

ASIA PACIFIC ECONOMIC COOPERATION
ENERGY PROJECT GROUP
SUMMARY RECORD OF THE FOURTH MEETING
Sydney 19-20 May 1992

INTRODUCTION

The objective of the APEC Energy Project is to maximise the energy sector's contribution to the Asia Pacific region's economic and social well being. The fourth meeting was held in Sydney, Australia on 19-20 May 1992 to consider progress under the Project's four active work themes:

- . energy supply and demand
- . energy and environment
- . energy conservation and efficiency
- . research, development and technology transfer.

Background to the previous meetings is attached.

Annex 1: APEC Energy Project Background

ARRANGEMENTS

The meeting was chaired by Mr Peter Core, Executive Director, Headquarters Group, Australian Department of Primary Industries and Energy. Australia provided the Rapporteur for the meeting. Attendance comprised delegations from Australia, Canada, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Chinese Taipei, Thailand, and the United States of America, PECC Minerals and Energy Forum, and the South Pacific Forum Secretariat. A representative from Papua New Guinea also attended the meeting. A member of the International Energy Agency attended the meeting to brief members on a seminar being sponsored by the Agency and Japan.

The Agenda as adopted is attached.

Annex 2: Agenda

Annex 3: Participants.

WELCOME ADDRESS

The Chairman presented a welcome address.

ROUND TABLE STATEMENTS ON NOTABLE ENERGY DEVELOPMENTS AND ACTIVITIES

Each delegation presented a brief overview of key domestic energy developments and noted that such an exchange assists in understanding energy issues in member economies. A briefing on energy development in Papua New Guinea was provided by a PNG official. Delegations provided summaries of their presentations for inclusion in the record. Delegates noted the value of this exchange.

The Summary of round table statements is at Annex 4.

WORK THEMES

Energy Supply and Demand

The Report of the APEC Energy Data Expert Group, established to examine the potential for developing a common energy database for member economies, was discussed. Japan, on behalf of the Expert Group, reported on problems impeding the establishment of a common database, including the different periods for framing data and the variety of figures, units and thermal conversion factors used. The Expert Group's examination of the first trial run of an APEC energy database confirmed the need to simplify the reporting format and convert country data submissions into a set of consistent units. Member economies that have comments on the format agreed to take up the matter with the Japanese representative through the Expert Group. A revised reporting format will be circulated to members by the end of July 1992.

A second trial run using data from 1991 and the first quarter 1992 in the new reporting format will be held in November 1992. Data for each year from 1980 to 1990 inclusive will be included together with some socio-economic data. The Expert Group will reconvene in March 1993 to consider the second trial.

The Expert Group sought guidance from the Energy Project Group on the issue of future priorities for use and development of the database following consideration

of the paper submitted by Australia on this subject. The Project Group decided that discussion of applications of the database should continue as the database is developed. This issue will be finalised at a later date. The Project Group noted that the database will be relevant to the activities of other APEC projects.

Action Arising/Next Steps

- . member economies wishing to provide comment on the revised data format are to communicate directly with the Japanese representative through the Expert Group by the end of June 1992; Japan will advise members of the name of the contact
- . Japan is to advise members of the new format by the end of July 1992
- . member economies are to furnish data in the new format by the end of November 1992 for the second trial run
- . the Expert Group is to meet in March 1993 to examine the second trial run and then report to the Project Group on the status of the database; the venue for the next meeting will be discussed at the Project Group meeting to be held in the week commencing 31 August 1992.

Energy and Environment

A report on the first meeting of the Expert Group on Clean Coal Technology in Hawaii on 28 April 1992 was discussed following a presentation by the delegation for the United States of America. The Expert Group formulated an outline for a Report on the role of coal and clean coal technology in the Asia Pacific region. The Report will provide an analytic basis for evaluating the future level and scope of activities of APEC in the area of clean coal technologies. The full range of technologies will be considered from coal preparation through coal utilisation and would not be limited to the electricity sector. In addition, all ranks of coal will be considered.

A questionnaire to solicit data for the Report will be sent to all APEC members by 5 June 1992, with a response deadline of 1 July 1992. Analysis of the data provided will be undertaken by the United States. The Expert Group will meet in August 1992 to discuss the Report. Member economies will be advised of the venue and date of the meeting by 15 July 1992. The Report of the Expert Group will be largely completed for consideration at the fifth meeting of the Energy Project Group in the week commencing 31 August 1992. The Chairman encouraged all APEC members to meet the 1 July deadline for the return of the

questionnaire. Countries not participating in the Expert Group were urged to identify principal contacts to expedite preparation of the Report.

