



Summary Record of the 22nd Energy Working Group Meeting

The twenty-second meeting of the APEC Energy Working Group (EWG) was held in Port Moresby, Papua New Guinea, on 27-28 September 2001. Australia and Papua New Guinea co-chaired the meeting.

Delegates from Australia; Brunei Darussalam; Chile; the Peoples' Republic of China; Hong Kong, China; Japan; Republic of Korea; Malaysia; Papua New Guinea; the Philippines; Singapore; Chinese Taipei; and the United States of America participated in the meeting. Representatives from the EWG and APEC Secretariats also attended. The Asia Pacific Energy Research Centre (APERC), the Expert Group on Energy Data and Analysis (EGEDA), the Expert Group on Minerals & Energy Exploration and Development (GEMEED), the Expert Group on Clean Fossil Energy (EGCFE), and the Energy Business Network (EBN) were represented at the meeting.

A list of participants is at [Attachment A](#).

1. Opening address by the Co-Chairs of the Meeting and the adoption of the Agenda.

A welcome ceremony by the Tapioka Dancers from the Tobriand Islands preceded a welcome speech from the Hon Roy Yaki, Minister for Petroleum and Energy. Mr Yaki noted that Papua New Guinea was honoured to host the meeting and saw important linkages between energy and economic development, especially rural development, for the country. He noted that he was looking forward to presenting an energy policy statement to Parliament in November which, in particular, would assist in providing an effective rural development program through the provision of energy resources. Mr Yaki indicated that the more developed APEC economies were a potential source of assistance to those economies endeavouring to develop their energy resources and noted that Papua New Guinea was an active participant in the consideration of issues affecting the global community.

In his welcome address, Co-Chair for the meeting, Mr Joseph Gabut, Secretary, Department of Petroleum and Energy, warmly welcomed delegates to EWG22 and to Papua New Guinea. Mr Gabut reinforced the Minister's message on the contribution of energy to Papua New Guinea's economic development. He also expressed strong optimism within Papua New Guinea that the development and commercialisation of gas supplies would contribute strongly to its ongoing economic development.

Mr Mackey, Lead Shepherd of the EWG and Co-Chair, thanked Mr Gabut, on behalf of all delegates attending EWG22, for his address and for the excellent meeting facilities provided by Papua New Guinea. He also outlined the business for the meeting.

The agenda for the meeting was adopted.

2. Report from the Sixth Meeting of the Energy Working Group Business Network (EBN)

The newly appointed Chair of the EWG Business Network, Ms Rosario B. Venturina, presented the *Summary of Decisions Taken* of the sixth meeting of the EBN which was held in Sydney, Australia, on 16 August, 2001. In her report, Ms Venturina advised that the Philippines had assumed the role of Chair of the EBN for the next two meetings. Mexico, who was selected as Vice-Chair, will assume the Chair at EBN9.

Ms Venturina noted a number of significant energy sector events and she relayed the Business Network position that there should be full participation by a business representative at EWG meetings. Ms Venturina highlighted a number of issues affecting business investment in industry infrastructure and reinforced that the Business Network was looking to contribute to the forthcoming Energy Ministers Meeting. Ms Venturina also noted that the Implementation Facilitation Assistance Team process could be used to seek advice on all issues affecting the energy sector, not just energy market reform. Ms Venturina advised the meeting that the Philippines would host EBN7 and that Malaysia had indicated interest in hosting a future meeting.

EWG members welcomed Ms Venturina to her new role as the EBN Chair and thanked her for her comprehensive report.

Mexico, the new Vice-Chair was also welcomed.

EWG members expressed their appreciation for the excellent work of Dr Siwanan Na Nakorn, the outgoing Chair of the EBN.

Many members noted the efforts of the EBN and commended the EBN for its excellent work. Korea noted that it supported the EBN and would be participating in future meetings.

Members also welcomed the comments by business on the process of reform in the energy sector and recognised the need for business input into these processes. Many members stated their support for business participation in the EWG and EWG activities.

