

# Regional Governance in Asia and the Pacific

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Energy security and sustainable development have to be pursued primarily through national efforts, but there is also much to be gained from transboundary cooperation

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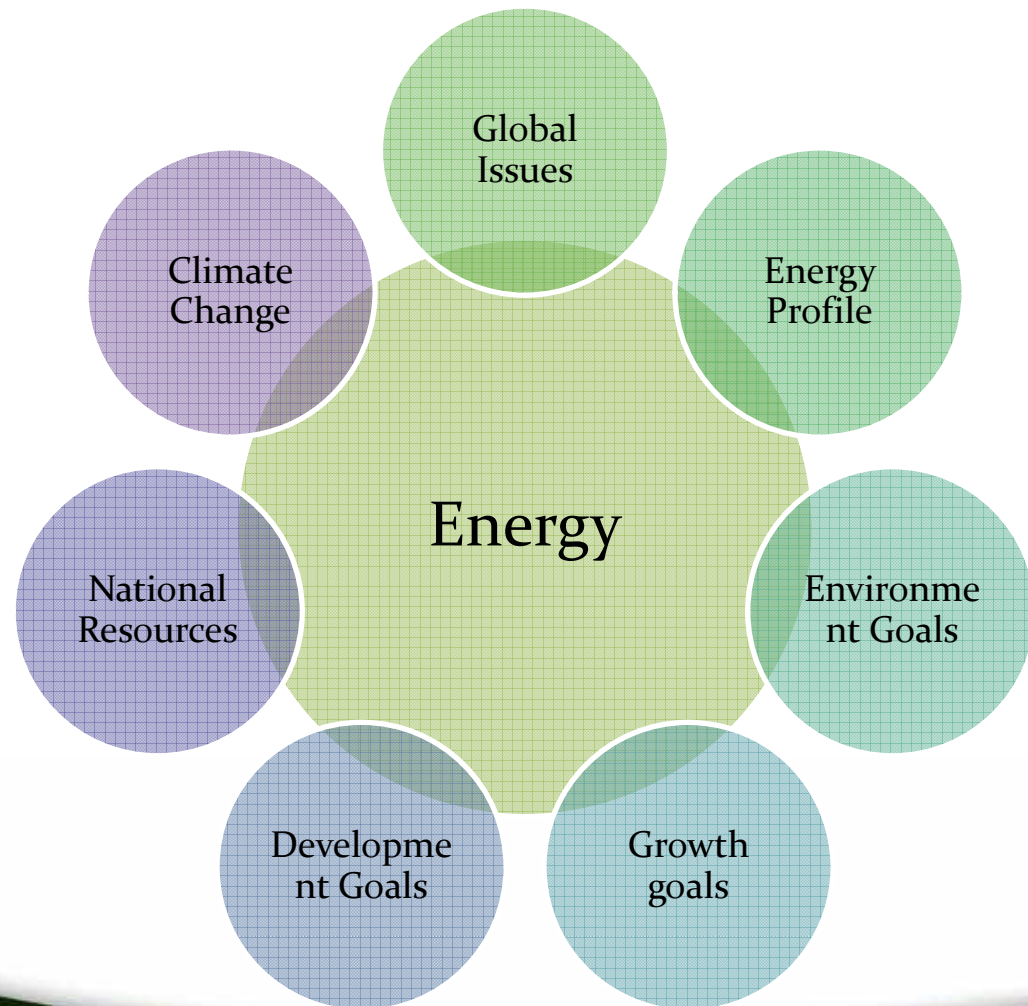


# Agenda

Energy governance in Asia and the Pacific region  
Regional Energy Co-operations  
Future Regional Energy Governance Mechanism  
Conclusions



