

December 2014

## REG: Greater Mekong Subregion

### Summary of Proceedings: 17<sup>th</sup> Meeting of the GMS Regional Power Trade Coordination Committee (RPTCC-17)

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**Greater Mekong Subregion Economic Program**  
**17<sup>th</sup> Meeting of the Regional Power Trade Coordination Committee (RPTCC-17)**  
Luang Prabang, Lao PDR, 24–25 November 2014

**Summary of Discussions**

**Introduction**

1. The 17<sup>th</sup> Meeting of the Regional Power Trade Coordination Committee (RPTCC-17) was held to (i) discuss the progress on the bids for the venue for the headquarters of the Regional Power Coordination Center (RPCC) which will serve as a permanent institution to enhance regional power trade and implement regional power interconnection in the GMS; (ii) provide updates on the Greater Mekong Subregion (GMS) countries' power development plans focusing on cross-border projects; (iii) discuss the assistance of development partners to support RPTCC activities; (iv) consider the draft report on the GMS Energy Sector Assessment, Strategy and Road Map; and (v) present the GMS recent developments on energy sector policy. See **Annex 1** for the detailed agenda.

2. The RPTCC-17 Meeting was held in Luang Prabang, Lao PDR on 25-26 November 2014, and organized by Lao PDR's Department of Energy Policy and Planning, Ministry of Energy and Mines in cooperation with the Asian Development Bank (ADB). It was attended by all members of Regional Power Trade Coordination Committee (RPTCC) and representatives of ADB, Agence Française de Développement (AFD), and World Bank. **Annex 2** provides the complete list of participants.

3. Ms. Gu Jun, Deputy Director General, Department of International Cooperation, National Energy Administration, People's Republic of China (PRC) chaired RPTCC-17. Dr. Daovong Phonekeo, Director General, Department of Energy Policy and Planning, Ministry of Energy and Mines, Lao PDR and Mr. Chong Chi Nai, Director, Energy Division, Southeast Asia Department, ADB, both acted as Vice Chair of the meeting.

**A. Opening Session**

4. Ms. Gu Jun, Chair, RPTCC-17, expressed warm welcome to all participants to RPTCC-17. She thanked ADB for the preparations and the Government of Lao PDR for hosting the meeting. She acknowledged that the meeting will facilitate information exchange in power development program particularly in cross-border power trading. Ms. Gu Jun stressed PRC's strong support and positive role in GMS power cooperation and emphasized that RPTCC values the enhanced dialogue and collaboration to promote GMS power cooperation. Further, on the establishment of RPCC, Ms. Gu Jun recognized that with the working mechanism, all GMS countries can push forward and enhance the subregional power cooperation and take advantage of the interconnected power grid to reduce reserve capacity, decrease power cost, improve grid security and stability and promote the development of GMS countries' economy and power industry.

5. Dr. Daovong Phonekeo, Director General, Department of Energy Policy and Planning, Ministry of Energy and Mines, Lao PDR welcomed all participants to Luang Prabang. On behalf of the Ministry of Mines and Energy and Electricite du Laos (EDL), he expressed appreciation to the delegates for making time and effort in attending RPTCC-17. He acknowledged that the

countries have benefited from the support of ADB and other development partners since the GMS Program was established in 1992. Dr. Davong shared that, at the 32<sup>nd</sup> ASEAN Energy Ministers' Meeting held in September 2014 in Vientiane four countries agreed to conduct a pilot project, entitled: Lao PDR, Thailand, Malaysia, and Singapore: Power Integration Project which aims to study cross-border power trade from Lao PDR to Singapore. As GMS is one of the fastest growing countries, there is a need to meet the growing demands of energy particularly for sustainable power utilization. To meet the growing energy demand, he suggested the need to think of modalities that will connect all member countries' national grid to become a regional GMS power grid. He reiterated that RPTCC can serve as platform to discuss modalities on harmonizing power trade.

