

Keynote Remarks

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8th Asian Ministerial Energy Roundtable

“Energy Security in the Age of Change:
Empowering Responsible Growth in Asia and the World”

Plenary Session 2: Advancing Inclusive Access to Security, Affordable, and Sustainable Energy Services

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(7 minutes)

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Excellency Suhail Mohamed Mazrouei, Minister of Energy, UAE,
Excellency Asian Energy Ministers,
Secretary General of IEF,
Distinguished Guests, Ladies and gentlemen,

Good Morning...

- It is a great honor and privilege on behalf of the Royal Thai Government to attend the **8th Asian Ministerial Energy Roundtable** here in Abu Dhabi.

Ladies and Gentlemen:

- Advancing Inclusive Access to Security, Affordable, and Sustainable Energy Services is crucial for our region.
- We are now in the beginning stages of an inexorable global trend toward what we call an **Energy Transition** Era. This energy transition will be marked by the possibility of a drastic shift from a world driven by fossil fuels to a world that is dominated by clean, renewable and non-fossil energy, though it may take time. This transition was codified in global acceptance in December 2015 of the Paris Agreement on Climate Change.
- At present, the **Asian region's** energy mix is being driven by technology and environmental concerns as individual country is engaged in transforming the country toward a more sustainable, reliable and self-sufficient energy future. For **ASEAN** alone, it is forecasted that the region will consume a massive 54% more energy in 2035 than it does today, of which the significant majority will still come from fossil fuels and will be increasingly reliant on imported energy.

- However, the key element of our long-term energy security, sustainability and affordability for ASEAN's future energy system is the integration of new and renewable energy technologies, distributed generation and consumption, and the interconnected digital economy.
- These transformations, for example, in the power sector are placing customers at the center, providing them greater control on their electricity use, production, sale and choice of energy source for their electricity as "*prosumer*". This means the *innovation landscape for a renewable-powered future* is underway.
- ASEAN needs to increase power security and access to align with the economic growth. ASEAN needs to increase close communication toward further **regional cross-border power trade** and **grid interconnectivity** to strengthen the energy security. A successful **LTM** (Laos-Thailand-Malaysia) – power trade project is a good example under ASEAN Power Grid.
- These opportunities are called "Energy 4.0", and they are marked by increases in efficiency, integration and innovation. As ASEAN continues to increase its skills and competencies in technology and business innovation, ASEAN will be at the front edge of this energy transition.

Ladies and Gentlemen:

- At a time of turbulent **global energy markets**, producers and exporters must follow a responsible and predictable line, and so must energy consumers. We can guarantee energy security if we act in truly coordinated fashion and genuinely take-into-account each other's interests.
- As we all are both **oil producers and consumers**, we are facing significant uncertainties and change ahead in the energy markets associated with current situation such as unrest in the Middle-East, sanction measures, trade war and the shale revolution. The impact from **shale revolution** may shake up international oil and gas trade flows and prices, with profound implications for *geopolitics*. We are now still on the brink of a "*golden age for gas*". However, we need to achieve stability of energy markets with sufficient oil supplies. Since the politics may create any picture that energy prices would be volatile.
- For **gas market**, the circumstances surrounding LNG have changed dramatically in recent years in both producing countries and consuming countries. Apparently, the shale revolution as mentioned will certainly have significant effects due to the boost in gas production. Also, in many gas-consuming countries, policy change towards diversifying its resources may create impacts on LNG procurement.
- To deal with those challenges, we urgently and seriously need to consider practical policy and strategies to enhance energy security, efficient use of energy, clean energy promotion, and development of alternative and renewable energy, including research and development of energy technologies.

- Towards **cleaner energy and low carbon future**, we welcome *zero emission* technologies such as electric vehicles to the market with tax incentive during its transition readiness, while battery storage technology needs to be developed for the sake of consumers' affordability. We need to utilize the best energy technology and innovation to minimize the emission and reduce impact from related energy production and activities to strive for the balance between the economic development and environmental sustainability.
- Indeed, the government needs strategic partnerships, that is, the **private sector** who is a real driver for implementation, and brings not only investments but also the necessary innovations for future energy landscapes.

