



SC/2008/01
16 May 2008

Report of the Sub-Committee

on

Asian Integrated Energy Market

Moscow, 15-16 May 2008

1. The Sub-Committee on Asian Integrated Energy Market held its 1st meeting on 15-16 May 2008 in Moscow, the Russian Federation. Delegations composed of APA delegates and energy experts from the following Member Parliaments participated in the meetings of the Sub-Committee: Afghanistan, Bahrain, China, Kuwait, Indonesia, Iran, Iraq, the Philippines, Russian Federation, and Saudi Arabia. The list of participants is attached as Annex 1.
2. The Honorable, Mr. Valeriy Yasev, the Vice-Speaker of the State Duma, the Federal Assembly of the Russian Federation was elected as the Chairperson of the Sub-Committee. The Honorable, Mr. Hezam Al Otaibi, the head of the delegation of Saudi Arabia was elected as the Vice-Chairman of the Sub-Committee.
3. The list of documents before the Sub-Committee included:
 - APA/Res/2007/08, dated 19 November 2007, Resolution on the Asian Integrated Energy Market,
 - APA/Res/2007/08/Annex, dated 19 November 2007, Plan of Action on the promotion of an Integrated Energy Market in Asia,
 - APA/Energy Com/2007/01, dated 20 November 2007, Resolution on Energy, and
 - SG/Rep/2008/01/rev.1, dated 14 May 2008, The Report of the Secretary-General on the Asian Integrated Energy Market to the Energy Sub-Committee.
4. The Preliminary Report of the Secretary-General to the Energy Sub-Committee contained in document SG/Rep/2008/01 had been forwarded to all APA Member Parliaments on 29 April 2008, and has been available on the site of the APA Secretariat.
5. The Sub-Committee welcomed the Report of the Secretary-General,



SG/Rep/2008/01/rev.1, on Asian Integrated Energy Market, and expressed appreciation for the timely manner in which it was submitted to APA Member Parliaments and the Sub-Committee for its consideration. The Sub-Committee exchanged views on many elements and ideas in the Report of the Secretary-General with a view to pursuing the objectives of the Plan of Action on Promotion of Asian Integrated Energy Market.

6. Some delegations expressed the need to explore ways to bring West Asia, East and South East Asia together in all carriers of energy, and discuss the broader issues of energy. The Sub-committee discussed the issue of oil prices and its impact on the food supply. References were made to high oil prices and the need to address the consequences of continuing rising prices of oil for importers of energy, particularly oil importing developing countries.
7. In accordance with Operative Paragraph 3 of the Resolution on the Asian Integrated Energy Market, APA/Res/2007/08, dated 19 November 2007, The Sub-Committee decided to hold its second meeting at a venue and date to be coordinated by the Secretary-General in order to further consider the report of the Secretary-General and make further recommendation to the First Executive Council meeting in 2008 to be forwarded to the APA for consideration of the Standing Committee on Energy.
8. The Sub-Committee listened with interest to the Secretariat presentation on Asian Gas Network and decided to further consider it in the second meeting of the Sub-Committee to allow Member Parliaments more time to study the issue with their governmental experts.
9. The Sub-Committee took note with interest of the Secretary-General's observations in Paragraphs 16-20 of his Report to the Sub-Committee on the issue of establishing an "organization" or a "body" to pursue the objectives delineated in the Plan of Action on Promotion of Asian Integrated Energy Market, as called for by Operative Paragraph 2 of Resolution, APA/ Res/2007/07 and Operative Paragraph 4 of Resolution, APA/Energy Com/2007/01. The Sub-Committee agrees that in order to establish such organization or body, some intermediary measures are necessary to develop the political will and prepare a solid ground for the success of such organization when it is established. In this context, many delegates expressed support for the role of Parliaments in promoting informed dialogue in Asia on all aspects of Asian Integrated Energy Market through establishing advisory Groups as need arises on specific issues of energy to explore the best strategies to promote implementation of the objectives delineated in the Plan of Action.
10. In this context, the Sub-Committee recommends the following draft resolution to the First Executive Council meeting of 2008, to be forwarded to the APA Plenary for consideration of the Energy Standing Committee:



Draft Resolution

on

Establishing the “APA Advisory Council on Energy”

We, the Members of the Asian Parliamentary Assembly,

Recalling Resolution on the Asian Integrated Energy Market, APA/Res/2007/08, dated 19 November 2007; the Plan of Action on the promotion of an Integrated Energy Market in Asia, APA/Res/2007/08/Annex, dated 19 November 2007; Resolution on Energy, APA/Energy Com/2007/01, dated 20 November 2007;

Welcoming the Report of the Secretary-General on the Asian Integrated Energy Market, SG/Rep/2008/01/rev.1, dated 14 May 2008, to the 1st meeting of the Energy Sub-Committee held in Moscow on 15-16 May 2008;

Expressing concern about the broader issues of energy, including the consequences of rising oil prices for oil importing developing countries;

Taking note of the concept and the structure developed by the Secretary-General in Paragraphs 16-20 of his Report on the establishment of “APA Advisory Council on Energy” as a preliminary step towards establishing an organization to pursue the objectives delineated in the Plan of Action;

Recognizing the importance of dialogue between producers, consumers and transit countries of energy in Asia to promote stability of global energy market;

Resolving to work together to decrease energy intensity in Asia, particularly in the Middle East and the CIS countries;

Emphasizing the resolve of Asian Parliaments to promote, as expeditiously as possible, the Asian Integrated Energy Market in the interests of all peoples in Asia and beyond;

Encouraging the respective governments of Member Parliaments to support the efforts of the APA towards that end;

1. Decide to establish “Advisory Groups” as need arises on specific issues of energy to provide technical advice to the Sub-Committee in order to pursue the implementation of the objectives delineated in the Plan of Action on Promotion of Asian Integrated Energy Market.
2. Request the Secretary-General to seek the views of Member Parliaments on the implementation of this resolution and to report thereon to the next meeting of the Sub-Committee.



