



Energy Efficiency Policies for Southeast Asia Region,
Jakarta, Indonesia

EE Policy Experience from APERC's Peer Review's

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APEC Economies





Presentation Outline

Background of Peer Review

- Objectives of PREE
- Mechanisms and Responsibilities of Stakeholders
- Previous PREEs
- Institutional Framework

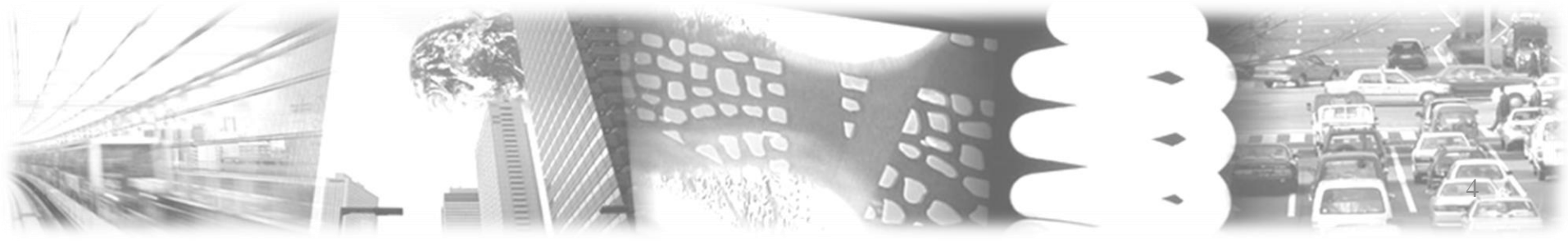
Experience of the peer review process

- Information Sharing
- Opportunities
- Target setting
- Expert panel

Case Studies & Follow-up Mechanisms

- Key recommendations
- Common Policy Challenges
- The formation of the “Follow Up” mechanism

Background of APEC Peer Review on Energy Efficiency (PREE)





Objectives of Peer Review Mechanism

- PREE is a voluntary APEC leaders initiative to encourage *goal setting* and *formulate action plans* to actively improve EE
- Provide a *broad external review* of EE policies and measures for more effective EE policies
- Provide *specific recommendations* on how specific action would enhance EE goals and targets