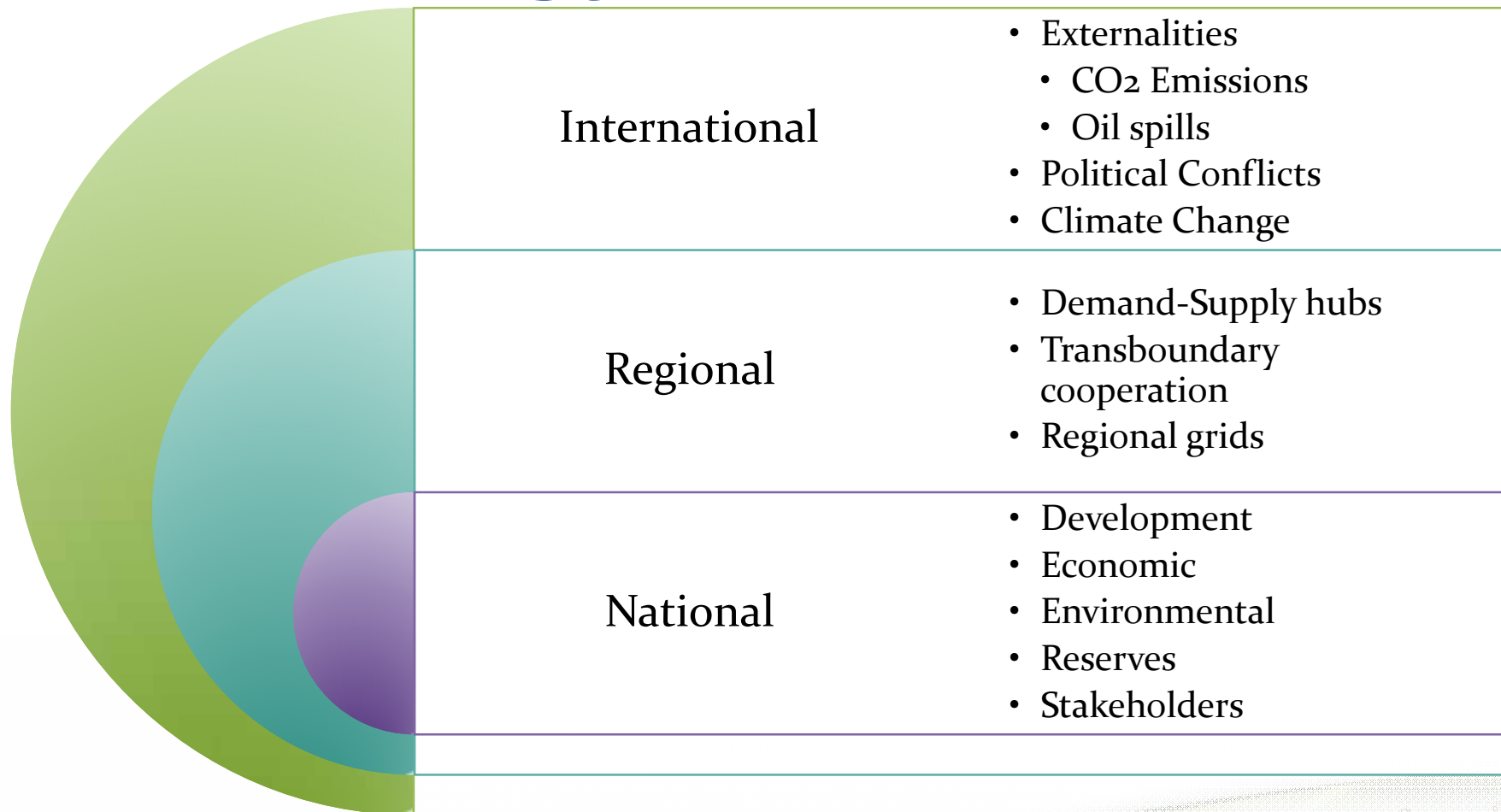
# Energy Governance



To achieve all these goals and at the same time achieve sustainable development contradictions should be removed between policies as well as within and to realize the benefits and the goal of making policies mutually supportive



# Energy Governance





# Energy Security and Sustainable Energy Management

Is sustainable energy management a subset of energy security?

Sustainable energy management is not an economic issue alone. It is also an issue of technology, infrastructure, social, environmental, cultural, and, political barriers.

The impacts of lack of access to sustainable clean energy are multi-dimensional, including social upheaval and conflict. As a result, energy governance is a key issue when tackling sustainable energy in the region since it can provide the right set of policies and regulations at a national and regional level, not only through energy policies but with an emphasis in the major drives for sustainable energy.