6. Mr. Chong Chi Nai, Director, Energy Division, Southeast Asia Department, ADB, expressed appreciation to the government of Lao PDR for the excellent arrangements of the meeting and the participants' support to RPTCC and commitment to advancing the energy cooperation agenda in the GMS. He emphasized that GMS cooperation in energy aims to establish a competitive and integrated regional power market that will develop, in a sustainable manner, the rich energy resources of the GMS, improving the subregion's energy security and access to modern and affordable energy services. To address this objective, Mr. Chi Nai cited the progress in the GMS energy sector, including rolling out of rural electrification, rapid provision of large-scale, high volume national grid systems, and mobilization of indigenous resources and commencements of cross-country electric power trade. He also shared that a key milestone for RPTCC is the Intergovernmental Memorandum of Understanding for the Establishment of the Regional Power Coordination Center (RPCC) in the GMS which was signed by six countries in December 2013. Once established, RPCC will serve as permanent institution owned by all GMS countries to enhance regional power trade and implement regional power interconnection in the GMS.

## **B. Bids for Regional Power Coordination Center Headquarters**

7. **Update from PRC.** The National Energy Administration of PRC communicated to RPTCC-17 that PRC and Thailand were not able to hold a bilateral meeting to discuss the outstanding evaluation issues. PRC shared its views on the two evaluation issues. On evaluation criteria 2: Secondment of Staff to RPCC, PRC responded "Yes" as confirmation of the position and stated that it is capable of meeting all staff requirements. Since the organization structure of RPCC was not clarified by end September 2013 when the bids were submitted to the Evaluation Committee, PRC suggested that same score be given to PRC and Thailand. On evaluation criteria number 5: Living Cost, the Mercer Living Cost Database which ADB designated to evaluate the living cost, did not include data on Kunming. PRC suggested the adoption of the official data on Kunming's cost of living in 2012 which was issued by the Statistics Bureau of Yunnan Province. Finally, PRC expressed its respect and support to the evaluation process and reiterated willingness to hold bilateral discussion with Thailand.

8. **Update from Thailand.** Thailand also shared its views on the two evaluation issues. On evaluation criteria 2: Secondment of Staff to RPCC, Thailand proposes to give appropriate scores, depending on the number of personnel to be posted. On evaluation criteria 5: Living Cost, both countries, PRC and Thailand did not agree on to use the Mercer Living Cost Database and suggested to use better measures of the cost of living, for example, the consumer price index. Thailand agreed with PRC to hold bilateral meetings and offered to hold the meeting in Changmai, tentatively scheduled in early February 2015 to find a fruitful solution to address outstanding evaluation issues for long-term cooperation among the GMS countries.

9. **Thailand Proposal.** Further to Thailand's update, it proposed that PRC and Thailand rotate as host of the RPCC every three years, in view of the non-resolution of evaluation issues, unclear evaluation criteria, and to move forward the establishment of venue of RPCC. PRC welcomed the suggestion, but requested for a written proposal from Thailand which will be brought to higher authorities for deliberation.

10. **Discussion.** Countries have no objection on the proposed bilateral meeting between PRC and Thailand, although Viet Nam thinks that there is no need for the bilateral meeting. Viet Nam also requested that ADB circulate to GMS countries the communication from PRC and Thailand regarding the evaluation issues. Copies of the Thailand letter on bid evaluation issues and PRC note of declaration on RPCC outstanding issues were distributed to all meeting participants.

11. The countries also welcomed the proposal of Thailand to rotate the hosting of RPCC every three years. Furthermore, Viet Nam raised the possibility of considering other GMS countries in the rotation of hosting of RPCC.

12. **Agreements and Next Steps.** To facilitate the subsequent steps, the following agreements were reached: (i) Thailand will submit a written proposal on the rotation of RPCC headquarters by 4 December 2014, and (ii) PRC will submit a response/counter-proposal to Thailand's proposal by 18 December 2014. Upon receipt of these two proposals, ADB will circulate to all GMS countries and development partners (The World Bank, AFD, and DFAT) who are requested to submit their comments to ADB by 2 January 2015.