PREE Process

Acceptance
to Host
PREE

EWG Members
Endorse PREE

APERC and Host
Economy form
PREE Review
Team

Host Economy
Submit
Background
Information

APERC Complete
Draft Review

PREE Review
Team completed
Preliminary Report

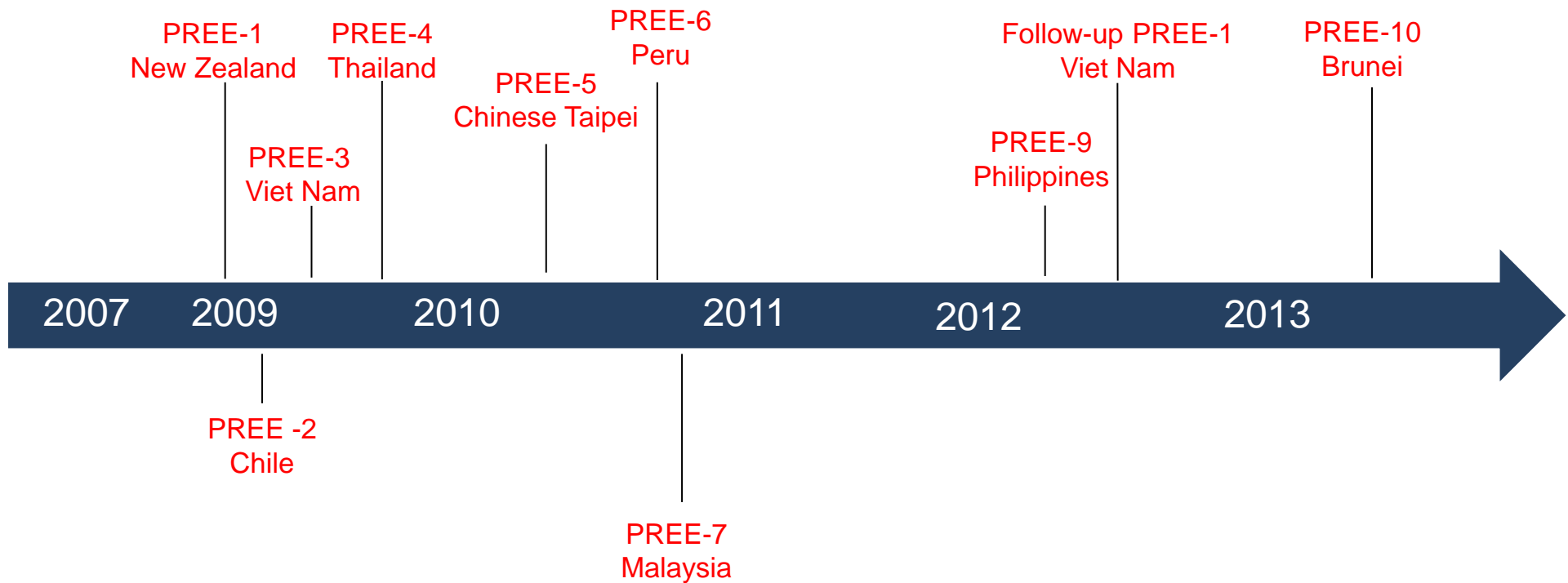
PREE Review
Team visited
Host Economy

Final Draft Report
signed-off by Host
Economy

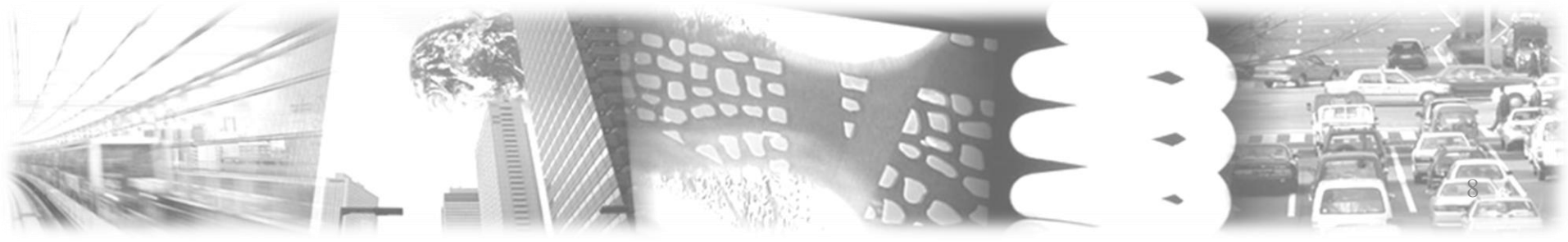
PREE
results presented at
EWG



Timeline of PREE Projects



Experiences of the peer review process



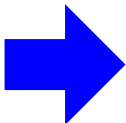


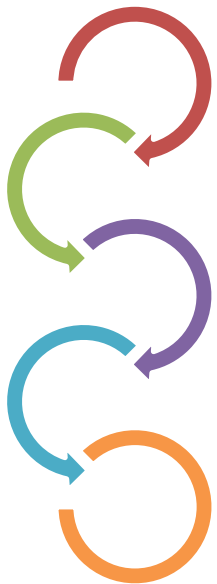
Categories of EE





Economic Framework for PREE

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- Market failures are barriers that result in a non optimal or inefficient markets
 - PREE recommendations are tailored towards:
 - Options to remove or address market failures in EE
 - Aligning and prioritizing policy options under a unified framework
 - Voluntary targeting and goal setting



Lack of Information

Public Goods

Externalities and Subsidies

Market Entry and Competition

Lack of Financing





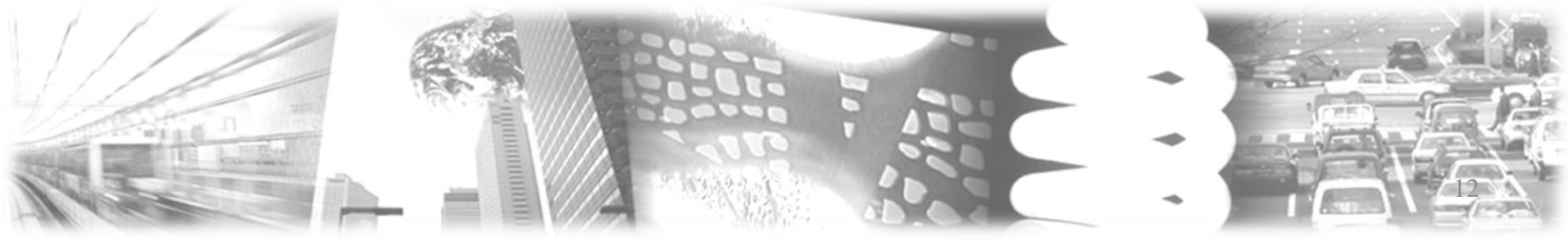
The Challenge of fossil fuel Subsidies

- Some APEC economies face difficulties in addressing fossil fuel subsidies such as -
 - How to rationalize and phasing out subsidies
 - How to consider welfare and address poverty when removing subsidies
 - How to overcome political impasses and public opposition
 - What are appropriate energy prices



Examples from PREE in Brunei Darussalam

10-14 June 2013





Example from Brunei Darussalam

- Brunei Darussalam enjoys a **high GDP per capita** that is among the highest in the region due to the **abundant oil and natural gas resources**.
- Prioritizing energy efficiency initiatives will free up more oil and gas for exports to increase or prolong export revenues.
- Energy efficiency initiatives face **substantial barriers** due to Brunei's energy pricing mechanism, which in the long-run is unlikely to be sustainable.
- Brunei Darussalam has already identified key policy options that should be implemented in order to achieve the **goal of 45% reduction in energy intensity by 2035** (using 2005 as the base line)



Follow Up PREE Mechanism

- APEC economies **expressed difficulty** in implementing PREE policy recommendations
- The Follow-Up mechanism was created to focus on **how to implement** specific expert recommendations

Future Project

- Next Project in Thailand will tentatively focus upon **Public-Private Partnerships for public transit investment**
 - Long term planning of transit orientated development
 - Expert team consists of consultants, private sector and APEC government experts



**Thank you for your
kind attention**

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