



EC-ASEAN ENERGY FACILITY



RE Energy Partnership Opportunities with the European Community

Renewable Energy Asia Conference
Renewable Energy: Technology and market in Southeast Asia
6-7 July 2006/ BITEC, Bangkok, Thailand
KoM

ASEAN-EU ENERGY COOPERATION NETWORKING FOR PRIVATE SECTOR / ASI/B7/3010/IB/2000/0053-D/SV/2006/3

11-13 July 2006 EREC Renewable Energy House, Brussels

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EC programmes and EIB loans in SEA

"A new partnership for South East Asia", Com(2003) 399/4, 09/07/03

- A European strategy for sustainable, competitive and secure energy (Com 105/ 08/03/06), under public consultation to 24/09/06, EU internal
- Bilateral assistance and cooperation programmes
- Intelligent Energy-
http://europa.eu.int/comm/energy/intelligent/library/publications_en.htm, 2006
Call for Proposals open until 31/10/2006
- EC-ASEAN Energy Facility , until 2/2007
- EIB – loans for e.g. infrastructure; Indonesia, Philippines and Thailand have got loans during the past 5 years, see <http://www.eib.org/lending/ala/en/index.htm>
- ASIA PRO ECO PROGRAMME - Phase II - environment , open until 1 June 2006
- **No open calls under other EC Grant Programmes like:**
- ASEAN-EU University Network Programme
- ASIA Invest Programme – internationalisation and business cooperation
- ASIA Urbs Programme – urban development
- ASIA LINK Programme – higher education networking

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Conclusions of “Europe-Asia Co-operation Strategy for Energy”, EP/Energy Council 1997

- The energy sector deserves special attention in the context of the relations between the EU and its Member States on one side, and Asia on the other;
- The process of economic development in co-operating Asian countries calls indeed for special attention to be given to the elaboration of an adequate energy policy at both national and regional level;
- The strengthening of the security of supply in both the EU and Asia, the participation of the European industry in Asia's energy markets, and the protection of the global environment, are the main objectives for energy co-operation activities and programmes between the EU and Asia;

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Conclusions cont'd

- Energy co-operation between the EU and Asia should be targeted at modernisation of the electricity sector, promotion of natural gas, introduction of clean coal and combined heat and power technologies, promotion of energy efficiency and energy conservation, security of supplies to rural areas (in particular by an increased use of new and renewable energy) and development of regional energy resources;
- In order to implement this strategy, the EU should intensify the dialogue and target actions by means of increasing awareness and supporting the European energy industry.

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Background – EAEF builds on

- The achievements of ten-year long AEEMTRC (ASEAN-EC Energy Management Training and Research Centre) project from the 1990s
- Strategic considerations inside the EU and the dialogue between the EU and ASEAN in late 1990s
- Co-operation inside ASEAN on energy through the 1990s, various sub-sector groups and co-operation projects
- Financing Agreement (FA) signed between the EU and ASEAN Secretariat on 21 June 2001, valid until 30 June 2008
- Amendment No.1 to FA, signed 12/04, valid to 28 February 2009
- Amendment No. 2 to FA, signed 04/05
- EU Service Contract on TA to ACE signed late January 2002 between EC and Dansk Energy Management (DEM)
- Project duration 1 March 2002 to 28 February 2007
- Projects have to end by 12 December 2006



What EAEF is?

- A programme of cooperation between EU and ASEAN
- To facilitate partnerships between ASEAN and EU organisations
- In developing specific joint projects in the energy sector
- Targeting also institutional development
- Catalysing interaction of industry and energy sector operators
- Constitutes a sector specific complement to existing multilateral instruments from the development banks and to other EC programmes for economic cooperation
- Is in brief a co-financing instrument for small scale energy projects



Overall objectives of EAEF

- Increasing the security of energy supply of ASEAN countries and indirectly of Europe,
- Increasing the economic exchanges between European Union and ASEAN countries,
- Improving the environment at local and global level,
- Facilitating the implementation of the ASEAN Plan of Action for Energy Co-operation 1999-2004 and subsequently 2004-2009.

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Immediate objectives and priorities

- The programme will stimulate regional energy projects and initiatives proposed by the energy industry, either public or private, from the European Union and from ASEAN.
- The programme will co-finance groups of EU and ASEAN energy actors for the implementation of consistent projects which have a regional ASEAN dimension and which also clearly have a real European "added value", i.e. featuring the diversity of the European experience in terms of institutional or technological options.
- Stimulating projects, impacts of which are measurable e.g. in terms of energy produced or saved, pollution avoided, business induced between EU and ASEAN and intra-ASEAN co-operation.