Action Arising/Next Steps

- Nil.

3. Proposals arising from the Sixth Meeting of the Energy Working Group Business Network (EBN6)

Implementation Facilitation Assistance Team (IFAT) Update

The Philippines provided a presentation outlining the topics of the IFAT visit. The Philippines noted that it was in the process of restructuring its electric power industry and developing its gas industry and indicated that, within this process, there was a need to ensure that inter-relationships between gas and electricity reform processes were considered. The Philippines emphasised that it would be seeking an examination of and guidance on the development of its gas industry. During the discussions on the IFAT process the Philippines advised that it would be inviting an IFAT to visit the economy on 13-15 March 2002. The IFAT would be held back-to-back with the EBN7 meeting scheduled for 16 March 2002.

EWG members noted the comments made by the EBN regarding the use of IFATs to provide advice on any issue within the energy sector. EWG members supported the comments made by the EBN and encouraged member economies to consider using IFATs not just for gaining advice on electricity and gas reform, but for other issues within the energy sector. EWG members noted the administrative arrangements applying to IFAT visits.

It was suggested by one economy that the results of IFAT visits should be made available through the website.

Action Arising/Next Steps

- The EWG Secretariat will seek expressions of interest from economies interested in participating in the IFAT visit to the Philippines.

4. APEC and EWG Secretariat Reports

Dr Helena Gaytan, Director (Program) APEC Secretariat and Mr Garry Compton, Manager, EWG Secretariat, presented their respective Reports to members. EWG members noted the Reports.

Action Arising/Next Steps

- Nil.

5. Energy Security Initiative

The Summary and Recommendations from the Energy Security Initiative Workshop, held on 14 to 15 September 2001 in Bangkok were reported to the Port Moresby Workshop held on 26 September 2001. The new draft that was approved at the Port Moresby Workshop was submitted to the EWG under Agenda Item 5, and approved with minor changes.

Action Arising/Next Step

- The report will be forwarded to the SOM for consideration to be included in the APEC Ministers and Economic Leaders Statement.

6. Pledge and Review

Members noted the contributions to the voluntary Pledge and Review Program. Member economies that have not yet submitted their Pledge and Review contributions were encouraged to do so as soon as possible.

Members noted that the First Report of the Energy Working Group on the Pledges and Report Program had been prepared. Members suggested that the EWG Secretariat prepare an analytical version of the report which would draw out the similarities and differences between each of the economies.

Action Arising/Next Steps

- Member economies that have not done so are encouraged to submit their Pledge and Review contribution to the EWG Secretariat for circulation to members.
- The EWG Secretariat examine the information provided by economies and prepare an analytical report, comparing the experiences of the individual economies.

7. Welcome to the New Asia Pacific Energy Research Centre (APERC) President

Members welcomed Mr Tatsuo Masuda, the new President of APERC. They also expressed their appreciation to Mr Keiichi Yokobori for his excellent work over the previous five years as APERC's foundation President.

Mr Masuda thanked economies for their support for APERC, including by sending high quality researchers to the Centre. He thanked the government of Japan for financing the Centre and assured economies of his willingness to support EWG activities. He also conveyed Mr Yokobori's kind regards to the Energy Working Group.

Action Arising/Next Steps

- Nil.

8. Report on the Review of the Asia Pacific Energy Research Centre (APERC)

A presentation on the Review of APERC was introduced by Mr Kenichi Matsui, Chair of the Expert Group on Energy Data and Analysis and continued by Ms Karen

Schneider, Vice Chair of the Expert Group. The review included recommendations on a range of issues including APERC's objectives, its relationship with the EWG and with EGEDA, its dissemination activities and its administration. The EWG accepted the review's recommendations.