### **C. Country Updates on Power Development Plans: Focus on Cross-Border Projects**

13. **Cambodia.** The Ministry of Mines and Energy (MIME), General Department of Energy, Cambodia presented an update on Cambodia's power cross-border. The presentation highlights Cambodia's energy policy, electricity target, and GMS power cooperation. MIME also presented an overview of the power sector, highlighting the increase in electricity demand in the country which grew by 17.4%; (ii) peak capacity supply increased from 575 MW in 2012 to 694 MW in 2013; (iii) national electrification increased to 39% in 2012; (iv) electricity was imported from Lao PDR, Thailand, and Viet Nam for about 367 MW in 2012; (v) total electricity supply increased to 3,066 GWh; and (vi) change in electricity supply mix due to policy to encourage and promote the participation from private sector on cross border power import. MIME also presented the 5-Year Action Plan for 2012-2016 and the interconnection points with neighboring countries.

14. **People's Republic of China.** The China Southern Power Grid Company (CSG) presented (i) an introduction of China's power industry; (ii) CGS's operations in 2013; (iii) the future power plan of CSG which include power transmission from west to east with HVDC transmission technology; and (iv) cooperation projects in the GMS, including cooperation with (a) Viet Nam, (b) Lao PDR, (c) Myanmar, (d) Cambodia, and (e) Thailand. CSG also shared their vision on regional power cooperation as follows: (i) to build the GMS regional power cooperation and win-win vision, "strong power interconnection—big scale of investment—large volume of power trade" with the support of partners; (ii) to optimize energy resource distribution, increase energy efficiency, ensure a friendly environmental power development by coordinating the power planning and time sequence of HPP development; and (iii) to exchange and share advanced power transmission technology with power utilities in GMS countries to promote mutual development.

15. **Lao PDR.** EDL's presentation provided updates on (i) the status of the country's power industry in 2013, including generation capacity of producer, energy consumption by sector, peak demand, and distribution loss; (ii) Power Development Plan, 2012-2022, including demand forecast (from 881 MW in 2013 to increase to 4,099 MW in 2022); (iii) existing and cross-border interconnection plans with Cambodia, PRC, Lao PDR, Thailand, and Viet Nam; and (iv) updated GMS data.

16. **Myanmar.** The Ministry of Electric Power (MOEP) discussed the (i) existing power generation, transmission, and distribution; (ii) power development plan, including the result of demand forecast; and cross-border transmission status, including peak load demand profile and power flow from Myanmar to PRC. MOEP shared the installed generation capacity comprised mostly from hydroelectricity (66%), gas (29%) and the rest from coal, diesel, and bio mass. MOEP presented the yearly power generation, substantially increasing from 2,226 GWh in 1988-89 to 12,247 GWh in 2013-2014.

17. **Thailand.** The presentation by the Electricity Generating Authority of Thailand (EGAT) presented the current status and characteristics and power planning of Thailand power system and grid. EGAT discussed updates on the power sector, including contracted capacity by plant type and producer (total contract capacity is 34,179 MW and peak demand is 26,943 as of April 2014); energy generation (133,980 GWh); power purchases from neighboring countries, 2013-2019. EGAT shared that from 2020-2030, the maximum of power import from neighboring countries should not exceed 15% of Thailand's generating capacity. EGAT also reported on the cross-border projects and power interconnection points between Thailand and Lao PDR.

18. **Viet Nam.** Electricity Regulatory Authority of Viet Nam (ERAV), Ministry of Industry and Trade, provided updates on interconnections of Viet Nam, including the status of Viet Nam's power system covering load, generation mix, and transmission network. ERAV gave an overview of the transmission network in 2013 (transmission voltage levels of 500kV: spine line, 3 region link; 220kV: transmission line in each region, 2 region link; and 110kV: connected to 220kV substations or power plants). EGAT also briefed on the Power Development Plan 2011-2020 (Master Plan VII) approved by the Prime Minister in 2011. EGAT reported the energy production forecast of 194 GWh for 2015 and expected to reach 695 GWh in 2030. Peak load is estimated at 31 MW in 2015 and 110 MW in 2030. Updates on existing and futures interconnection projects neighboring countries, such as PRC, Cambodia, and Lao PDR were also presented.