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Main activities under Four Facilities

- Facility 1: Increasing market awareness: Through study tours, workshops, seminars, exhibitions or similar actions which can increase ASEAN awareness of European experience as well as European knowledge of ASEAN markets.
- Facility 2: Adapting institutional frameworks: Through the provision of expertise in formulating policies or adapting institutional frameworks, training of ASEAN executives, preparation of operational master plans or strategic studies, co-ordination of national plans for the extension of power supply systems and gas grids, harmonisation of national legislation, etc.

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Main activities under Four Facilities

- Facility 3: Conducting feasibility studies: As investors and promoters are reluctant to cover alone the high cost of preparing long term projects, especially those involving several countries, the programme will contribute to the cost of preparing bankable projects for submission to the financing institutions.
- Facility 4: Implementing demonstration projects: This will be done on a full scale basis, in order to demonstrate their technical reliability and economic viability, with a view to transferring advanced technologies for energy efficiency, renewable energy, clean coal and natural gas projects. These demonstration projects will constitute "shop windows" for European technology.

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Subsectors concerned

- Electricity, focusing on the interconnection of the electricity grids (the ASEAN Power Grid, APG), the reduction of generation losses and the modernisation of distribution companies;
- Natural Gas with emphasis on gas transmission, the TAGP (Trans-ASEAN Gas Pipeline) and distribution;
- Clean Coal technology;
- Energy Efficiency;
- Renewable Energy.

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Depending on the type of individual project, different rates and ceilings will be applied for the call for proposals:

Facility	Category	Typical actions Supported	Typical proponents/ partners	EC grant maximum support	EC grant minimum and maximum amount (EUR)
1	Increasing market awareness	<ul style="list-style-type: none">• Workshops,• High level Meetings,• Study tours,• Exchanges of Personnel.	Public and/or Non-Profit Organisations	50%	20,000 to 100,000
2	Adapting Institutional Frameworks	<ul style="list-style-type: none">• Masterplans, Strategic studies,• Policy formulation,• Secondment of experts in ASEAN,• Staff placement in EU,• Training.	ASEAN Public sector (Regulatory bodies or utilities)	50%	20,000 to 200,000
3	Conducting feasibility studies	<ul style="list-style-type: none">• Provision of expertise,• Travel, Documentation and misc. study costs.	Non-Profit Organisations	50%	50,000 to 500,000
4	Implementing demonstration projects	<ul style="list-style-type: none">• Contribution to equipment cost,• Training of O&M staff,• Independent monitoring.	Non-Profit Organisations	15%	100,000 to 500,000

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Basic eligibility

- Groups of minimum three partners: at least two from the EU, one from ASEAN
- Any public and private sector non-profit organisation from the EU Member States or from ASEAN (e.g. Professional Associations and Industrial Federations)
- Commercial companies on a mere non-profit basis
- Criteria for eligibility: Applicants & Partners, Projects, Costs

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Total budget of the programme in five years

• EU Contribution	18,000,000.00 EUR
Amendment 1/2004	3,500,000.00 EUR
• For projects	16,500,000.00 EUR
• Institutional Strengthening	2,000,000.00 EUR
• Programme O&M	3,000,000.00 EUR
• Project Partners' contribution	16,500,000.00 EUR
• ACE in-kind contribution	510,000.00 EUR
• Total estimated budget	38,510,000.00 EUR

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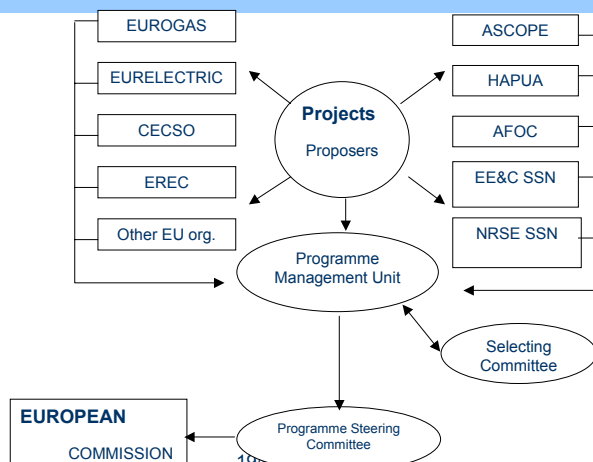
Institutional Structure

- Financing Agreement EU < - > ASEAN Secretariat
- Contracting Authority ASEAN Centre for Energy ACE
- Programme Management Unit PMU
- Programme Steering Committee PSC
- Selection Committee Nominated by SOME and EU separately

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Path of the individual projects proposals





What have we achieved?

The Programme still continues until 28 February 2007...

