

Twenty-Sixth Meeting, Seoul, Korea, 3-4 December 2003

Summary Record of the 26th Energy Working Group Meeting

The twenty-sixth meeting of the APEC Energy Working Group (EWG) was held in Seoul, in the Republic of Korea on 3-4 December 2003. Australia and the Republic of Korea co-chaired the meeting.

Delegates from Australia; Canada; Chile; the People's Republic of China; Hong Kong, China; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; the Philippines; Russia; Singapore; Chinese Taipei; Thailand; the United States and Viet Nam participated in the meeting. Representatives from the EWG and APEC Secretariats also attended. The Asia Pacific Energy Research Centre (APERC), and the Expert Groups on Energy Data and Analysis (EGEDA) and Energy Efficiency and Conservation (EGEE&C) were represented at the meeting.

A list of participants is at <u>Attachment A</u>.

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

The EWG Lead Shepherd, Mr John Ryan, opened the meeting and invited his Co-Chair, Mr Ki-Ho Kim, Director-General for Energy and Resources Policy, Ministry of Commerce, Industry and Energy, Republic of Korea, to make the opening address.

Mr Ki-Ho Kim warmly welcomed delegates to EWG26 and to Seoul. Mr Kim reported that the Republic of Korea last hosted an EWG meeting in 1992 and was honoured to host again. He noted the enormous transformation that is taking place in the energy area, particularly with respect to sustainable development, and that growing energy demand within the region highlights the important role of energy security and the EWG in bringing APEC economies together to discuss key issues. Mr Kim noted that APEC Leaders in Bangkok had directed the EWG to accelerate the Energy Security Initiative and welcomed inclusion of nuclear issues into EWG discussions. He concluded by thanking the EWG Secretariat for their support in preparing for EWG26 and all delegates for attending.

Mr John Ryan thanked Mr Ki-Ho Kim, on behalf of delegates attending EWG26, for his address and for the excellent meeting facilities provided by Korea. Mr Ryan reported that the EWG Business Network (EBN) was unable to attend EWG26 and will have its next meeting in Hong Kong, China in March 2004. He then outlined the business for the meeting, drawing attention to several important issues that will be discussed.

The agenda for the meeting was adopted.

2. APEC and EWG Secretariat Reports

Mr Tong Xianguo, Director (Program) APEC Secretariat and Mr Aidan Storer, Manager, EWG Secretariat, presented their Reports to Members.

Mr Tong <u>reported</u> on the outcomes of the APEC Leaders' Meeting held in Bangkok in October 2003. Mr Tong outlined three key messages from Leaders: APEC remains on track with respect to its trade and investment objectives; APEC has sharpened its focus on economic and technical cooperation; and issues like terrorism and health do impact on APEC's vision of stability, security and prosperity. Mr Tong <u>noted</u> that Leaders had agreed to accelerate implementation of the Energy Security Initiative by endorsing its implementation plan and, as appropriate, a new Action Plan to enhance regional and global energy security.

Mr Tong <u>reported</u> that eight sectoral Ministerial meetings will be held in 2004: science and technology; energy; trade; transport; finance; small and medium enterprises; tourism; and mining. Mr Tong <u>noted</u> that APEC priorities for 2004 include making APEC process more responsive, making APEC meetings more vibrant and examining options for APEC reform.

Mr Tong <u>reported</u> that Senior Officials welcomed outcomes from the test seminar on establishing an APEC dialogue on non-ferrous metals held in Bratsk, Russia, August 2003. Russia <u>informed</u> the meeting that it will work closely with the EWG and GEMEED in developing this dialogue, which was approved at the 16th AMM in Bangkok. It is not intended that the dialogue will duplicate the work of other APEC fora.

Mr Storer <u>informed</u> members that due to other commitments, the International Energy Agency was unable to accept the EWG invitation to present at EWG26 but indicated they would welcome an opportunity to present in the future.