# Energy governance

Secure energy supply for socio-economic development in an environmentally sustainable manner. Contribute towards sustainable development: access, energy efficiency, renewable energy

Most Asian developing countries have to address poverty eradication:

The most direct ways in which Governments can address poverty is by ensuring the availability of services in this case energy services, either providing them directly or sustaining a framework for provision through the private sector or civil society

Finance alone, without the right governance structures and enabling legal and regulatory frameworks, will likely not deliver the actual investments and infrastructure needed to satisfy demand.



# Energy Governance

- Vision
  - Strategies (baseline, driving forces)
  - Actions (time line, financial resources)
  - Monitoring and evaluation to improve strategies and actions
  - Stakeholder involvement in the centre
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- Policy framework, regulatory framework, legislation
  - Institutional arrangements
  - Financing (innovative): Economic instruments
  - Capacity building
  - Technology (appropriate): R&DD





# Vision and Strategies

- Vision:
  - Linkages to national development goals
  - Long-term
- Strategies
  - Consider driving forces (external and internal)
  - Medium term
  - Goals and targets
  - Different stakeholders



# Energy Governance

## Developing the Strategy

Energy demand,  
match economic  
and social  
development goals,

Availability of  
domestic financial  
resources

Prospects for  
renewable energy  
resources

Geographic relation  
between energy  
production and  
consumption

Prospects for  
technological  
improvements

Dependency on and  
security of foreign  
sources



# Energy Governance

## ASEAN Center for Energy

- Catalyst for the economic growth and development of the ASEAN region by initiating, coordinating and facilitating regional as well as joint and collective activities on energy



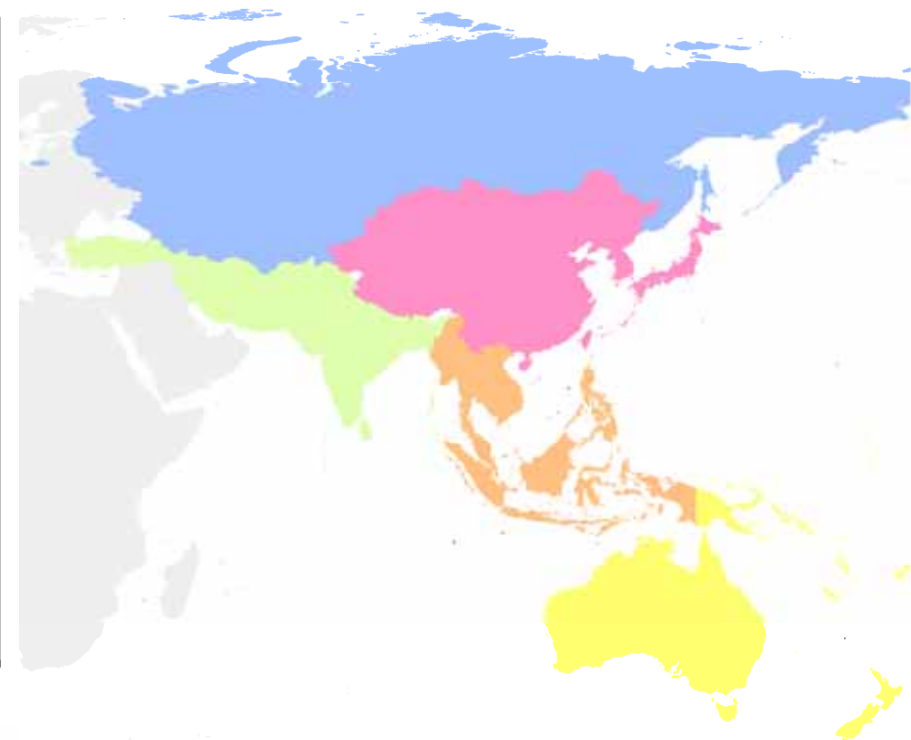
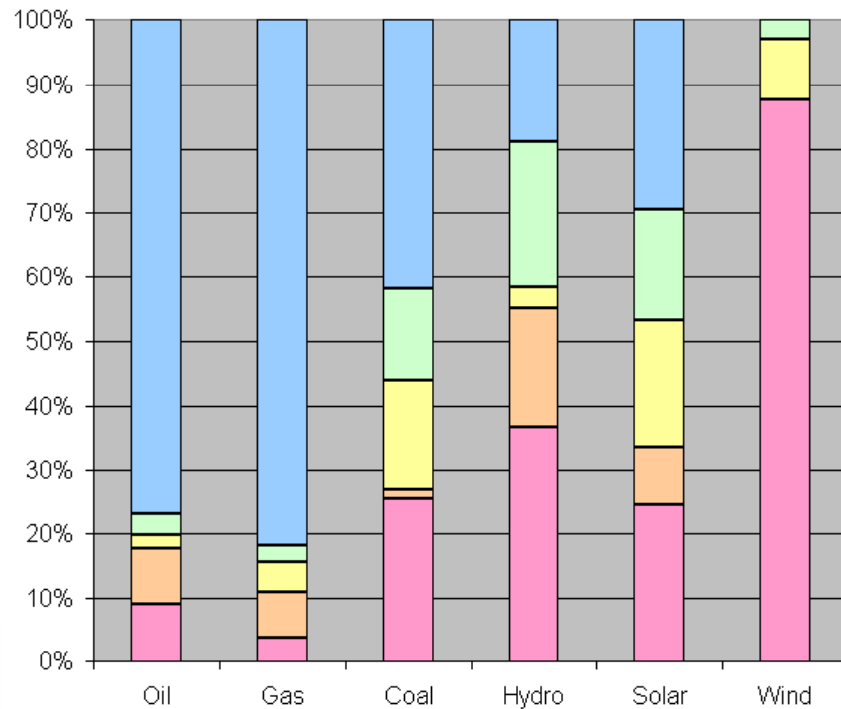
# Asia Pacific Region