Excellency, Distinguished Guests, Ladies and Gentlemen

- To cope with the challenging **new and innovative energy future** during transition period, policy makers should develop a better understanding of opportunities and challenges that arise from increasing **disruptive technologies** in the energy sector. Governments should develop a vision for a sustainable energy future that addresses multiple energy policy challenges and tracks its progress towards national goals.
- The key of success to reach such goals is the Government's **consistent and predictable policies**. Importantly, energy policy, regulation, finance and market mechanisms must be adapted in harmony to support this challenging energy transition.

Ladies and Gentlemen:

- For **Thailand's** future energy system, our energy security, sustainability and affordability also depend on the integration of cleaner fuel and renewable energy technologies, distributed generation, improved energy efficiency, smart energy system and digitalization.
- Currently, we are moving our economy in order to achieve *Thailand 4.0* through a BCG Model, that is **Bio-Circular-Green Economy** where cleaner fuel and renewables technologies are the mainstream.
- Allow me to share with you that in our new **Power Development Plan 2018**, we are incrementing the deployment of renewable energy as well as energy efficiency improvement in the energy mix of power generation to maintain our energy sustainability. We are fully supportive in bringing **disruptive technologies**, such as electric vehicles, to the market. Our new PDP 2018 will well reflect the country's system performance imperatives of security and access, economic development and growth, affordability and environmental sustainability.

- We are now facing innovative and disruptive technologies in energy sector. Our “**Energy for all**” strategy through “**Prosumerization**” policy will support the public, raise the people income as well as raise the level of the country’s competitiveness. We need to modernize our community energy grid using smart technology. We are now raising the proportion of renewable energy such as solar, biogas and biomass through community power plants while increasing energy efficiency performance through the deployment of our Energy Conservation Fund.
- Against the backdrop of expected rising **natural gas and LNG** demand and their **price volatility**, this may cause economic, budgetary and investment uncertainties for most countries. *Thailand* has no exception. As an LNG consumer and importer, we have made every effort with future strategies to ensure national gas supply security. Meanwhile, Thailand’s full liberalization of the natural gas business is underway.

Excellencies, Ladies and Gentlemen,

- As **ASEAN**’s economic and social development continues at a rapid pace, renewable energy will undoubtedly provide an increased proportion of the region’s energy needs while the reliance on fossil fuels will still continue. With that, to enhance **energy security**, the continued development and investments in new energy technologies for both fossils and non-fossils are crucial especially during the transition period.
- For this, the importance of energy security in accelerating the momentum of growth, interconnectivity and integration in the region is very crucial. Therefore, ASEAN Member States have been using the ***ASEAN Plan of Action for Energy Cooperation*** (APAEC) as a prominent mechanism for better cooperation towards enhancing energy security, accessibility, affordability and sustainability for all, with an aim to develop multilateral energy cooperation to advance regional integration and connectivity goals of ASEAN. To deal with the above challenges, all ASEAN Member States should tackle the *disruption era* through digitalisation, decarbonisation, decentralisation, deregulation and electrification.

Ladies and Gentlemen:

- This year, Thailand assumes the **Chairmanship of ASEAN** with an important task to move the momentum of energy transition towards the region’s cleaner future on energy to achieving the region’s energy security and sustainability. We will build smart energy infrastructure network to connect and integrate the regional cross-boarder power trade to enhance Regional Energy Connector. For this, the abundant renewable resources could be used successfully via these transmission highways.

- To achieve our common goal requires shared responsibility and collective efforts with full engagement and contribution from all stakeholders in the region, inclusive of government, private sector, civil society and community.
- Finally, I do believe, Ladies and Gentlemen, amidst the current complicated global economic situation, thanks to IEF's active role, the AMER will continue to serve as one of the biggest international platforms for Ministers to offer and highlight a good opportunity for all of us to discuss the important issues facing the energy sector today and their influence on global growth prospects.

Thank you