19. **Discussion.** On ADB's query on the ownership and management of transmission lines in Lao PDR, Lao PDR indicated that transmission line dedicated to export is managed by IPP while transmission line for domestic supply belongs to EDL. On ADB's clarification to Myanmar's demand forecast on high and low case scenario, Myanmar discussed that the basis for the high case is the GDP growth rate while the low case scenario used IMF data to prepare the forecast. On PRC's question to Viet Nam regarding the reduction of electricity transfer from PRC to Viet Nam (from 5,000 GWh to 2,000 GWh), Viet Nam responded that more power plants will be operated in North Viet Nam. On Lao PDR's query on Thai policy on importation of power from neighboring country, Thailand said would like the power plant to serve the load requirement thru wholesale. On the Thailand's clean coal technology, Thailand shared that this technology will reduce sulfur/nitrogen dioxide emission. Depending on acceptance of clean coal, power purchase from neighboring countries may be reduced. Finally, on Viet Nam's plans to produce nuclear power, Viet Nam clarified that nuclear power will only be for domestic use.

20. The details of country presentations are in **Annex 3**.

#### **D. Update on World Bank and AFD Support to RPTCC Activities**

21. **World Bank.** Mr. Franz Gerner, Lead Energy Specialist, World Bank discussed the on-going and planned activities to support RPTCC. World Bank is providing support to the GMS Working Groups of RPTCC through: (i) adoption of open access to power transmission grids, including common rules for nondiscriminatory treatment of cross-border electricity trade and transactions; (ii) establishment of a regulatory framework conducive for public and private investments in the regional power market, including transmission interconnections; and (iii) mobilizing long-term financing support for priority investments in regional power grid. In addition, support is provided to the working group on regulatory issues, grid issues, and governance and institutional requirements of regional interconnections. Mr. Gerner also shared World Bank's assistance to (i) Lao PDR: Sector and Power Trade Reform, which aims to assist the Government in the development of an appropriate sector structure, and institutional and regulatory framework; and (ii) ASEAN Secretariat on the review of ASEAN infrastructure connectivity projects and identification of potential **public-private partnership**. See World Bank presentation in **Annex 4**.

22. **Discussion.** On the two activities supported by World Bank, ADB inquired on the working mode between the consultants and GMS member countries and requested to share the terms of reference (TOR) to the countries. World Bank stated that the TORs are still being prepared. On the support to Lao PDR's sector and power trade reform, World Bank indicated that they are still waiting for the official approval of the Lao government.

23. **AFD.** Mr. Olivier Grandvoinet, Project Manager, AFD shared its commitment to support phase II of RETA 7764: Ensuring sustainability of GMS power sector development with an additional grant funding of \$1 million euros committed by AFD. Phase II which aims to strengthen policy dialogue on sustainable power planning comprised three components: (i) Component 1: capacity building, (ii) Component 2: strategic environmental assessment (SEA) approach applied to a national power development plan (PDP), (iii) Component 3: technical exchanges on best practices. AFD noted that there are no candidates among the GMS country to undertake component 2 and sought RPTCC's guidance on the next steps. AFD pointed out that in the event that no GMS countries would undertake component 2, the options for next steps are (i) withdrawal of component 2 from phase 2 or (ii) reallocation of component 2 funds to other activities in components 1 and 3. See AFD presentation in **Annex 5**.

24. **Discussion.** It was intended that in phase 2, SEA will be applied to the preparation of national power plans. GMS countries were asked to express interest to participating in Component 2. Cambodia, Myanmar, and Viet Nam expressed initial interest, subject to further consultation and decision of higher authorities. These countries were given two weeks to deliberate and inform ADB on their decision.

25. Under Phase I, Mr. Grandvoinet also discussed the last steps to finalize the activities under Phase I, specifically, the publishing of three knowledge products (KP) of RETA 7764: (i) KP 1: Integrating Strategic Environmental Assessment into Power Planning, (ii) KP 2: Identifying Sustainability Indicators of Strategic Environmental Assessment for Power Planning, and (iii) KP 3: How Strategic Environmental Assessment Can Influence Power Development Plans — Comparing Alternative Energy Scenarios for Power Planning in the Greater Mekong Subregion.

The meeting agreed to publish KPs 1 and 2 as GMS products while KP3 as an ADB working paper pending the confirmation from Lao PDR GMS coordinator.