Members <u>noted</u> feedback from the APEC Budget Management Committee (BMC) and Economic and Technical Cooperation Small Group regarding project proposals and evaluation. This included concerns that too many proposals were being submitted for APEC funding and that there was a lack of clear linkage between many project proposals and APEC goals. Members <u>discussed</u> ways in which it could address this issue and <u>agreed</u> that the EWG should apply more rigour when assessing and submitting proposals to the BMC. Members <u>requested</u> that Expert Groups apply similar rigour when submitting proposals to the EWG.

Members also <u>noted</u> that a revised project evaluation framework is being proposed and <u>requested</u> that the Secretariat circulate a copy for information. The EWG Secretariat <u>advised</u> that the revision is due to be completed in early 2004 and once finalised, the Secretariat will report to Members on the outcome.

Members <u>noted</u> that the EWG Secretariat has produced the first edition of the EWG Newsletter in September 2003, which is intended to be a quarterly publication providing information on EWG activities and achievements. Members <u>discussed</u> its style and content, and <u>requested</u> that, when using energy statistics, the Secretariat seek the most up-to-date information from the relevant economy. The EWG Secretariat <u>invited</u> economies to contribute to future editions.

Members <u>noted</u> that the EWG website is being upgraded.

Action Arising/Next Steps

- Members <u>agreed</u> that the EWG and Expert Groups will need to apply more rigour to limit the number of project proposals submitted to the BMC.
- EWG Secretariat to <u>provide</u> Members with a copy of the revised framework and <u>advise</u> Members on the outcome of the revised project evaluation framework.
- Members to <u>notify</u> the Secretariat if it wishes to contribute to future editions of the EWG Newsletter.

3. Implementation of Type 2 Initiative: *Energy for Sustainable Development*

EWG Members <u>noted</u> the progress report on implementation of the EWG Type 2 Partnership Initiative which outlined recent progress of activities being undertaken under the Initiative.

Members <u>considered</u> the proposal for incorporating sustainable development principles in the EWG project proposal process and its recommendations on how sustainable development principles can be incorporated into the project proposal process.

Members <u>raised</u> comments on the proposal and its recommendations, including that it should assist EWG efforts to implement the Initiative in a more focused, practical and workable manner. Members <u>agreed</u> that the proposal be adopted, with a minor amendment to the final principle, but that it must be managed in a way that ensures it does not unnecessarily duplicate existing mechanisms within the EWG and create burdensome reporting requirements.

Action Arising/Next Step

• EWG to <u>implement</u> the proposal for incorporating sustainable development principles in the EWG project proposal process.

4. Implementation of APEC Energy Security Initiative

At SOMII in 2003 the APEC Senior Officials instructed the EWG to develop an implementation plan, including timeframes where appropriate, for the Energy Security Initiative for consideration at SOMIII. The ESI Implementation Plan identifies specific actions and timeframes in which these will be achieved.

Members <u>noted</u> the progress of the Energy Security Initiative, including the endorsement of the Implementation Plan and the APEC Action Plan to Enhance Energy Security by Leaders, in Bangkok in October 2003. Members <u>discussed</u> the relationship between the Implementation Plan and Action Plan, <u>noting</u> that the Action Plan complements the Implementation Plan and enhances the Energy Security Initiative.

Members then <u>discussed</u> each of the components of the Energy Security Initiative.

4.1 Energy Emergency Response Arrangements

The Energy Security Initiative and the Energy Security Initiative Implementation Plan include recommendations and actions regarding emergency response arrangements. Specifically, these include sharing knowledge and hosting workshops on emergency response issues.

The Republic of Korea <u>reported</u> on the outcomes of the APEC Joint Oil Stockpiling Workshop held on 2 December 2003, highlighting the range of presentations made by a number of member economies and the valuable information that was shared. The Workshop Chair, Mr David Pumphrey, <u>thanked</u> the Republic of Korea for hosting what was a most successful event which enabled economies to exchange useful and concrete proposals that will help guide future activities within the EWG. Members were also congratulated on allowing the IEA to participate in the Workshop.