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Institutional Development

- Collaboration with professional groupings on energy in both regions
- Institutional interaction (e.g. annual roundtable discussions and working groups)
- The themes to be taken up as priorities on specific energy issues were defined during the first year, as well as the criteria and profile of participants established
- The aim: a strong network of experts, organisations and bodies involved in ASEAN institution building, exchange programmes and transfer of know-how and experiences
- Budget allocation for this activity is 2 MEUR over five years.
- Nine contracts implemented/ongoing, incl. remaining activities from Cogen III under four service contracts, one launched under Framework mode of contracting

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Contracts for Institutional Component

- **EC-ASEAN ROUND TABLE AND STUDY TOUR ON SUSTAINABLE ENERGY** in the EU with identification number ASI/B7/3010/IB/2000/0053-D/SV/2004/1 (02/05-07/05)
- **ASEAN Energy Data and Statistics Management Training** with identification number ASI/B7/3010/IB/2000/0053-D/SV/2004/2 (06/05 - 11/06)
- **4 Service contracts for Country Coordinating Institution Follow-up of Cogen III** (01/05 – 12/05)
- **Framework contract for coordination of Follow-up of Cogen III** remaining activities, supervision only – contract signed by EC Delegation (03/05 – 01/06)
- Two more contracts signed June 2006: a) **FORMULATION OF LEGAL FRAMEWORK ON RENEWABLE ENERGY (RE) FOR CAMBODIA, LAOS AND VIETNAM (CLV) COUNTRIES**, ASI/B7/3010/IB/2000/0053-D/SV/2006/1, b) **ASEAN-EU ENERGY COOPERATION NETWORKING FOR PRIVATE SECTOR**, ASI/B7/3010/IB/2000/0053-D/SV/2006/3
- Third one to relaunch under Framework contracting mode c) Strategic Environmental Assessment (SEA)
- Fourth dossier on Energy Treaties still optional

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Calls for Proposals

- 1st CfP: 5/7/02-15/10/02 EuropeAid/114189/C/G for EUR 6.5 million/ 20 projects. Resulted in 49 proposals, 15 projects contracted, EU current contribution value EUR 2,518,955
- 2nd CfP: 12/6/03-16/10/03 EuropeAid/116832/D/G for EUR 5.5 million/ 27 projects. Resulted in 32 proposals, 16 projects endorsed, EU current contribution value EUR 2,848,134
- 3rd CfP: 15/06/04-21/09/04 EuropeAid/119920/C/SV for EUR 6.5 million/ 27 projects. Resulted in 49 proposals, 20 projects contracted, EU current contribution value EUR 6,371,476
- 4th CfP: 28/03/05-27/06/05 for EUR 4.1 million/ max. 25 projects. Resulted in 50 proposals, 17 projects contracted, EC contribution value EUR 3,583,313.
- In total 180 proposals received under four CfP, 72 projects endorsed, 67 contracted in the inventory, EUR 16.5 million endorsed/committed

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Projects divided by Facilities

- 1CfP: Facility1: 3, Facility2:7, Facility3:5, Facility4:0
- 2CfP: Facility1: 2, Facility2:6, Facility3:6, Facility4:1
- 3CfP: Facility1:2, Facility2:4, Facility3:13, Facility4:1
- 4CfP: Facility1:3, Facility2:11, Facility3:1, Facility4:2
- In total:
- Facility 1: 10 projects Facility 2: 28 projects
- Facility 3: 25 projects Facility 4: 4 projects

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Projects divided by sub-sectors

- Electricity (EL) : 15 projects
- Energy Efficiency (EE) : 14 projects
- Clean Coal (CC) : 3
- Renewable Energy (RE) : 34
- Natural Gas (NG) : 1 project

**All projects must end before
12 December 2006**

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Focus for 2006

- To complete the ongoing projects on and ahead of time
- To gather the results in accessible data bases for subsequent use
- To ensure sustainability, corporate memory, knowledge of EAEF specific features beyond 28/02/07
- To disseminate the results widely by projects and in separate conferences
- To distribute the Final reports and project results to respective ASEAN subsector network and related EC Delegations in the ASEAN region/ projects

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EC - ASEAN Energy Facility/ Call for Proposals 2002-2005/contracted RE related

