

ABCDE: ASEAN-EU ENERGY COOPERATION NETWORKING FOR PRIVATE SECTOR



Funded by the EC through the
EC – ASEAN Energy Facility



MINUTES OF CONSULTATION MEETING

9 - 10 November 2006

ASEAN Institute of Management (AIM), Metro Manila, Philippines



A two day consultation meeting was organized by Innovation Energie Développement (IED, France) with local assistance from Seedlinks, Philippines within the scope of the “**ABCDE: ASEAN Business Council for the Development of Energy and Environment**” project, financed by the ASEAN Center for Energy (ACE) through the European Commission – ASEAN Energy Facility (EAEF), wherein the overall objective is to establish an operating framework for the ASEAN Business Council for Sustainable Energy in tight consultation with ASEAN stakeholders (institutional and private).

The concrete objectives of this consultation meeting were to obtain inputs from stakeholders in the region on the proposed draft master plan of the Business Council, to gauge interest of the participants in the need of such a structure, assess their involvement and detail a road map of immediate next actions to ensure the realization of the Business Council in the near future.

The workshop brought together an interesting mix of regional experts representing mostly the private sector and the main fields of focus that the Business Structure proposes to work on in its first years of inception: (1) bioenergy; (2) solar, (3) financial & investment companies/ banks and (4) national associations of renewables and energy efficiency. Representatives from each ASEAN¹ country, with exception of Lao PDR², attended the meeting. A total of 47 delegates attended the meeting, refer to the list of participants.

The meeting was opened by inspirational presentations that set the scene for discussions by Juan Jose Echanove of the EC Delegation in the Philippines, Dr Guillermo Balce Under Secretary of the

¹ Not including Myanmar & Brunei

² Lao PDR was invited to the meeting but unfortunately could not participate due to other engagements.

ABCDE: ASEAN-EU ENERGY COOPERATION NETWORKING FOR PRIVATE SECTOR



Funded by the EC through the
EC – ASEAN Energy Facility



DoE of the Philippines; Congressman Augusto H. Baculio and Dr Worapot Manupipatpong of the ASEAN Secretariat.

The agenda allowed interventions from all the invited delegates. Valuable inputs were provided in terms of the Business Council's suggested: (1) Need and Mission Statement; (2) Strategic priorities and services, (3) organization and structure and (4) next steps. The main points of discussions are summarized below and will be integrated in the final Master Plan and Road map document.

Main Points:

Need & Mission Statement:

- Business Council is relevant, welcomed and timely.
- Sustainable Energy is relatively new and interest is increasing. Energy security is a long-term goal.
- The Business Council could orchestrate the activities to bridge the gap in the wide diversity of the ASEAN
- The private sector is looking for advice, know-how, experience especially the mistakes that were committed before, lessons learned, etc
- It is useful to have this Business Council to share experiences as businessmen among themselves and use them in lobbying in their own countries. The Council should be purely a private sector initiative although those that are state-owned in Cambodia, Lao PDR and Vietnam can also be members.
- Private sector can share their opinions and elevated to the government for policy-making.
- The Council can be very vital in protecting its members from unfair regulations or unfair practices.
- A regional body can act as an interlocutor for the donor community to talk to. The Council can add value to both big and small players alike. The ADB expressed interest in a regional body. The council can have a certain framework with which development and commercial banks can work within.
- It is easier to get funding agencies to support regional goals. Many of the regional goals are not reflected in the country's national goals. The Council could influence its member country's national level goals.
- There is a role for the Council to influence national government policies.
- The business council could start using the target set by the AMEM of 10% renewable energy share within the next 4 years. The Master Plan should reflect this target. The government imposes without consulting but we can change this by making the Council monitor or pro-act to address this.
- The council could provide a platform for members to share experiences on RE, banker's perspective on financing, best practices; business models, rates; incentives; guarantees provided by the government; do advocacy to move renewable energy barriers, meeting among the banks, developing partnerships, bring buyers for CDM to a common table etc. The ABCDE could also provide training to bank officers.
- Technical assistance facility to assist in policy making and capacity building of institutions in the financial markets.
- The business council could act as a hub for regional databases which can for example help facilitate trading carbon credits.
- The council networking should not be limited to EU.
- Aspects and services seen to be of value:
 - Interaction between private sector & government (dialogue, consultation, implementation)