Korea <u>presented</u> on its energy emergency response arrangements, outlining its energy demand growth over the last decade, particularly in LNG, and its heavy dependence on energy imports. Korea reported that the lessons learnt from past oil crises had prompted the establishment of oil stockpiling and energy emergency response measures. Members were <u>advised</u> that Korea has in place a range of measures through its 3-phase Contingency Plan, including oil stocks, release arrangements, demand restraint and an emergency task force, and undertakes continual improvement to respond to evolving circumstances.

No Members nominated to present on their energy emergency response arrangements at EWG27. China <u>agreed</u> to present on measures it is undertaking to meet rapidly growing energy demand.

Action Arising/Next Step

- China to present on its measures to meet growing energy demand at EWG27.
- EWG Secretariat to <u>explore</u> whether a member economy will present on its energy emergency arrangements at EWG27.

4.2 Progress of the Monthly Oil Data Initiative

Mr Matsui, Chair of EGEDA, <u>reported</u> on the progress of the Joint Oil Data Initiative (JODI) which has been in permanent operation since late 2002. Mr Matsui <u>reported</u> that all APEC economies have contributed to the JODI exercise, although with variations in data quality, timeliness and completeness.

Mr Matsui <u>reported</u> that 70 economies have provided input to the global initiative, representing 90% of world oil supply and demand. Mr Matsui <u>reported</u> that the next steps for the Initiative include establishing a global database of the top 30 economies in terms of oil supply and demand, including several within APEC, and that it seeks to improve the compatibility and sustainability of the JODI reporting framework. Mr Matsui <u>encouraged</u> Members to continue supporting JODI by helping their economies provide timely and accurate data.

Members <u>thanked</u> Mr Matsui for his report and <u>congratulated</u> EGEDA and APERC for their efforts in coordinating APEC's contribution to JODI. Members <u>agreed</u> to encourage their economies to utilise the expertise available within the EWG, APERC and EGEDA to help build member economy capacity for oil data collection.

Members were <u>advised</u> that a meeting of parties to JODI was held in Cairo in October 2003. At the meeting, parties discussed a permanent coordinating mechanism for JODI and <u>agreed</u> that JODI would continue to be managed by the six international organisations involved. Japan <u>advised</u> that the Permanent Secretariat of the International Energy Forum is in its formative stages and at present has limited capacity to undertake this role.

Action Arising/Next Step

- Members to <u>encourage</u> their economies to provide timely and accurate data to JODI.
- Members to <u>utilise</u> the capacity building expertise available within the EWG, APERC and EGEDA.

4.3 Real-time Emergency Information Sharing

Japan <u>presented</u> its revised proposal for establishing a real-time emergency information sharing system, highlighting its purpose, functions and current status. Members were <u>advised</u> that the system has been successfully trialled with Korea and the Philippines and that Japan is currently enhancing the system before it seeks EWG support to undertake a broader trial among member economies. Following the trial and system finalisation, Japan would transfer the system to a Coordinator(s) nominated by the EWG.

The Philippines and Korea <u>agreed</u> that the trial was a success and reaffirmed their commitment to support the system.

Members <u>considered</u> the revised proposal, noting that it had incorporated many of the concerns expressed by Members at previous EWG meetings. Members <u>noted</u> the system's various functions which provide a more systematic and responsive mechanism for communication and data provision to improve crisis management during emergencies. Members <u>agreed</u> that the system has the potential to deliver a key objective under the Energy Security Initiative and <u>agreed</u> to support the continued trial and system improvement.

Members <u>agreed</u> resolve outstanding issues, including the system Coordinator(s) and the system's ongoing funding and operation, at EWG27.

