

## GREATER MEKONG SUBREGION

### 4<sup>th</sup> ENERGY TRANSITION TASK FORCE MEETING

11 December 2024, Jakarta, Indonesia

#### SUMMARY OF PROCEEDINGS

##### A. Introduction

1. The 4<sup>th</sup> Meeting of the Greater Mekong Subregion (GMS) Energy Transition Task Force (ETTF-4) was convened in Jakarta, Indonesia on 11 December 2024 alongside events focused on the ASEAN Power Grid (APG) organized by the ASEAN Centre for Energy (ACE). ETTF-4 was preceded by technical meetings on subregional power interconnections and followed by a shadow trading design workshop participated in by the ETTF, APG Task Force, and Brunei–Indonesia–Malaysia–Philippines representatives.<sup>1</sup>

2. The ETTF-4 discussions covered action items from the 3<sup>rd</sup> ETTF meeting held in Manila in June 2024, country and regional updates related to energy transition, progress of the ETTF work streams, and development partners' support for the GMS energy program (**Attachment 1: Agenda**).

3. The Ministry of Mines and Energy of the Kingdom of Cambodia, in collaboration with the Asian Development Bank (ADB), organized the ETTF-4. The meeting was attended by 40 participants (13 of whom are female) comprising ETTF members and representatives from ACE, ASEAN Secretariat, Australia's Department of Foreign Affairs and Trade (DFAT), United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), and the United States Agency for International Development (USAID) Southeast Asia Smart Power Program (**Attachment 2: List of Participants**).

##### B. Opening Session

4. His Excellency Dr. Victor Jona, the 2024 ETTF Chair and Under Secretary of State, Ministry of Mines and Energy, emphasized the technical and financial challenges faced by the APG. He noted that the 42<sup>nd</sup> ASEAN Ministers on Energy Meeting welcomed the support from ADB and the World Bank in addressing these challenges. In his remarks, Mr. Keiju Mitsuhashi, Director of the Energy Sector Office at ADB, underscored the importance of holding ETTF-4 in Jakarta alongside APG-related meetings. He highlighted ADB's priority focus on the GMS and Southeast Asia, particularly in driving energy transition efforts, reaffirming ADB's strong support for ETTF.

##### C. ETTF Secretariat Update

5. Ms. Amelia Hernandez Esteban, ADB Consultant, provided an update on the progress of the following items as of December 2024: (i) the Laos–Thailand–Cambodia (LTC) interconnections study, (ii) the ETTF project under the GMS Regional Investment Framework, (iii) shadow trading, (iv) demand-side management (DSM), and (v) the pending endorsement of the draft GMS Energy Sector Strategy (**Attachment 3**).

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<sup>1</sup> The two technical meetings involve Laos-Thailand-Cambodia interconnections and Brunei-Indonesia-Malaysia-Philippines interconnections.

## D. Key Country Updates

6. Country delegations provided updates on their energy transition efforts with regional implications, as summarized below.

- i.) **Cambodia.** The 7th Mandate Goal for 2023–2028 emphasizes expanding international and regional cooperation investments. Collaboration with neighboring countries on cross-border electricity trading is identified as a key energy transition strategy (**Attachment 4**).
- ii.) **Lao People’s Democratic Republic.** The national power development strategy is currently under review, with updated targets forthcoming. The power development plan is expected to be revised soon (**Attachment 5**).
- iii.) **Myanmar.** Feasibility studies are underway for planned interconnections with the People’s Republic of China (the PRC) and the Lao People’s Democratic Republic (the Lao PDR). Additionally, joint working groups have been established for interconnections with Thailand (**Attachment 6**).
- iv.) **People’s Republic of China.** Technological innovations have led to solar photovoltaic model efficiencies exceeding 23%. The cost of photovoltaic equipment per kilowatt has decreased by over 70% between 2011 and 2022, with further reductions anticipated in the coming years (**Attachment 7**).
- v.) **Thailand.** A new power development plan is expected to be approved in 2025. Key targets include increasing the renewable energy share to at least 50% by 2037 and introducing financial incentives to promote smart and sustainable industries (**Attachment 8**).
- vi.) **Viet Nam.** A new electricity law was adopted in November 2024, which will influence the development and financing of power projects in the country (**Attachment 9**).

## E. Key Regional Updates

7. To align ETTF’s work with broader energy platforms, the meeting received briefings on the outcomes of key regional events. Mr. Septia Supendi, Senior Officer, ASEAN Secretariat, presented relevant updates from the 42<sup>nd</sup> ASEAN Ministers on Energy Meeting and the ASEAN Leaders’ Summit, including statements related to the APG (**Attachment 10**). In response to Cambodia’s query regarding new directions for ASEAN member states, Mr. Supendi explained that a new memorandum of understanding on APG is being developed, terms of reference (TOR) for subsea cables are under discussion, and emerging technologies will be considered within the context of working group recommendations. Mr. Antonio Ressano-Garcia, Principal Regional Cooperation Specialist, ADB, shared the deliverables and energy-related content of the joint declaration at the 8<sup>th</sup> GMS Leaders’ Summit (**Attachment 11**). Lastly, Mr. Dan Haglund, Senior Infrastructure Specialist, ADB, presented the joint ADB-World Bank proposal for an APG financing facility (APGF) (**Attachment 12**). Thailand, the Lao PDR, and Cambodia sought clarification on the APGF regarding project screening process, prioritization of projects, and eligibility for accessing financing, respectively.