11. The Sub-Committee took note of the measures and policies recommended in Paragraph 33 of the Report of the Secretary-General on increasing energy efficiency and urged APA Member Parliaments to forward a report on their national experiences to the Secretary-General as early as possible. The Sub-Committee requests the Secretary-General to prepare a report on the subject with a view to exchanging information on the best practices to reduce energy intensity and to submit it to the next meeting of the Sub-Committee.
12. The Sub-Committee expressed appreciation to the State Duma, the Federal Assembly of the Russian Federation, particularly to the Vice-Speaker Honorable, Mr. Valeriy Yasev for his excellent leadership and organization of the meeting, and for the hospitality offered to all participants.



Annex I

List of Participants in the Meeting of APA Sub-Committee on Asian Integrated Energy Market

**Moscow
15-16 May 2008**

Delegations	
Afghanistan	<ul style="list-style-type: none"> - Hon. Eng. Mohammad Khan (MP, Wolesi Girga) - Hon. Dr. Abdul Qaium (MP, Wolesi Girga) - Hon. Haji Sabir Khan Babakarkhil (MP, Meshrano Girga)
Bahrain	<ul style="list-style-type: none"> - Hon. Dr. Salah Ali Abdulrahman (MP, Second Deputy Speaker) - Hon. Ms. Sameera Ebrahim Abdulrasool (MP)
China	<ul style="list-style-type: none"> - Hon. Mr. Ma Wenpu (MP, Vice-Chairman, NPC Foreign Affairs Committee, Delegation leader) - Hon. Mr. Wang Wen (Deputy Director General, Foreign Affairs Bureau, NPC) - Mr. Xie Bohua (Counsellor, Dept. of Intl. Orgs. & Conferences, MFA) - Ms. Wang Yixing (Staff, Dept. of Intl. Orgs. & Conferences, MFA, English Translator)
Indonesia	<ul style="list-style-type: none"> - Hon. Kiemas Nazaruddin (MP) - Hon. Nasution Ade Daud Iswandi (MP) - Mr. Purba Robert Juheng (Regional Parliamentary Organizations Officer)
Iran	<ul style="list-style-type: none"> - Hon. Dr. Hossein Nejabat (MP) - Hon. Hossein Sheikholeslam (MP)
Iraq	<ul style="list-style-type: none"> - Hon. Husein Mohammad Abdalla (MP) - Hon. Nassar Zgeir Darbi (MP) - Hon. Ali Husein Bello (MP) - Hon. Jaber Halifa Jaber (MP) - Hon. Mohammad Hussein Saleh (MP) - Hon. Abdul Hadi Al-Hasani (MP)
Kuwait	<ul style="list-style-type: none"> - Hon. Allam Al-Kandary (Secretary General) - Hon. Mr. Tawfeeg S. Al-Wehaib (Assistant Secretary General) - Mr. Nasser Abduljhadher (Secretary)

Asian Parliamentary Assembly



Philippines	<ul style="list-style-type: none"> - Hon. Jose de Venecia, Jr. (MP) - Hon. Victor Ortega (MP) - Hon. Eduardo Zialcita (MP) - Mr. Paul Schaefer (Expert) - Mr. Nestor Nabor (Assistant)
Russia	<ul style="list-style-type: none"> - Hon. Valeriy Yasev (MP, Vice-Speaker of State Duma) - Hon. Rudik Iskuzhin (MP, Vice-Chairman of Commission on Control Activity of Council) - Hon. Vasilij Zinoviyev (MP, Vice-Chairman of Committee on Energy of State Duma) - Hon. Vitaliy Malkin (MP, Member of International Affairs Committee of Council) - Hon. Ruslan Kondratov (MP, Member of International Affairs Committee of State Duma) - Hon. Bakhtier Khakimov (Director, Dept. of the Pan-Asia Affairs, MFA) - Hon. Dmitry Lukyantsev (Chief of Section, Dept. of the Pan-Asia Affairs, MFA) - Mr. Guennadiy Golubev (Deputy Chief of the Dept., Zarubezhneft Co.) - Mr. Alexey Falin (Director General, Zarubezhugol Co.) - Mrs. Svetlana Gorshenina (Chief Expert, InterRAO EES Energy Co.) - Mr. Sergey Tatarnikov (Director on Regional Cooperation in South-East Asia, VO Tekhnopromexport Co.) - Mr. Sergey Sosnin (Adviser, Directorate on Development, Siloviye Mashiny (Power Machines) Co.) - Dr. Vladimir Likhachev (Vice-Director, Energy Research Institute) - Mr. Valeriy Pervukhin (Chief, Dept. on World Energy, Institute on Energy Strategy) - Prof. Dr. Yuriy Yershov (Vice-Director, Research and Scientific Institute on International Economic Relations) - Dr. Valeriy Salygin (Academician, Director of the International Institute on the Energy Policy and Diplomacy, MFA) - Mr. Konstantin Popov (Acting Director, Dept. on International Cooperation, "Rosatom" Nuclear Energy State Corp.) - Mr. Roman Samsonov (General Director, Russian Research and Scientific Institute on Gas) - Mr. Vladimir Bashkin (Chief Scientist, Russian Research and Scientific Institute on Gas) - Mr. Oleg Zhilin (Vice-President, Russian Gas Society)
Saudi Arabia	<ul style="list-style-type: none"> - Hon. Hezam Al-Otaibi (MP) - Hon. Majed A. Almuneef (MP) - Mr. Saeed Al-Angari (Adviser)