Action Arising/Next Step

• Japan to <u>continue</u> with the trial and refinement of the Real-Time Emergency Information Sharing System.

• Members to <u>discuss</u> issues regarding the system Coordinator(s) and the system's ongoing funding and operation at EWG27.

4.4 Implementation of other measures.

Members <u>noted</u> progress towards the implementation of other measures under the Energy Security Initiative.

Members <u>considered</u> the paper identifying maritime security initiatives undertaken in other international fora, <u>noting</u> its conclusions that maritime security is a key concern of the International Maritime Organisation and the APEC Transportation Working Group, and that the EWG should support the efforts of these fora.

Members <u>noted</u> progress towards implementing the non-petroleum and longerterm elements of the Energy Security Initiative, including new projects endorsed by the BMC in the areas of cross-border interconnection of gas networks including LNG, the potential of gas as a clean energy source, and carbon dioxide capture and geological sequestration.

The United States <u>introduced</u> the APEC Action Plan to Enhance Energy Security, noting that it complements the Energy Security Initiative Implementation Plan. Members <u>discussed</u> proposals for implementing each of the elements of the Action Plan.

Enhancing natural gas trade and facilitating investment: Members discussed the proposal to establish an online gas market data system within APEC. Members noted that APERC and EGEDA already collect data on the gas market in the APEC region and agreed to work with them to evaluate the data already collected as a first step towards establishing a gas market data system. The United States offered to lead this initiative and agreed to take a careful approach, drawing on existing work within APEC and to not place an unnecessary burden on APERC resources. Members discussed options for facilitating trade in natural gas, and noted the proposal by the United States to convene a workshop examining best practices, to be held before June 2004 for reporting to Energy Ministers.

Enhancing emergency response mechanisms: Members <u>discussed</u> the formation of an ad hoc group to identify best practices for oil stockpile release. Members <u>noted</u> the proposal by the United States to convene a workshop on best practices for oil stockpile establishment and management, to be held in the latter half of 2004.

Energy investment: Members <u>noted</u> a number of EWG activities already underway in the areas of energy investment, including the EBN workshop on financing energy infrastructure, to be held in Hong Kong, China, March 2004, a workshop on financing energy efficiency projects, to be held in Australia in February 2004, and a workshop on financing of renewable energy projects, to be held in the United States in the latter half of 2004. Members <u>agreed</u> that the APERC study of energy investment needs in the APEC region, which will be completed in early 2004, will act as an important resource, as will previous EWG work undertaken in this area. Based on these activities, a report will be developed that identifies best practices to facilitate investment and submitted to Energy Ministers in June 2004.

Hydrogen: Members <u>discussed</u> the potential of hydrogen to meet energy needs within the APEC region. Members <u>agreed</u> with the need to enhance information flows between the EWG, the IEA and the International Partnership for the Hydrogen Economy. Members <u>noted</u> the proposal by the United States to convene a workshop before June 2004 to develop an Interim Framework Document for presentation to Energy Ministers. Members <u>noted</u> the EWG project to develop a sourcebook for hydrogen codes and standards in APEC economies, and that APERC will include hydrogen in its next Energy Demand and Supply Outlook and seeks to participate in this initiative. Members also <u>noted</u> the potential for using the Implementation Facilitation Assistance Team (IFAT) process to build capacity among members.

Methane hydrates: Members <u>noted</u> that a Methane Hydrate International Research Consortium was formed in November 2003 and interested economies were encouraged to join. Members <u>noted</u> the proposal by the United States to convene an ad hoc group which will share information on the potential of methane hydrates as an energy resource and help determine how the EWG would participate in the Consortium, reporting to EWG27. Members also <u>noted</u> the potential of coal-bed methane as an energy source.

Members were <u>advised</u> that although the Action Plan was not developed by the EWG, APEC Leaders have directed the EWG to carry out its implementation. Members <u>agreed</u> that the proposed work program under the Action Plan is significant, particularly in the first half of 2004, and the Chair <u>directed</u> the EWG Secretariat to prepare a timetable of all activities for Member information.