46 per cent of the world's total primary energy production  
40 per cent of the total final energy consumption  
relies heavily on imports  
energy demand is projected to increase by about 80%

Thus, the challenges that face the region are great and need a regional approach. The challenge appears to be one of how best to access these reserves to balance out the region in terms of supply and demand where domestic capacity is insufficient.



# Energy Resource Distribution



Note: Does not include offshore wind potential; Sources: *BP 2012, NREL 1990 & 2008, UN 1997*





# Asian Energy Highway

AEH aims to address existing initiatives for regional energy cooperation by advancing national energy planning, infrastructure development and power trading across the entirety of Asian and the Pacific to the regional level

The development of an integrated regional grid is the focal point for promotion of diversification within the energy generation mix, optimizing efficiencies in energy resource consumption, and reducing exposure to power shortages in a cleaner and more low carbon way



# Challenges

The major obstacles for regional integration are the political, regulatory, financial, and physical impact (i.e. environmental and social) of the development of the system

Due to the broad scope and technical complexity of energy development, significant cooperation at all levels will be necessary, requiring transparency within partnerships and management processes



# Opportunities

Reduce generation excesses and support the increased injection of renewable technologies

Delivering more secure supply to intensive demand centres

Increase the potential for remote access

facilitate competitive pricing through integrated markets.

reduce peak demand and enhance the stability of grids specially considering renewable energies

optimisation of resource allocation between supply and demand centres, opening up trading opportunities and resource security alternatives

Promote improved financial and technical capacities

Adaptable to new and emerging developments in energy sourcing

Enhance efficiencies of trade across borders and reduce bottlenecks



# Opportunities

Reduce generation  
excesses and in support  
the increased section of  
renewable technologies

Nations can become  
more interdependent,  
delivering mutually  
beneficial development  
goals

Energy security and access  
will significantly contribute  
to the social development  
agenda increasing quality of  
services and potential for  
economic growth.

Development of local  
industry,

Stimulate national  
and local economies



# Conclusions

Development of a strategic management of energy resources is within reach for many of the countries within the Asia Pacific Region.

It needs to include a wider perspective which will provide a better decision making, better involvement of stakeholders and at the end a more sustainable future for countries in the region.

Regional cooperation could provide the linkages to solve the issues within the region, sharing know how's and, using each other's experience and comparative advantages in making a transition to a sustainable energy future.





# Conclusions

Integrated grids enhance energy security through diversification of resource availability

Increased geographic coverage of generation planning promotes energy balancing that can reduce base load reserve quotas and smooth the intermittent supply provided by renewables

Regionally integrated infrastructure and electricity markets creates economies of scale and access opportunities for bulk renewable supply