## F. ETTF Workstreams

8. These were discussed under the ETTF workstreams:

- i.) **Power trade.** Mr. Jonathan Hedgecock, ADB Consultant, presented the outcomes of the LTC meeting. Key highlights included the identification of priority areas of work and the establishment of working groups focusing on economic, technical, and regulatory/legal aspects, led by the respective countries (**Attachment 13**). Ms. Hyunjung Lee, Senior Energy Economist and Program Lead for GMS and ASEAN, ADB, introduced the shadow trading design workshop program (organized on 12 December 2024) (**Attachment 14**). ACE expressed support for the way forward. The PRC suggested that LTC could serve as a good case for the APGF and to assess the economic benefits of power trade in the LTC. It was also noted that some transmission lines are dedicated to independent power producers.
- ii.) **Energy efficiency.** Ms. Architrandi Priambodo, Senior Energy Specialist, ADB, explained the connection between the energy efficiency workstream and the ASEAN Plan of Action for Energy. She presented the result of the training and workshop on DSM, including the country proposals for DSM implementation plan developed during the workshop. Ms. Priambodo highlighted the need to develop TOR to mobilize resources for the proposed activities (**Attachment 15**).
- iii.) **Capacity building.** Mr. Joao Aleluia, Energy Specialist, ADB, presented the key pillars—relevance, in-person participation, and complementarity—and suggested topics for consideration by the ETTF, including renewable energy and energy storage, electric vehicles, and green finance (**Attachment 16**). Cambodia suggested to include renewable energy certificates, the Lao PDR, DSM, and Thailand, green hydrogen, energy efficiency measures, and load management. DFAT encouraged participants to reach out for bilateral or regional technical assistance.

## **G. Development Partners Support for GMS and ASEAN Energy Initiatives**

9. Ms. Yejin Ha, Economic Affairs Officer at ESCAP, shared plans for the ASEAN School of Regulation, which is expected to be piloted around June or July 2025. She noted that ESCAP will conduct proper consultations with countries, including ACE and the Heads of ASEAN Power Utilities/Authorities, to identify and select relevant topics (**Attachment 17**). Mr. Dwight Ronan, Senior Program Manager, DFAT, presented an overview of the Mekong-Australia Partnership (MAP) as well as regional and bilateral initiatives for clean energy transition in Southeast Asia. In response to Thailand's query regarding possible capacity building support, Mr. Ronan explained that opportunities for long-term technical assistance are still under discussion with relevant partners.

10. Ms. Maythiwan Kiatgrajai, Manager—Utility Modernization, Smart Power Program, presented the USAID support for the APG Interconnector Feasibility Study Playbook, scheduled to launch in January 2025. She also discussed developments on renewable energy certificates in the Lao PDR and the region, as well as wheeling charges and data sharing (**Attachment 18**). The Lao PDR, Thailand, and ADB respectively sought clarifications on the setting up of database for ASEAN, wheeling charges for the LTMS project, and power flow between interconnected countries.

## **H. Closing**

11. The ETTF Chair provided a summary discussion and identified the below as next steps:

- i.) **Power trade.** Form working groups for technical, economic, and regulatory/legal aspects, led by the respective LTC countries.
- ii.) **Energy Efficiency.** Develop TOR for resource engagement to support proposed activities (pilot projects, capacity building and knowledge sharing), request countries to review the draft country DSM workplan prepared during the DSM workshop, identify financing mechanisms and funding sources for pilot projects, and partner engagement.
- iii.) **Capacity building.** Finalize priority topics and engage with potential partners.
- iv.) **Other.** Follow up on ministerial endorsement of the draft GMS Energy Sector Strategy by the PRC, Thailand, and Viet Nam. Handover ETTT chairmanship in 2025 to the PRC in line with the GMS rotation based on the alphabetical order of country names (**Attachment 19**).

12. Ms. Hyunjung Lee expressed gratitude to H.E. Dr. Jona for his leadership of the ETTT. She reiterated that the power trade workstream under ETTT can help identify additional projects for the APGF. Similarly, the DSM implementation plan is expected to identify investable projects. Ms. Lee added that the ETTT Secretariat will communicate further regarding capacity building activities.

#### **Attachments**

1. Meeting Agenda
2. List of Participants
3. ETTT Secretariat Update
4. Cambodia Update
5. Lao PDR Update
6. Myanmar Update
7. PRC Update
8. Thailand Update
9. Viet Nam Update
10. ASEAN Update
11. GMS Update
12. APG Financing Facility
13. LTC Meeting Outcomes
14. Shadow Trading Workshop
15. ETTT Energy Efficiency Workstream
16. ETTT Capacity Building Workstream
17. ESCAP ASEAN School of Regulation
18. USAID Southeast Asia Smart Power Program
19. ETTT Closing and Next Steps