Members <u>agreed</u> to establish a Steering Group to oversee implementation of all activities under the Energy Security Initiative, including the Action Plan.

Actions Arising/Next step

- EWG Secretariat to <u>prepare</u> a timetable of EWG activities in the area of energy security, for posting on the EWG website by the end of 2003.
- Members to <u>establish</u> a Steering Group to oversee implementation of all activities under the Energy Security Initiative.
- Members, in consultation with APERC and EGEDA, to <u>explore</u> the feasibility of establishing an online gas market data system.
- Interested members to <u>form</u> an ad hoc group to identify best practices for the establishment and management of oil stockpiles.
- EWG will <u>hold</u> several energy investment workshops in 2004 and will report to Energy Ministers.
- EWG will hold a workshop on best practices in natural gas trade.
- Interested members to <u>form</u> an ad hoc group to <u>develop</u> an Interim Framework Document for hydrogen for reporting to Energy Ministers in June 2004.

 Interested members to <u>convene</u> an ad hoc group to determine EWG participation in the Methane Hydrate International Research Consortium for reporting to EWG27.

5. Engaging Financial Institutions in EWG Activities

The EWG Secretariat, on behalf of the EBN Vice-Chair, reported on the progress of preparations for the EBN finance workshop to be held in Hong Kong, China, 19 March 2003, in conjunction with EBN10. Members <u>noted</u> that the workshop is a key EWG activity to help facilitate investment in energy infrastructure by strengthening engagement with financial institutions.

Members <u>noted</u> the arrangements for the workshop, including that it will be held in the week prior to EWG27 in China. Members were <u>encouraged</u> to support the workshop and <u>noted</u> that its outcomes will be reported to Energy Ministers in June 2004.

Action Arising/Next Step

 Members to <u>support</u> the EBN finance workshop, including promoting and participating in the event.

6. Energy Literacy Initiative

Japan <u>reported</u> that there had not been any progress under the Energy Literacy Initiative since EWG25 and that it will advise Members when any future activities take place.

Action Arising/Next Step

• Nil.

7. Pledge and Review

EWG Members <u>noted</u> the contributions to the voluntary Pledge and Review Program, by Australia; Chile; Hong Kong, China; China; Malaysia; Mexico; the Republic of Korea; Russia; Singapore; Chinese Taipei; and Thailand.

Members <u>noted</u> the Fifth Report on the Pledge and Review Program prepared by the EWG Secretariat, and member economies that had not yet submitted their contributions were <u>encouraged</u> to do so as soon as possible.

Members <u>considered</u> the proposal for reinvigorating the Program and its recommendations on how it could be enhanced to increase participation and provide information that is more useful to Member economies. Members <u>agreed</u> that the Program is an important information sharing tool and supported the introduction of an approach that is more focused and involves the Expert Group on Energy Efficiency and Conservation (EGEE&C).

Members <u>proposed</u> that the Program should also include a mechanism to assess its usefulness to member economies, and that this could be developed in consultation with the EGEE&C. The Chair asked the EWG Secretariat to <u>revise</u> the proposal taking into account Member comments for EWG approval out-of-session.

Action Arising/Next Steps

- Members that have not done so are <u>encouraged to submit</u> their Pledge and Review contribution to the EWG Secretariat for circulation to EWG Members.
- EWG Secretariat to revise the proposal to reinvigorate the Pledge and Review Program and circulate to Members out-of-session.

8. Framework for discussion of nuclear energy within the EWG

The Republic of Korea <u>presented</u> the revised proposal establishing a framework for discussing nuclear energy within the EWG, highlighting the revisions that have been made.