Mr Masuda, President of APERC, appreciated the reviews as a positive step to make APERC an even better tool to service member economies, and expressed that he was happy to adopt some of the recommendations in the report. He noted that recommendations on administrative issues were important but might be difficult to implement for budgetary reasons. He asked for the special attention of delegates to the need to choose the best possible candidates if APERC is to maintain the policy of one-researcher-per economy. He will take account of the recommendations to the extent possible.

Japan noted that the review was objective and comprehensive. It also noted that it will continue to fully support APERC within the constraints of the budget.

Many economies expressed their appreciation of APERC and their wish to maintain close links between APERC and the EWG.

Action Arising/Next Steps

- The EWG, EGEDA and APERC will report to EWG 23 on the implementation of recommendations in the report.

9. EWG Operational Plan for 2002

The Draft EWG Operational Plan for 2002 was presented at the meeting. EWG members noted that the structure of the Plan differed from the previous Operating Plan in that it takes its framework from the Future Directions Strategic Plan which was endorsed in June 2001.

Members endorsed the Operational Plan for 2002.

Action Arising/Next Steps

- EWG members to proceed with the implementation of the Operational Plan for 2002.

10. Policy Dialogue (EWG Members only - No Observers or Guest Participants)

Members held a policy dialogue on the topic 'The Role of Nuclear Energy' and, as previously agreed, no records of discussion were taken under this item. It was agreed that for EWG23 the policy subject would be "Rural Electrification".

Action Arising/Next Steps

- Nil

11. Consolidated Report on Progress on the Implementation Strategy for Leaders

EWG members noted that the 'APEC Energy Working Group Consolidated Report to APEC Economic Leaders on Implementation of Energy Initiatives, October 2001' was endorsed by EWG members out-of-session on 17 September and forwarded to the Informal Senior Officials Meeting (Informal SOM) for Economic Leaders consideration.

Action Arising/Next Steps

- Nil.

12. Other Key EWG Initiatives for noting by Members

12.1: Earthquake Response Cooperation Initiative

Members noted the Progress Report, including the summary from the seminar on the earthquake response cooperation program of energy supply systems held on 5-6 September in Taipei and the planning for Phase 2 of the Initiative, provided by Chinese Taipei at EWG22.

Members reiterated the importance of this initiative. One member expressed a willingness to contribute to the initiative by sharing experience on recovery processes.

Action Arising/Next Steps

- Nil.

12.2: 21st Century Renewable Energy Development Initiative

Members noted the Progress Report on the 21st Century Renewable Energy Development Initiative.

During discussions on the 21st Century Renewable Energy Development Initiative a Self-Funded Project Proposal was tabled on behalf of the Chair of the Expert Group on New and Renewable Energy Technologies (EGNRET) for consideration and endorsement by EWG members. The proposal entitled 'APEC 21st Century Renewable Energy Development Initiative (Collaborative VI): Monitoring and Assessing the Design, Operation and Performance of an Ocean Thermal Energy Conversion (OTEC) Project' was endorsed by EWG members.

Action Arising/Next Steps

- Nil.

12.3/12.4: E-Commerce in Energy/Program on Best Practice in Energy Services

Members noted the Progress Report on the second combined E-Commerce/Energy Services Workshop provided by the Republic of Korea. EWG members noted that the second combined E-Commerce in Energy/Energy Services Workshop may be held in conjunction with EWG23.

Action Arising/Next Steps

- Nil.

12.5: Framework for Cooperation on Energy Efficiency Testing Standards

EWG members noted the progress being made on the Framework for Cooperation on Energy Efficiency Testing Standards Initiative.

Action Arising/Next Steps

- Nil.

13. Environmentally Sound Energy Infrastructure Initiative

Members noted the Reports from Phase 1 of the Environmentally Sound Energy Infrastructure Initiative (*Environmentally Sound Energy Infrastructure in the Asia-Pacific Economic Cooperation: Policies to Facilitate the Transfer and Uptake of Efficient and Clean Energy Technologies* and *Environmentally Sound Energy Infrastructure in the Asia-Pacific Economic Cooperation: Energy Sector Good Policy Practices*).

