



Plenary Session 3

“Delivering on the Clean Energy Agenda: Prospects and the Role for Policy”

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Assalamualaikum Warahmatullah Hiwabarakatuh,

Colleague Ministers, Distinguished Delegates, Ladies and Gentlemen,

At the outset, I wish to first of all thank His Excellency Dr Mohammed Bin Saleh Al-Sada, the Minister of Energy and Industry, Qatar, the government and people of the State of Qatar for the warm and generous hospitality accorded to us here in Doha, and congratulations on the successful hosting of this Roundtable.

The clean energy agenda is now at its peak with negotiation for a new international climate deal post-2020 at the upcoming COP-21 (*Conference of Parties*) in Paris next month. There is no other sector than energy that is more responsible of stabilising the greenhouse gas concentration and keeping the global temperature below the 2-degree increase threshold.

Clean Energy for Brunei Darussalam

For Brunei Darussalam, the role of clean energy is at the centre of our national policy aiming not only for an overall energy security, but also for a broader objective of a long-term environmental sustainability. Our current energy supply base is highly carbon intense whereby majority fuels are of crude oil and natural gas. We underscore the need to move away from this by setting a goal to reduce our total primary energy supply by 63 percent by 2035 which will require us to bring down our energy intensity to 45 percent and increase our renewable energy share up to 10 percent. The role of energy efficiency and conservation, and renewable energy is crucial to ensure that our uptake of clean energy is at the forefront.

Energy Efficiency and Conservation

There is still so much potential that we have not fully tapped on from energy efficiency and conservation practices and applications. These low hanging fruits are easily exploited with the right policy and facilitation by the government. We have started off by restructuring our electricity tariff to be more progressive to give a “price signal” to consumers so to encourage a prudent energy consumption behaviour that at the same time penalises heavy users. Energy standards and labelling on electrical appliances are important instruments in providing an environment that is conducive to energy savings where consumers are empowered to make an informed energy savings decision. We are currently finalising the Act to enable this.

Renewable Energy

To increase the uptake of renewable energy, we are looking at policies that encourage private investments such as net metering which allows consumers to generate electricity on-site from eligible facilities and export excess generation to the distribution network. On top of that, we will be embarking on installations of a large-scale on-grid PV system on a restored abandoned landfill site with a capacity of about 20 to 25 MW, a hybrid PV system in one of the districts with a capacity of about 10 to 15 MW and a Waste-to-Energy system incorporated with our new engineered landfill with a capacity of about 10 MW.

Challenges facing The Clean Energy Agenda and the role for policy

Even with a strong vision for clean energy, there are many challenges that countries face in adopting this agenda. Brunei Darussalam heavily subsidise domestic fossil fuels where population has little awareness on the true value of energy. This has become a barrier to getting support for our energy efficiency and renewable energy efforts. It is important for us to educate people on moving away from this 'subsidy mindset' and to find innovative subsidy approaches.

Financing is another issue where the need to provide an enabling environment for private sector remain a daunting task.

However, investments on clean energy especially renewable energy technologies are no longer straight forward as we are in the midst of a lengthy period of falling oil prices. The cost of renewable energy is no longer competitive with the low oil price, making clean energy uptake less attractive. Regardless of the

unfavourable environment for investment, we must continue to drive the agenda to reduce our vulnerability towards the uncertainties that oil market volatility brings. Clean energy is an important element for energy security as well as energy market resiliency. Hence, it has come to a critical point where policies must work in an innovative way that enable upscaling of renewable energy in spite of the current situation. This is the chance for renewable energy to play more prominent role in the energy mix, as it is better for a more stable energy market and a more certain supply of energy.

Finally, it is important to bear in mind that fossil fuels and hydrocarbons are a finite resource. It is important that we prepare ourselves for the post-oil future, by looking towards renewable energy sources to meet the future's energy demand.

The current energy market situation should hence be a motivation for us to work even harder for a clean energy future.

Thank you very much.