Members <u>thanked</u> Korea for their presentation and Korea and Mexico for preparing the framework. Members <u>agreed</u> that the framework addresses many of the concerns expressed at EWG25 but that some members seek to consider it further and, if necessary, provide further comment to Korea and Mexico. The Chair <u>suggested</u> that, given Member support for the framework's general approach, it be maintained as much as possible.

Members <u>agreed</u> that implementation of the framework will need to commence before the Energy Ministers' Meeting as it will likely be a substantial item on the agenda. Members <u>agreed</u> that research work currently being undertaken by APERC will provide a solid basis for the initial steps of what is a sequential series of activities, and that APERC should be involved in efforts to progress the framework.

Korea also <u>presented</u> on the Nuclear Energy Training Program which will commence in 2004, providing up to two participants from each interested member economy with classroom training and site visits. Members <u>thanked</u> Korea for their presentation and their kind offer to help build capacity within member economies. Korea <u>advised</u> that it will clarify the target audience of the program and provide all relevant information to the EWG Secretariat for circulation to Members.

Action Arising/Next Steps

- Members to <u>provide</u> Korea and Mexico, through the EWG Secretariat, with comments by the end of 2003, enabling the framework to be finalised for EWG endorsement in early 2004.
- Korea to <u>provide</u> the EWG Secretariat with information on the Nuclear Energy Training Program by the end of 2003.

9. Report from the APERC President and discussion of EWG priorities.

The APERC President <u>reported</u> on the APERC Workshop held in Seoul, Republic of Korea, 1 December 2003. Members <u>noted</u> the projects APERC is currently

undertaking and the four research activities proposed for 2004-05. Members were asked to support APERC's Young Professional Program which will be implemented immediately. The Program seeks to complement the visiting researcher program by attracting qualified persons aged 25-35 years.

Japan <u>presented</u> the draft medium-term strategic plan for the support of APERC, highlighting its basic approach, the cooperation sought from member economies, the proposal to establish performance indicators and report annually to the EWG, and for APERC to undergo a comprehensive review in late 2007-early 2008. Members were <u>advised</u> that the draft plan will be finalised for EWG27.

In response to Japan's request that member economies provide support through the provision of a researcher and contribution to their costs, Korea notified the meeting that it is considering providing financial support for one researcher, and several other economies indicated that they would examine what contributions they could make.

Members <u>noted</u> the report on the nature of the APERC-EGEDA relationship which sets out the establishment, function and outputs of EGEDA and APERC, and the interaction between the two organisations.

In response to a question about the process for identifying APERC research activities, Members were <u>advised</u> that the EWG has several opportunities in which to communicate its key priorities to APERC, including the APERC Workshop, APERC Annual Conference, EGEDA meeting, and the 1st EWG meeting of each year.

Action Arising/Next Steps

- Japan to finalise the medium-term strategic plan for reporting to EWG27.
- Members to <u>consider</u> what contributions they can make to APERC, and to advise Japan out-of-session.

10. Report of the Meeting of the Chairs of the EWG Expert Groups

The EWG Secretariat <u>reported</u> on the outcome of the Expert Group Chairs' Meeting held in Seoul, Republic of Korea, 2 December 2003.

Members were <u>advised</u> that Expert Group Chairs had expressed their commitment to assist the EWG in addressing concerns about the number of project proposals submitted to the BMC.

Members <u>endorsed</u> the proposal to extend IEA guest status on EGEDA for a new term commencing January 2004.

Members <u>endorsed</u> the self-funded proposal presented by the EGEE&C for continuing the operation of the APEC-ESIS website and were <u>advised</u> that the EGGEE&C had been approached by a potential sponsor for the website and, if necessary, would seek EWG endorsement if a suitable arrangement can be reached. Members also <u>noted</u> a proposal by Expert Group Chairs to seek representation at EWG meetings and <u>agreed</u> to consider this issue at EWG27.