#### **E. Members Comments on Proposed Workplan of WGPG and WGRI**

26. CSG, PRC shared that from 2012, since the first meeting of the working group was held, GMS countries have been performing their duties towards the establishment of common performance standards and regional grid code. However, he noted that the preparation of the study on GMS performance standard and grid code is still behind schedule. PRC offered suggestions on various areas such as (i) regular communication on the working group, (ii) getting timely feedback from consultants, (iii) conduct of regular technical consultation and training, and (iv) preparation of realistic and feasible workplans.

27. On the details of Grid Code future work, CSG proposed the following: (i) inclusion of both AC and DC interconnection in the technical aid project, (ii) clearly defining the scope of application, (iii) performance standards and GMS guideline should cover more on the contingency study, (iv) requirements of secondary systems are necessary, and (v) Grid Code should cover the requirements of various sides of power grid. See **Annex 6** for the presentation.

#### **F. WGPG and WGRI Activities Undertaken Under Current Work Plans**

28. **PRC.** PRC announced that Mr. Tang Jun, Director of Electric Power Department, National Energy Administration, will succeed Ms. Yang Jun as Chair of the WGRI.

29. **Thailand.** Thailand shared that in the previous WGPG meetings, four tasks were identified as part of the Performance Standards Grid Code Implementation Plan, as follows:

- (i) Task 1: GMS Proposed Standards,
- (ii) Task 2: Regional transmission Regulations,
- (iii) Task 3: Standards Regional Metering Arrangements and Communication System, and
- (iv) Task 4: GMS Grid Code/RPTOA.

30. At the WGPG-4, the main activity is to address the differences of the Performance standards for each member country under Task 1. Task 1 has reported 80% completion, but pointed out the need to recheck some information/data in order to ensure accuracy of information. Activities for tasks 2 and 3 have been implemented in parallel.

31. Thailand was elected as Chair of WGPG, with Mr. Samerjai Suksumek, taking the chairmanship since the WGPG-1. Given the retirement of Mr. Suksumek, Thailand announced the new chairman, Mr. Chavalit Pichalai, Director General, energy Policy and Planning Office, Thailand.

#### **G. Draft report on GMS Energy Sector Assessment, Strategy and Road Map**

32. ADB presented the draft report on GMS Energy Sector Assessment Strategy and Road Map (ASR). At the sector context, the ASR finds that (i) energy demand is growing rapidly, (ii) fossil fuel resources are not large, and (iii) power system is critical to future developments. In



terms of progress towards and integrated regional power market, much has been achieved since start of GMS cooperation in the following areas: (i) infrastructure, (ii) governance, (iii) environmental and social assessment, and (iv) competence of utilities. The challenges to an integrated were identified as follows: (i) the need of a clear vision and agreement on the physical form of a desirable regional market, (ii) need of critical elements of infrastructure, (iii) national regulatory systems not always supportive, (iv) role for RPCC, and (v) readiness of countries to move forward towards an integrated market. See **Annex 7** for presentation.

33. **Discussion.** On Lao PDR's question on the unfavorable assessment of the GMS energy cooperation, ADB pointed out that the area of regional power market shows good progress. However, the area on renewable energy (RE) and energy efficiency (EE) requires further support to move forward. Further to Lao's point on the impact of providing subsidy to these areas, ADB stressed that financial incentives are necessary at the beginning stage for RE and EE to take root, including start-up fund and feed in tariff, citing the experience of EU and Japan. World Bank, however, cautioned that striving for implementation of common policy on energy is a high target. He suggested that sharing of experience and best practice is a good venue in moving the agenda forward. Finally, World Bank expressed concern in emulating EU, being a common market has a different system from Asia.

#### **H. GMS Recent Developments on Energy Sector Policy**

34. **Cambodia:** Cambodia's IPP Development Plan was discussed, highlighting the overview of the power sector, and Action Plan 2012-2020. The main strategy in electricity power development plan 2012-2020 is to reduce the generation cost and increase the rate of electrification by: (i) importing lower cost power source from neighbor countries, (ii) construction and operation of large scale generation such as hydro, coal, and gas, (iii) power transmission from the generation source and interconnection between provincial towns, and (iv) extension distribution network throughout the country.