No.	Project title
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6	Launching of a EC-ASEAN energy network, Sharing energy policy and implementation experiences among selected countries
24	Rural electrification decentralised energy options - REDEO
2	Stimulating EU-Indochina new and renewable energy (NRE) projects through private sector participation in economic cooperation and foreign direct investment (FDI) initiatives
20	15 MW First Farmers Bagasse Cogeneration project
18	10 MW Riau Palm Oil Residue Power Project
59	Jegu Mini Hydro Power Demonstration Plant-"combining local manufacturing with European state-of-art technology"
67	Standard for Mini Hydropower Planning and design in Vietnam and its Neighbouring Countries-STAMP
65	Institutionalisation of Green IPP Network in the ASEAN Region
54	ASEAN Regional network to facilitate sustainable energy investment through Clean Development Mechanism (CDM)
66	Information for the Commercialisation of Renewables in ASEAN (ICRA)
69	Innovative Financial Scheme for Sustainable Development of renewable Energy projects in Rural Areas of Vietnam, Philippines & Indonesia (IFRERA)
61	Setting up of National Associations for Cogeneration and Decentralized Energy Systems in ASEAN Countries
62	Capacity building in formulating harmonized policy instruments for the promotion of renewable energy and energy efficiency in the ASEAN Member Countries
81	Rice Husk Plants - Indonesia, Philippines, Vietnam
60	Field trialing and assessing the viability of energy crops for use in biomass renewable energy projects in the Philippines
80	Information Dissemination and Education Campaign for Biomass based Renewable Energy Solutions in rural areas, Philippines
96	Feasibility study for the sustainable development of Samui Island
124	The PTM Zero Energy Office Building (ZEO Building)
105	Enhancing the energy self sufficiency of rice mills
101	Developing a National Scheme and Conduct of Feasibility Studies on the Implementation of Decentralised Energy Systems using Biomass and/or Indigenous coal as Fuel in Lao PDR
125	Feasibility assessment and capacity building for wind energy development in the Philippines, Vietnam and Cambodia
89	Co-firing Biomass in Existing Coal Fired Power Plants in ASEAN Countries
111	Promotion of Private Sector investment in Small Hydropower through Financial Support and Capacity Building for two Feasibility Studies
129	Feasibility study guidelines for organic waste and biomass by biogas plants etc. utilisation : case Phu Quoc/Vietnam
102	Feasibility study for distributed generation (DG) and renewable energy portfolio (REP) of a distribution utility: case study in the Philippines

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108	Bankable Programs of Renewable Energy Sources for Rural Electrification in Lower Delta Mekong (Delta PRO RES)
91	Analysis of the impact of enhanced use of renewable and advanced fossil fuel technologies for power generation in selected ASEAN...
104	Access to LSF for RE investments and design of IFI: case study in the Philippines, exchanging experiences with Thailand and applicability of European approaches
103	Feasibility study of renewable energy options for rural electrification in Cambodia
84	Increasing market awareness for building integrated photovoltaics (BIPV) in Malaysia
113	Feasibility study for wind farms based in Isolated Areas: Case study and development of a standard identification methodology
98	Distributed Energy: Operational Management Tools in Cambodia and Laos (DEMT)
126	Study of the Energy Charter Treaty for Possible Adoption by ASEAN
144	Feasibility study for the establishment of a biodiesel production plant in Thailand
142	Regional Energy Policy and Planning in ASEAN for Sustainable Development (REPP-ASD)
145	Adapting Institutional Frameworks in ASEAN for the establishment of the ASEAN Carbon Equity Fund
165	Vocational Training for Cambodia & Laos rural electrification SMEs
178	Implementation and Demonstration of a 1.5 MWe Cogeneration Plant in Cambodia
155	Policy reinforcement and stimulating Regional projects on waste-to-energy conversion for medium-sized cities in South East Asia using Panay, Philippines, as a case
157	Capacity building for wind projects developers, providers etc.
162	4.2 MW Rice-husk Fuelled Power Plant in Bolaang Mongondow, North Sulawesi
156	Capacity building for local government units (LGUs) Public Market Vendors and households in Calaca, Batangas
159	Pan-regional Prospects for Vehicular Fuel Ethanol From Sugar Based Feedstocks
33	Implementation of the clean development mechanism (CDM) in the ASEAN energy sector, exchanging experiences and regional institutional capacity building (CDM-ASEAN)
119	Strengthening the Capacity of ASEAN Business to Invest under the CDM

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Sustainability Plan – Key Players and their roles

- ASEAN Secretariat (Beneficiary) – secure resources in ASEAN for caretaking of EAEF outcome
- ASEAN Centre for Energy – knowledge, coordination, corporate memory base, hub and distributor of outputs, host of web site
- EC Delegations in ASEAN region – dissemination and visibility
- ASEAN Energy Subsector Networks – competence and expertise base, link to national institutions and implementation, dissemination, master of respective projects
- In addition two – three dissemination conferences will be organised in 2006 – 2007 in ASEAN and EU

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Conclusions

- EAEF unwinding ongoing: now 4.25a/5a, EC contribution value: EUR 16.5 million allocated, number of projects: 67/50-60 i.e. performance as planned
- Caretaking of Cogen III remains beyond 2004: contracts for 4 Country Coordinating Offices (Malaysia, Philippines, Singapore, Thailand) and a Coordinating Contractor implemented
- All projects must end by 12 December 2006
- EAEF is successfully contributing to the sustainable energy policies and programmes in ASEAN energy mix
- The BIG QUESTION: How this extensive output documentation (The most extensive available in the region) will be utilised in a sustainable way within ASEAN in the years to come??

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THANK YOU

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