Action Arising/Next Steps

- EWG Secretariat to <u>advise</u> the IEA of EWG approval to renew their guest status with EGEDA.
- EWG Secretariat to <u>prepare</u> a paper regarding the proposal to have Expert Group Chairs represented at EWG meetings for Member <u>consideration</u> at EWG27.

11. Statements on Notable Energy Developments since EWG25

The Chair <u>thanked</u> Australia; Canada; Chile; Hong Kong, China; Malaysia; Mexico; New Zealand; the Republic of Korea; the Philippines; Singapore; Chinese Taipei; Thailand and the United States for providing their Statements on Notable Energy Developments, prior to EWG26. Members who tabled their Statements at the meeting were <u>encouraged</u> to provide an electronic copy to the EWG Secretariat by Friday, 19 December 2003, for circulation to Members.

Members <u>noted</u> the Statements.

Action Arising/Next Steps

• EWG Members who tabled their Statement on Notable Energy Developments to provide an electronic version to the EWG Secretariat by 19 December 2003.

12. Other Key EWG Initiatives for Noting by Members

12.1 Earthquake Response Cooperation Initiative

Chinese Taipei <u>reported</u> on the Phase 3 of its project into the Earthquake Response Cooperation Initiative. This Initiative is now in its third year. The yearly seminar held in 2003 was attended by 100 delegates, and thirteen papers were presented for discussion. The Initiative is also establishing a web site including information such as standards and procedures.

Members <u>noted</u> the Progress Report and <u>thanked</u> Chinese Taipei for their efforts to address what is a very important Initiative for member economies.

Action Arising/Next Steps

• Nil

12.2 Strengthening Operational Aspects of APEC Energy Micro-Economic Reform, Phase 3

The EWG Secretariat, on behalf of Australia, <u>reported</u> on the completion of Phase 3 of the project, with the final report to be available shortly from the EWG website.

Members <u>noted</u> its completion and thanked Australia for its efforts in overseeing the project workshop and development of the final report. Members <u>noted</u> the ongoing importance of energy sector reform in the work program of the EWG.

Action Arising/Next Steps

• Nil.

13. EWG Operational Plan

Members were invited to <u>comment</u> on the 2004 Operational Plan <u>noting</u> that it follows a similar, although slightly modified, format to the 2003 Plan, with its framework taken from the *Future Directions Strategic Plan* endorsed in June 2001.

Members <u>discussed</u> the Plan and the need to also evaluate the impact of the EWG activities outline in the Operational Plan, including collecting information on the Plan's performance measures. Members <u>agreed</u> that this issue would require further consideration and input from Member.

Members <u>noted</u> the need to reflect the EWG's priorities, particularly in the area of energy security, in the Operation Plan. Members <u>agreed</u> to provide comments on the draft Operation Plan to the EWG Secretariat for endorsement out of session.

Action Arising/Next Steps

- Members to provide <u>comments</u> on the draft Operational Plan to the EWG Secretariat for endorsement out of session.
- The EWG Secretariat, in consultation with Members, to <u>consider</u> options for evaluating the effectiveness of EWG activities.

14. Other Business

The Philippines <u>reported</u> on the outcome of the EMM6 Steering Committee Meeting held on 1 December 2003 in Seoul, Korea, highlighting discussions about the proposed program, preparations, and the EMM6 theme and agenda. Members were <u>provided</u> with a copy of the meeting record and <u>advised</u> that the next meeting will be held in March 2004 in China in conjunction with EWG27.

Chile <u>reported</u> on preparations for the Mining Ministerial meeting to be held in Chile in June 2004. Members <u>noted</u> that the meeting will be coordinated by GEMEED with assistance from the EWG Secretariat, and will <u>inform</u> Members of developments through the EWG Secretariat. Chile <u>advised</u> that the timing of the meeting was arranged to coincide with a major Mining Exhibition but that they would <u>inquire</u> whether the date could be changed given the timing of the Energy Ministers meeting.