ABCDE: ASEAN-EU ENERGY COOPERATION NETWORKING FOR PRIVATE SECTOR



Funded by the EC through the
EC – ASEAN Energy Facility



- Regional voice
- Provision of advice, know-how, information
- Documentation of experiences (successes, failures)
- Discussions stressed the importance of added value and utilizing what is already existing. Avoid overlaps and duplication. The key for this Council is the identification or filling up of gaps which other organizations cannot do. Existing bodies could be nurtured to make it more cost-effective and reduce the time needed to address the pressing concerns to promote and develop sustainable energy
- The Mission statement needs to be rendered more focused.
- The composition and interest of the Business Council focuses on sustainable energy. Environment is not discussed at all. Including the word environment in the mission statement might only confuse because this is too broad and in any case it is already incorporated in the meaning of “sustainable”. The word environment in the title is thought to be redundant and it was suggested to not include it.
- Retain sustainable energy as the focus area but highlight the priority focus areas of activity being renewables for off-grid and on-grid applications and energy efficiency.
- The mission is to promote the interests of its members.
- Social responsibility should be added to the overall mission statement to entice companies which are not involved directly in renewable energy to become members.

Strategic priorities:

1. Renewable Energy Sources:
 - Mini hydro power projects
 - Bioenergy (liquid biofuels, waste-to-energy, biogas and cogeneration)
 - Wind energy
 - PV systems
 - Emerging energy technologies
 2. Off-grid & On-grid applications
 3. Energy Education
 4. Financing schemes, funds raising and conditions to be met
 5. Policy, Planning & Regulatory Frameworks
 6. Energy efficiency in the built-environment
 7. Kyoto Protocol Mechanisms : CDM
 8. Environmental and Social Impact Assessments
- It was decided not to prioritize the above in any order. This will fall under the responsibility of the first General Assembly.

Organization & Structure

- An organizational chart was agreed upon. The idea of having a steering committee was rejected and the need of an advisory board will be decided upon during the first General Assembly.
- The Business Council will be part of the ASEAN family with official linkage; accreditation by the ASEAN Secretariat.
- The Business Council will be an independent body with no reporting obligations. It will report to AMEM if specific issues need to be discussed. Relationship between the council and AMEM has to be discussed further due to the perceived intervention by a public agency.
- A Pro-tem Committee (temporary body) should be established until the Business Council is established. The pro-tem will work on setting up all the activities needed to launch the business council. The pro-tem should be represented by each country and ACE, the majority of the members should be from the private sector.
- It was proposed that ACE could host the Business Council during the formative stage but once it is formed, the Council should be outside ACE so that it is not perceived as a government

ABCDE: ASEAN-EU ENERGY COOPERATION NETWORKING FOR PRIVATE SECTOR



Funded by the EC through the
EC – ASEAN Energy Facility



body. The Council should have a permanent location and its location should be in a country where sustainable energy is exemplary. The Board of Directors will to decide on a more permanent location which may welcome the hosting of a country but should consider the continuity of its operation. The Secretary General should be a senior and well respected person who has good communication skills and a broad understanding of the sector and the industry.

- The Board of Directors will be made up of 15 members representing:
 - 10 country representatives. One from each country – one member per country (10). The country representatives will be voted by their own full country-person members.
 - 5 open seats – voted by all full members
- The board of directors have a range of obligations which need to be defined and these should include facilitation, liaison, and active involvement in one of the working groups; more permanent structure considering the term of the Board of Directors is three years only
- The Chairman would be voted by the Board of Directors. The term will be three years but can be elected for another term. It was also discussed whether the Chairmanship should be rotated country by country.
- Each ASEAN country will have a focal point. Existing set ups / networks will be used – these will need to be dynamic networks. The Board of Directors will liaise with their country focal point.
- Sources of financing need to be sought for the pro-tem and for the initial role of the Council.

Next Actions :

- Incorporate all comments to the draft Master Plan and detail a road map : including comments on the mission statement, objectives and structure.
- Define the objectives, activities and resources needed of a Pro-Tem group
- Define a detailed road map for the first two years.
- Define the roles and responsibilities of the Board of Directors
- Final Meeting: 5th and 6th December, 2006 in Jakarta, Indonesia with champions and potential pro-tem members. The meeting on the 6th will be for the Pro-tem members to define a working plan. The objective of the meeting is to clearly work on the next practical steps for setting up the Council, as well as its priority action plan.
- IED Project End date: 12th December 2006

The project is being coordinated and executed by :



Innovation Energie Développement

2 chemin de la chaudière
Franchiseville, 69340
France
Tel : +33 (0)472591320
Fax : +33 (0)472591339