35. **PRC.** The National Energy Administration presented PRC's Energy Strategy Action Plan, 2014-2020, which emphasized on the following principles: (i) energy conservation, (ii) domestic self-sufficiency, (iii) green and low carbon development, and energy sector reforms. To achieve these, the Action Plan will implement the following: (i) ensure clean and efficient use of coal, (ii) increase oil and gas production as well as natural gas consumption, (iii) enhance efforts to develop renewable energy, (iv) safely promote nuclear energy, and strengthen international energy cooperation.

36. **Lao PDR.** EDL presented the Laos Plan for North-South Backbone Grid. In the Long-term Power Development Plan 2012-2022, there are transmission line projects, which are under construction in (i) the Northern and Central 1 area, (ii) Central 2 and the Southern area, (iii) 500 kV Transmission Line in Northern and Central 1 area, and (iv) 230 - 500 kV Transmission Line in the Central 2 and Southern areas. Further, there are existing interconnections with Thailand and Viet Nam and planned cross-border interconnections by 2020.

37. **Myanmar.** MOEP discussed the progress for the study on power development plan in Myanmar. The presentation focused on the existing power system, electricity plans and programs supported by JICA, World Bank, and ADB, National Electricity Master Plan and demand forecast in the Power Generation Development Plan. Myanmar also highlighted the strategic issues it has to consider, for example, large plants are favored over small ones since large plants have lower costs but have wider social and environmental impacts.

38. **Thailand.** The Ministry of Energy discussed the Thailand Power Development Plan (PDP), 2012-2030, also referred as PDP 2010: Revision 3. At present, the Thailand Power Development Plan Revision Subcommittee is working on reviewing the possible assumption for PDP 2015. Related factors to be considered are as follows: (i) new load forecast, (ii) proper level of reserve margin, (iii) fuel mix such as, power purchase from neighboring countries, renewable energy, clean coal power plant, (iv) intensity level of energy efficiency usage, (v) power transmission systems planning, and (vi) appropriate determination of power tariff.

39. EGAT also made a presentation on Thailand Grid Innovation, highlighting priorities on: (i) ensuring system reliability (sufficiency and security) for increasing power demand and power plant, (ii) developing main grid and be ready for ASEAN Power Grid (APG) and GMS Grid, (iii) planning for regional integration and enabling grid for smart grid. APG aims to promote more efficient, economic, and secure operation of power systems through harmonious development of national electricity networks in ASEAN by region-wide interconnections. EGAT stressed that APG is not only concerned on technical and economic aspects, but also cooperation and good relations among member countries.

40. **Viet Nam.** ERAV, Ministry of Industry and Trade, Viet Nam presented the Power Sector Development and Reform in Viet Nam, highlighting (i) the strategic policy and (ii) road map for market-oriented reform. The Electricity Law (2004) specifies (i) the diversification in power sector investments, allowing participation of all economic sectors and (ii) creation of power market, step-by-step development of competitive generation, wholesale competitive, and retail competitive markets. The National Power Development Plan 2011-2020 provides a step-by-step plan to develop the electricity competitive market, diversify the investment sources and electricity business. The Roadmap for introducing and developing Electricity Market in Vietnam, approved by the Prime Minister in 2013 covers three phases: (i) Phase 1: Competitive Generation Market, (ii) Phase 2: Wholesale Competitive Market, (iii) Phase 3: Retail Competitive Market. Finally, Viet Nam stressed that further sector reforms are needed for electricity wholesale market.

41. The details of country presentations are in **Annex 8**.

42. **Discussion.** To respond to Thailand's query on PRC's long-term perspective, on the energy sector, PRC stated that the official plan of PRC is only until 2020, but cited that there were internal discussions on the long term plan. Viet Nam raised the following questions to PRC: (i) on the domestic energy sufficiency being high (85%), how to balance the supply and demand of energy; (ii) how to implement target of increasing self-sufficiency to 15%; and (iii) energy efficiency target. PRC indicated that PRC will rely heavily from coal for energy supply providing 4.2 billion tons production to the 4.8 billion tons energy consumption; the remaining requirement is from natural gas and oil importation. Further, to meet the self-sufficiency target, PRC will build more hydro, wind, solar energy for energy supply mix. On energy efficiency, PRC pointed out that energy efficiency is beyond energy sector but involves many sectors of the economy to attain efficiency target. PRC cited measures such as increasing efficiency of building, power industry, coal-fire; combining these efforts will contribute to increasing energy efficiency.

