The 7th Asian Ministerial Energy Roundtable
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It is my great honor to be given an opportunity to address the 7th Asian Ministerial Energy Roundtable.

Natural gas is an environmentally-beneficial fuel source when we are required to control CO2 emissions and air pollution. We have abundant reserves of natural gas with diversified sources of supply in the world. In September this year, East Asia Summit Energy Ministers agreed on the pivotal role of natural gas for sustainable growth of the region. They also found it important for energy security to develop a liquid, transparent and secure energy market.

Given such benefits, global demand of natural gas is projected to grow, and in particular, it is Asia that drives the demand increase in the next 20-30 years. On top of that, LNG demand in Asia is expected to expand to 350 million tons in 2030, jumping from the current level of around 200 million tons.

Now, cooperation between gas producers and consumers is a key to capturing the potential LNG demand in Asia and thus to developing sustainable LNG market. For this purpose, Japan, as the biggest LNG importer, hosts LNG Producer-Consumer Conference annually. This year’s conference held last month was attended by some of the ministers present here today, other several ministers, and top business executives. A key focus was on Asian LNG market. During the conference, Japan announced two contributions to supporting the development of LNG market in Asia.

First, Japan will provide financial support. The recent study by the Economic Research Institute for ASEAN and East Asia, ERIA, suggested that about 80 billion dollars will be required to develop LNG supply chain to meet the region’s LNG demand, while some Asian countries are emerging as new LNG importers. In order to support projects which would help meet the growing demand in Asia, Japanese public and private organizations will arrange finance in the scale of ten billion US dollars.

Second, we will support capacity building. In Asia, some gas producing countries are now going to start LNG import. One challenge in these countries is to acquire knowledge to develop environmental and safety regulations and know-how required to build and operate relevant infrastructure. So we will provide opportunities to help build capacity for 500 personnel in the next 5 years, in both LNG producing and consuming countries combined.
Japan is also committed to three things for the benefits of developing LNG market to be shared by all the stakeholders.

Number One: Japan will continue to work towards developing flexible and transparent LNG market. In June this year, the Japan Fair Trade Commission suggested that providing destination clauses is potentially a violation of the Antimonopoly Act. We strongly hope that this suggestion would help make LNG trade more flexible. Also, we would like to see these views spread to other Asian consuming countries too.

Number Two: We will explore to expand new ways in consuming LNG. Particularly, we will help promote LNG as marine fuel by facilitating bunkering infrastructure which is being put in place.

Number Three: We will work on dialogues bilaterally as well as internationally to raise awareness in developing flexible LNG markets. Japan concluded memorandum of cooperation with EU in July and with India last month respectively to ensure LNG markets being flexibly developed. We will keep working for this.

In concluding, we believe that the Asian Ministerial Energy Roundtable, joined by key countries of gas producers and consumers, will continue to serve as a driving force to develop LNG market in Asia into the future. Thank you for your attention.