The EWG Secretariat <u>informed</u> Members that the Lead Shepherd had approached the International Energy Forum (IEF) regarding closer ties with APEC. Members were <u>advised</u> that the EWG was invited to join the IEF Informal Support Group but not the Executive Board. Members <u>agreed</u> that the EWG should be kept informed of IEF activities but that it was premature to seek formal participation. The APEC Secretariat <u>advised</u> that any proposal for formal participation requires approval from APEC Senior Officials. Japan, a member of the IEF Executive Board, <u>offered</u> to share information with the EWG on key issues discussed within the IEF.

The EWG Secretariat <u>reported</u> that the APEC Marine Resource Conservation Working Group is holding an Oil Spill Response Workshop in March 2004 in Singapore and that interested economies should contact the APEC Secretariat.

Members were <u>informed</u> that the APEC Industrial Science and Technology Working Group is preparing a concept paper on energy technologies for discussion at the IS&T Ministerial meeting in New Zealand in March 2004, which may lead to a selffunded project proposal for 2005. New Zealand <u>advised</u> that that they were aware of this activity and would keep Members informed of developments through the EWG Secretariat.

Action Arising/Next Steps

• Nil.

15. Date for Next Energy Working Group Meeting.

Members <u>noted</u> the offer by the People's Republic of China to host EWG27 on the week beginning 22 March 2004, with the venue to either Beijing or Shanghai. Members <u>thanked</u> the People's Republic of China for their offer and <u>agreed</u> that the EWG Secretariat work with the EWG27 hosts to facilitate the next EWG meeting.

Viet Nam <u>expressed</u> a willingness to host an EWG meeting in the near future, possibly EWG28 or EWG29, and sought Member <u>advice</u> on any preference. The Chair asked Members to <u>provide</u> any comments to Viet Nam or the EWG Secretariat.

Action Arising/Next Steps

- EWG Secretariat work with the People's Republic of China to <u>confirm</u> arrangements for EWG27 and <u>advise</u> EWG members out of session.
- EWG Secretariat to <u>confirm</u> with Viet Nam whether they will host EWG28 or EWG29.

16. Document Access

Members <u>agreed</u> that the Summary Record and other final documents from this meeting, with the exception of draft papers that are yet to be endorsed, could be released to the public immediately after the meeting.

Actions Arising/Next steps

• Members to <u>provide</u> the EWG Secretariat with electronic copies of all documents tabled at the meeting to enable the EWG Secretariat to <u>place</u> the appropriate documentation on the EWG website by 19 December 2003.

17. Summary Record of the Twenty-Sixth Meeting

The Summary Record of the meeting was agreed.

Action Arising/Next Steps

• Nil

Concluding Remarks

Members <u>recorded</u> their thanks to Mr Ki-Ho Kim, Director-General for Energy and Resources Policy, Ministry of Commerce, Industry and Energy, Republic of Korea, for hosting EWG26 and Co-Chairing the meeting agenda.

Members also <u>recorded</u> their thanks to Mr John Ryan, for having successfully led the discussions as Chair and their appreciation to the host economy for the excellent meeting facilities and hospitality they enjoyed Seoul.

LIST OF PARTICIPANTS

Australia

Chair/Co-Chair

Mr John Ryan

Mr Ki-Ho Kim

Australia Ms Vicki Brown Ministry of Commerce, Industry and Energy Republic of Korea

Director-General for Energy and Resources policy,

Department of Industry, Tourism & Resources,

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Canada **Gil Winstanley Debbie Gordon**

Chile Mr Carlos Pińa

People's Republic of China Mr Liu De Shun

Ms Zhang Qin

Hong Kong, China Mr Eric Tat-Ping Uv Mr Welman Leung

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Natural Resources Canada Natural Resources Canada

National Energy Commission

Energy Bureau, National Development and Reform Commission (NDRC) Foreign Affairs Department, NDRC

Electrical and Mechanical Services Department **Electrical and Mechanical Services Department**

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