

Development Partner Forum on Supporting Energy Transition in the GMS

USAID SE Asia Smart Power Program Support to GMS Energy Transition

29th Regional Power Trade Coordination Committee Meeting

July 5 - 6, 2022

Siem Reap, Cambodia

-1

USG Support to the ASEAN Power Grid

- On May 12-13, 2022, the U.S. ASEAN Special Summit in Washington, DC reaffirmed US support across ASEAN's institutions and Programs
- A key source of support will be USAID's flagship regional energy program, SE Asia Smart Power "A \$40 million investment to mobilize \$2 billion in blended financing for clean energy infrastructure in Southeast Asia, thereby decarbonizing and strengthening the region's power system, increasing regional energy trade, and accelerating the deployment of clean energy technologies."



We resolve to enhance energy transition and resilience in an inclusive and just manner through the facilitation of clean and renewable energy development, the promotion of public-private collaboration to address transition financing needs, including through blended finance, and the deployment of advanced and emerging low-carbon energy technologies in supporting increased access to energy services and energy security, including ongoing efforts, such as elements of the ASEAN Plan of Action for Energy Cooperation (APAEC) that support the acceleration of energy transition and strengthening of energy resilience in ASEAN, particularly the ASEAN Power Grid

USAID SE Asia Smart Power Program: Scope and Objectives

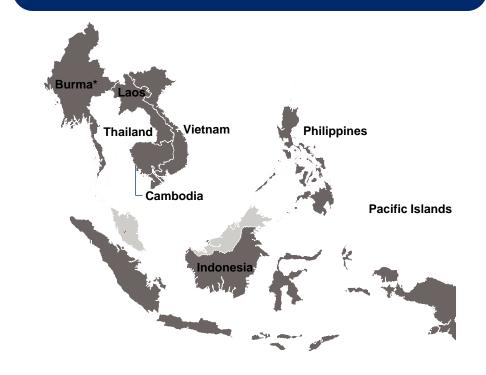
The Smart Power Program (SPP) aims to advance economic growth and development in Southeast Asia through ensuring secure and market-driven energy sectors.

Theory of Change

If countries in Southeast Asia pursue efforts to improve the performance of their energy utilities, increase deployment of advanced energy systems, adopt best-value energy procurement practices, and enhance energy trade and integration, **then** energy sectors will be more secure and market-driven, private energy investment will increase, and thus inclusive economic growth and self-reliance in the region will advance.

- SPP is a 5-year, \$40 million project focused on the highlighted countries in Southeast Asia
- SPP's general approach will identify and validate opportunities, prioritize interventions, implement locally driven interventions, and evaluate results and adapt.

Program Goals:
2,000 MW of Advanced Energy Systems Deployed
\$2 Billion Finance Mobilized
5% Increase in Regional Energy Trade



Key Frameworks and Partnerships

Goal: Energy Sectors in Southeast Asia More Secure and Market-Driven

Objective 1: Utility Modernization & Power Trading

Task I:Southeast Asia Power
Utility Modernization

Task 5:
Southeast Asia Power
Trade and Grid
Integration

Objective 2: Increased Deployment of Advanced Energy Systems

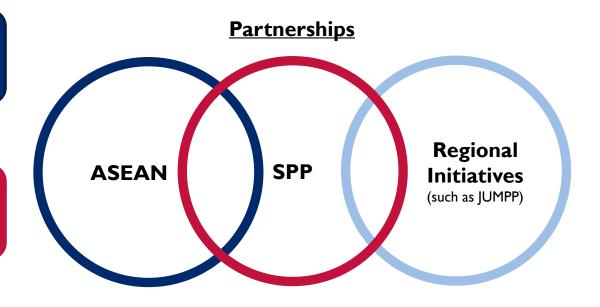
Task 3:
Southeast Asia Energy
Innovation and
Emerging Trends

Task 4:
Southeast Asia Center
for Competitive
Procurement

Objective 3: Clean and Sustainable Energy

Task 2:
Energy Efficiency:
Southeast Asia's
Energy Security
Cornerstone

Task 6:
Support Energy Sector
Decarbonization in
Natural Gas Value
Chain



- The Initial Results Framework will hinge on the three objectives where each of the objectives are supported by outcomes, results, and interventions to meet the overall goal for the program
- Partnerships between SPP, ASEAN, Mekong US Partnership, and other Regional Initiatives will be pivotal to meeting the objectives of the program by providing comprehensive and holistic solutions for the region



USAID SPP-ASEAN Collaboration Opportunities – Endorsed during last week's US – ASEAN Senior Officials Meeting on Energy (SOM-E)

ASEAN Power Grid and multilateral electricity trading

Improving ASEAN Utilities performance

Promote Energy Efficiency

Develop Decarbonization pathway for the ASEAN Member states

Promote Renewable Energy
Financing Schemes &
Mechanisms

Improve Energy Policy and Planning

Enable public-private infrastructure partnerships

Potential Collaboration with GMS Energy Transition Task Force

- Resiliency-strengthening assessments and technical assistance for GMS utilities
 - Building VRE integration capabilities in system and cross-border operations
 - Strengthening power development and decarbonization planning
- AIMS III Phase 2 activities:
 - Pre-feasibility and Feasibility studies of priority interconnector opportunities
 - Identifying and Mobilizing Flexible Operation Reserves
 - Technical standards and commercial arrangements for cross-border trade
 - Supporting regional and subregional power market development
- Support to regional and subregional harmonization of energy efficiency policies and programs
- Coordination with Japan US Mekong Power Partnership Action Plan implementation
- Mobilizing private sector participation in infrastructure development and financing

Thank you!

Michael Boyd

mboyd@usaid.gov

Scott Bartos

sbartos@usaid.gov

Grayson Heffner

gheffner@deloitte.com

John Bruce Wells

johnbwells@deloitte.com

MK Balaji

bamk@deloitte.com

Pitoon Junthip

pitoon.j@cot.co.th