Action Arising/Next Steps

- . the Chairman of the Expert Group (USA) will circulate the questionnaire to member economies by 5 June 1992 and member economies are to respond by 1 July 1992
- . the Expert Group is to prepare a Report on the role of coal and clean coal technology in the Asia Pacific region for consideration at the next Energy Project Group meeting
- . all delegations are to nominate principal contacts for the Expert Group by the end of June 1992 to expedite preparation of the Report.

Energy Efficiency and Conservation

Members welcomed the briefing presented by Dr Soderbaum of the International Energy Agency on the Conference on Energy Efficiency in Asian countries being sponsored by the Agency and Japan to be held later this year.

The Project Group considered a proposal by the United States of America on a program of cooperation comprising:

- . completion of the compendium of energy efficiency programs
- . development of a compendium of energy efficiency practices and measures for APEC member economies, focusing initially on the industrial sectors
- . development of a plan of energy efficiency technology cooperation
- . the establishment of support tasks to disseminate information collated under the theme
- . establishment of an Expert Group on Energy Efficiency and Conservation to fully develop the program of cooperation.

In presenting the proposal, the United States delegation commented that care would be taken to ensure duplication of the work being undertaken by other organisations such as CADDET would be minimised, and foreshadowed the intention to hold the first meeting of the Expert Group in July 1992 at the East West Centre in Hawaii.

The Project Group endorsed the proposals put forward in the paper presented for discussion, but noted that in considering a compendium of 'best practices' initially raised by Australia the 'best practice' will vary with different circumstances.

The delegates from Korea and the United States proposed that the APEC Energy Group lend its name to sponsorship during the 1992 Energy Conservation Exhibition to be held in Korea. The Project Group noted that individual countries would not be called upon to contribute resources, and supported APEC involvement in terms of "in special cooperation with the Asia Pacific Economic Cooperation (APEC) Energy Project Group".

Action Arising/Next Steps

- . members are to continue to supply information to the US to update the compendium of energy efficiency programs
- . members are to advise details of their representatives to the Expert Group to the United States no later than 10 June 1992
- . the US will host the first meeting of the Expert Group during the last week in July 1992, with the initial tasks of generating a comprehensive terms of reference and a substantial strategy to progress this program in the most effective way.

Research, Development and Technology Transfer

The report of the Expert Group on Technology Cooperation which met in Bangkok on 21 March 1992 was considered following a brief presentation by the Australian delegate who served as Rapporteur for the meeting. The objective of the Expert Group is to facilitate technology assimilation by member economies by increasing the ability to assess, operate, maintain and adapt both existing and new technologies specifically for individual country needs.

The preliminary lists developed by the Expert Group of priority technologies for cooperation in both the general and renewable areas and energy management technologies was considered. To avoid duplication between this and the work under the energy efficiency and conservation theme, the list was culled and the priorities decided upon to steer the work of the Expert Group are at Annex 5.

Two possible cooperation proposals by Australia relating to photovoltaics and the use of compressed natural gas in vehicles were noted and expressions of interest were sought from member economies before the next meeting of the Expert Group planned to be held in July 1992.

The delegate from Japan spoke to a proposal on a seminar on New Energy to be held in November 1992. The Indonesian delegate confirmed that the seminar would take place in Bali Indonesia and that Indonesia would co-host the seminar with Japan. The proposal included a draft agenda and possible guest speakers. Delegates were invited to offer suggestions on other guest speakers by 5 June 1992 for consideration by Japan, Indonesia and Australia in finalising the program. The Japanese delegate also noted that more than 1000 invitations would be needed to secure participation of around 200 and that Japanese diplomatic missions in member economies would liaise with relevant authorities to secure address lists. Information can be passed via local Japanese diplomatic missions to:

Mr Takeshi Hikihara
Deputy Director
Energy Resources Division
Economic Affairs Bureau
Ministry of Foreign Affairs
JAPAN

The Project Group endorsed the proposal, which is at Annex 6.

Action Arising/Next Steps

- . the Expert Group is to meet again in July and Australia to liaise with members on a venue for the next meeting
- . the seminar on New Energy is to be held in Indonesia in November 1992 to confer on the issues of positive introduction and diffusion of new energy technologies; members are to advise the Japanese delegate of possible guest speakers by 5 June 1992; the final list of speakers is to be decided by Japan, Indonesia and Australia
- . expressions of interest are to be advised to Australia before the next Expert Group meeting on the programs on photovoltaics and the use of compressed natural gas in vehicles

OTHER ISSUES

A report to APEC Senior Officials was prepared and agreed.

It was also agreed that the question of funding for projects will be discussed at the next meeting of the Project Group.

NEXT MEETING

It was agreed that the next meeting of the Project Group will be held in Seoul Korea during the week beginning 31 August 1992, and that in the first instance the Chairman will advise details to member economies.