43. In response to World Bank's query on the status of competitive power market/policy on power restructuring, PRC indicated that there is no formal policy on power reform yet but will have to prepare one. On Myanmar's clarification on the production cost and incentives for wind, PRC shared that there are subsidies to wind and solar energy through the renewable energy

fund, now estimated at 15 billion RMB. Further, PRC apprised the meeting that the production cost on wind is going down which will make it more competitive in the future.

44. On ADB's question on the conduct of public hearing on PDP, Thailand indicated that public hearings were conducted and noted that public opinion on the PDP varies; with support from people from the southern part but protests from NGOs took place in some parts of the country.

45. On ADB's clarification on Myanmar's presentation on scenario formulation, Myanmar clarified that there is not much difference in the installed capacity between Scenario 1 and 2 while installed capacity scenario 3 is a little less.

46. World Bank shared the view that Viet Nam has a clear road map on competitive market and inquired on the rationale for Viet Nam's decision to consider that competitive power market in meeting energy security objectives. Viet Nam cited that low efficiency attracts investors and when entities save cost and increase efficiency, market price is a reasonable price for long-term investment.

47. ADB shared the view that competition is good to level off the playing field. PRC shared that competition can serve as a vehicle to serve the interest of the countries by (i) lowering the cost of electricity, (ii) addressing power shortage, and (iii) provide economic benefits.

#### **I. Announcement of new Chairs and Vice Chairs of the Working Groups**

48. RPTCC were apprised on the new Chairs and Vice Chairs of the Working Groups. For WGPG, Thailand is the new Chair while PRC as Vice-Chair. For WGRI, Chair is PRC while Viet Nam is Vice-Chair.

(i) **WGPG**

Chair: Thailand (Mr. Chavalit Pichalai, DG, EPPO)

Vice Chair: PRC (Mr. Zhou Jian, Deputy Division Chief, CSG)

(ii) **WGRI**

Chair: PRC (Mr. Jun Tang)

Vice Chair: Vietnam (Mr. Do Hung Manh, Deputy Head, ERAV)

#### **J. Closing Session**

##### **Next Meeting, Venue and Dates**

49. Based on the review of hosting of RPTCC meetings by each country, it was proposed that the next RPTCC meeting be hosted by Myanmar. Subject to confirmation of the higher authorities, Myanmar agreed to host RPTCC-18, tentatively scheduled in June 2015, specific venue in Myanmar to be determined.

##### **Summary and Closing**

50. Mr. Chong Chi Nai, on behalf of ADB, thanked to the Government of Lao PDR for the excellent meeting facilities; to the GMS countries for the very insightful and meaningful

discussions; to the development partners AFD and the World Bank their continued support to RPTCC; ADB staff who ensured that the meeting will be successful. Mr. Chong gave a brief summary of the meeting and highlighted the next steps to move forward the establishment of RPCC and RPTCC activities. Mr. Chong also expressed appreciation to Ms. Gu Jun, PRC for chairing the meeting and contributing to the fruitful discussions.

51. Dr. Daovong Phonekeo, Lao PDR expressed appreciation to all participants for taking time to attend the meeting and ADB for the assistance on meeting arrangements. He acknowledged the fruitful discussion during the meeting with the active participation and cooperation of all participants. He noted the sharing of information on power sector development which will be useful to all GMS countries. Dr. Davong also thanked the Chair and Co-chair for a fruitful meeting.

52. Ms. Gu Jun, PRC thanked all participants for a very productive and efficient RPTCC-17 meeting. Chair echoed the words of appreciation of ADB and Lao PDR, the Co-Chair. She expressed her personal thanks to the GMS countries, ADB, and development partners for the kind support to during her term as Chair of RPTCC. Ms. Gu Jun passed on the chairmanship of RPTCC to Dr. Davong, Lao PDR. On behalf of PRC government, she thanked Lao PDR government and ADB for the excellent meeting arrangements and, Chair wished all participants a safe journey back home.

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