

Cooperation in Energy Security between Taiwan and Asean

The Sixth Session of the Dialogue was on the topic of Cooperation on Energy Security between Taiwan and ASEAN. The speaker was **Mr Gin-Foo Huang**, Deputy CEO, CPC Corporation, Taiwan. The session was moderated by **Tan Sri Mohamed Jawhar Hassan**, Chairman, ISIS Malaysia and **Dr Chen-Shen Yen**, Acting Director, Institute of International Relations (IIR) Taiwan. ISIS Analyst **Zarina Zainuddin** reports.

Mr Gin-Foo Huang's presentation was divided into five parts: the energy security indicators of Taiwan (2009); the distribution of imported energy; CPC Corporation's overseas exploration projects; Taiping Island and South China Sea exploration activities, and finally, future cooperation between Taiwan and Asean.

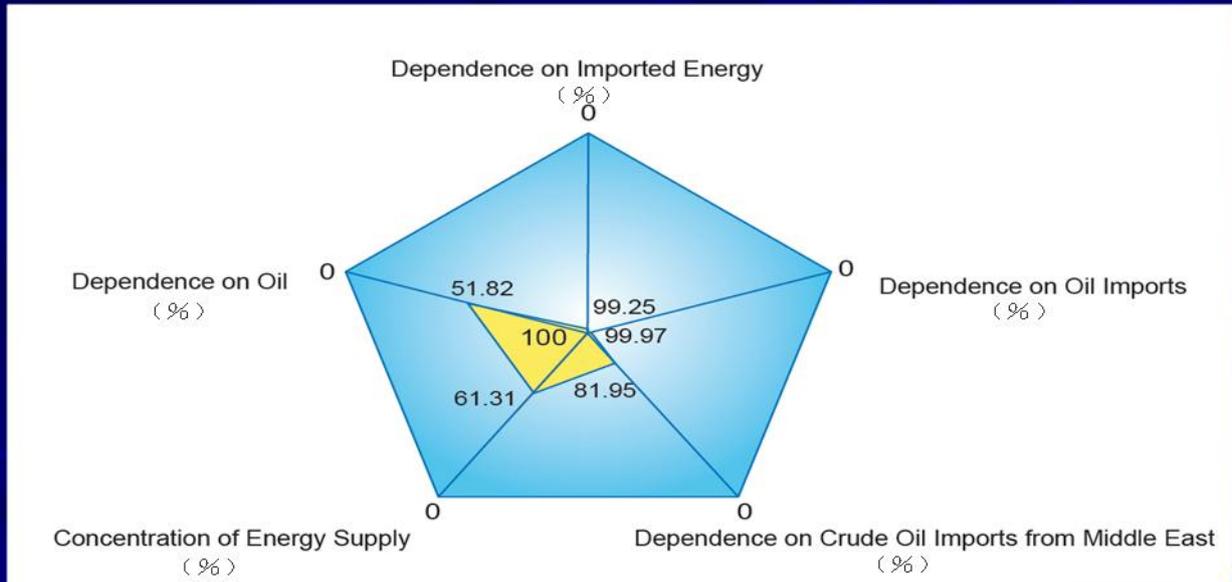
Huang began with energy indicators for Taiwan, specifically figures for the import of energy (2009). Taiwan uses oil, coal and liquefied natural gas (LNG) for its energy needs. It is highly dependent on the outside world, having to import 99.25 per cent of its energy!

Oil makes up about 52 per cent of its energy needs and the bulk of it (82 per cent) comes from the Middle Eastern countries. The remaining oil imports come from West African countries (10.6 per cent), Indonesia (1.2 per cent), and other countries (6.2 per cent). Taiwan's coal import comes primarily from three countries: Australia (38.8 per cent), Indonesia (36.7 per cent) and China (19.9 per cent). Indonesia and Qatar are Taiwan's top two suppliers of LNG at 34.2 per cent and 33 per cent respectively, followed by Malaysia at 25.5 per cent and Australia at 2.4 per cent. Huang noted that 61.2 per cent of Taiwan's energy suppliers are concentrated amongst these nations.

Taiwan's overseas exploration projects are located in eight countries and in a total of 20 blocks. The bulk of the exploration projects are located in two countries: Indonesia (six blocks) and USA (five blocks), while Australia is a distant third with two blocks. In all except one, Taiwan's involvement in the exploration is in the form of joint ventures, with shares ranging from 15 per cent to 70 per cent. Taiwan's participation in these ranges from being field operator to shareholder. In a number of these projects, Taiwan partnered Mainland China's major oil companies. Taiwan's sole, fully-owned exploration block is located in Libya's Murzuq 162 block.

While there are more than 200 basins in the area, the majority of the exploration activities are concentrated within the South China Sea basin. Known oil and gas discoveries are located in the South China coast of Borneo, the North Sea of Malaysia, the South Sea of China and the Pe basin of Indonesia. Huang also noted the disputes within the South China Sea, mainly due to overlapping claims based on the 200 kilometre Exclusive Economic Zone (EEZ) area.

Taiwan Energy Security Indicators of Taiwan (2009)



Taiiping Island & South China Sea Exploration Activity



The exploration activities are concentrated around the South China Sea basin. (USGS 2010)