It was noted by members that discussion on the outcomes and recommendations contained in the Reports would be held once Phase 2 of the Project was completed.

Action Arising/Next Steps

- Members to discuss the outcomes and recommendations contained in the Reports once Phase 2 of the Project is completed.

14. Statements on Notable Energy Developments since EWG21

The Chair thanked Australia, Canada, Republic of Korea, Mexico, and Singapore for providing their Statements on Notable Energy Developments. At the meeting statements were tabled from Hong Kong, China; Japan; Papua New Guinea; the Philippines; the Russian Federation and Chinese Taipei. The Chair encouraged members that had not submitted their Statements to consider doing so as soon as

possible.

Action Arising/Next Steps

- Nil

15. Report of the Meeting of the EWG Expert Groups' Chairs

The EWG Secretariat presented a Report to members on the outcome of the meeting of the EWG Expert Groups' Chairs held in Port Moresby on 26 September. Members noted the progress Reports prepared in advance of the meeting by each of the Expert Groups and APERC.

Action Arising/Next Steps

- Nil.

16. Energy Charter Secretariat

Members discussed the presentation made at EWG21 by Dr Ria Kemper, Secretary General of the Energy Charter Secretariat (ECS). EWG members agreed that there is merit in exchanging correspondence with the ECS on issues that might be of interest to both the ECS and the EWG. Should substantive issues arise, members agreed that they could decide to invite a representative of the ECS to attend an EWG meeting to facilitate discussion.

Members did not support ECS attendance at EWG meetings as a matter of routine.

Action Arising/Next Steps

- The EWG Secretariat will write to the Energy Charter Secretariat advising of the EWG outcome.

17: Proposal on a Case Study on Energy for Sustainable Development

Members agreed on the Australian proposal for the development of a Case Study Report on Energy for Sustainable Development. The Chair of GEMEED, and members from Chinese Taipei, Korea and the Philippines offered to participate in a task force to prepare a final document for consideration and noting by the EWG at its next meeting.

Action Arising/Next Steps

- Preparation of a Case Study on Energy for Sustainable Development for consideration and noting by the EWG at its next meeting.

18: Report on Strengthening Operational Aspects of APEC Energy Micro-Economic Reform: Phase 2

Members noted the Report for Phase 2 of the 'Strengthening Operational Aspects of APEC Energy Micro-Economic Reform Project. In noting the Report, EWG members provided corrections to be incorporated in the final report.

Action Arising/Next Steps

- The EWG Secretariat will forward corrections to the consultants to be incorporated into the final report.

19. Proposed Fifth Energy Ministers' Meeting

Members noted that Peru had advised that it was now unable to host an Energy Ministers Meeting in 2002.

Members also noted that Mexico had indicated at EWG21 that it may be prepared to host an Energy Ministers Meeting in 2002 if Peru was unable to do so.

It was also noted that there were a number of meetings scheduled for the second half of 2002, including the 8th International Energy Forum to be held on 21-23 September 2002 in Japan to which Ministers will be invited and which may conflict with a proposed APEC Energy Ministerial Meeting. The EWG requested the Secretariat to contact Mexico at its earliest convenience to advise that Peru had withdrawn its offer and seek formal confirmation or otherwise on whether Mexico wishes to host a Ministerial meeting in 2002.

Action Arising/Next Steps

- The Secretariat to contact Mexico at its earliest convenience to advise that Peru had withdrawn its offer and seek formal confirmation or otherwise on whether Mexico wishes to host a Ministerial meeting in 2002.
- The Secretariat to advise Members, out of session, on the outcome of these discussions.
- Members agreed that, if there were agreement to hold a Ministerial Meeting in 2002, a Steering Committee would be formed which would be open to all members, and Australia and Chile offered to participate.

20. Other Business

There was no other business.

Action Arising/Next Steps

- Nil.

