden** for APERC. APERC must maintain **the fair balance between research activities and cooperative projects**, and undertake **the necessary prioritizing and streamlining** of its cooperative projects.