21. Date for Next Energy Working Group Meeting

Members welcomed and noted the generous offer by Thailand to host EWG23 and associated meetings in Bangkok, from 6 to 10 May 2002. One member suggested that the date of the next meeting be changed as 7 May was a holiday. Members also welcomed and noted the offer by Korea to host the second EWG meeting in 2003.

Action Arising/Next Steps

- The EWG Secretariat will inform members of the details of arrangements for EWG23 and associated meetings when they become available.
- The EWG Secretariat will discuss the possible change in dates for EWG23 with Thailand.

22. Document Access

Members agreed that the Summary Record and other documents from this meeting could be released to the public immediately after the meeting, except for the Energy Security Initiative paper.

Action Arising/Next Steps

- Nil.

23. Summary Record of the Twenty-Second Meeting

The Summary Record of the meeting was agreed.

Action Arising/Next Steps

- Nil

Concluding Remarks .

Members recorded their thanks to Mr Joseph Gabut, Secretary of the Department of Petroleum and Energy, for attending the meeting and the Co-Chairs for leading the members through a substantial agenda. Members also recorded their appreciation to the host economy for the excellent meeting facilities and hospitality they enjoyed in Papua New Guinea.



Energy Working Group

Twenty-Second Meeting, Port Moresby, Papua New Guinea, 27-28 September 2001

Attachment A

LIST OF PARTICIPANTS

Chair/Co-Chair

Mr Tim Mackey	Department of Industry, Science & Resources, Australia
Mr Joseph Gabut	Department of Petroleum and Energy, Papua New Guinea

Australia

Ms Vicki Brown	Department of Industry, Science & Resources, Australia
Ms Karen Schneider	Australian Bureau of Agricultural and Resource Economics (ABARE)

Brunei Darussalam

Mr Shawal Yaman	Department of Electrical Services, Ministry of Development
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Chile

Mr Carlos Pina	National Energy Commission
Mr Tomas Astorga	Ministry of Mining

People's Republic of China

Ms Jun Gu	Foreign Affairs Department, State Development Planning Commission
Mr Yihui Wang	Department of Basic Industry, State Development Planning Commission

Hong Kong, China

Mr Chun Kau Lee	Electrical and Mechanical Services Department
Mr Welman Leung	Electrical and Mechanical Services Department

Japan

Mr Masao Takekawa	Ministry of Foreign Affairs
Mr Kenzo Hagio	Agency for Natural Resources and Energy – METI

Mr Hiroaki Kagawa
Mr Kazuo Kaneko

Agency for Natural Resources and Energy – METI
APEC Office, Trade Policy Bureau – METI

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Mr Seok-Woo Shin
Mr Dae Gyun Oh
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Korea Energy Management Corporation
Korea Energy Economics Institute

Malaysia

Ms Noriyah Ahmad

Ministry of Energy, Communications and Multimedia

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Mr Vore Veve
Mr Allan Lari
Mr Idau Kopi
Mr David Willies
Mr Henry Walaun
Mr Channan Kumalau
Mr Stanley Pono

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Ms Rosario B. Venturina

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Trans-Asia Power Generation Corporation

Singapore

Mr Abdul Rashid Ibrahim
Ms Jeanette Lim

Energy Market Authority
Energy Market Authority

Chinese Taipei

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Mr Shih Ming Chuang
Dr Jhy-Ming Lu
Mr Teh-Chuan Sung

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Mr Garry Compton

Department of Industry Science & Resources,
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APEC Secretariat

Dr Helena Fabiola Gaytan Fragoso
Ambassador Alejandro de la Pena

Director (Program)
Deputy Executive Director

Expert Group Chairs

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Ms Karen Schneider

Mr Tomas Astorga

Dr Sun Chun

Expert Group on Energy Data & Analysis

Vice-Chair, Expert Group on Energy Data & Analysis

Expert Group on Minerals & Energy Exploration and
Development

Expert Group on Clean Fossil Energy

Asia Pacific Energy Research Centre (APERC)

Mr Tatsuo Masuda

Mr Martin Bonou

President

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