



Asia Pacific Energy  
Research Centre



# Understanding International Energy Initiatives

EWG 34 Meeting  
Hong Kong, China, September 4<sup>th</sup>, 2007

*Sergey POPOV,  
Asia Pacific Energy Research Centre*

# Outline

---

- ◇ **Objectives of the study**
- ◇ **Elements of the Initiative**
- ◇ **Findings**

# Scope

---

- ◇ **Numerous international energy initiatives have been undertaken around the world with good intentions.**
- ◇ **However, the amount of information concerning such initiatives which is available within the public domain is limited and vague.**
- ◇ **Efforts should therefore be made to assess the scope and progress of these initiatives in a comprehensive way.**

# Phase I :“What is this?”

---

- ◇ **Characterise initiative's actors and their drivers to cooperate**
- ◇ **Identify objectives and mechanisms under the International Energy Initiatives**
- ◇ **Today's structure of International Energy Initiatives in the APEC region**

# Phase II: "Way forward"

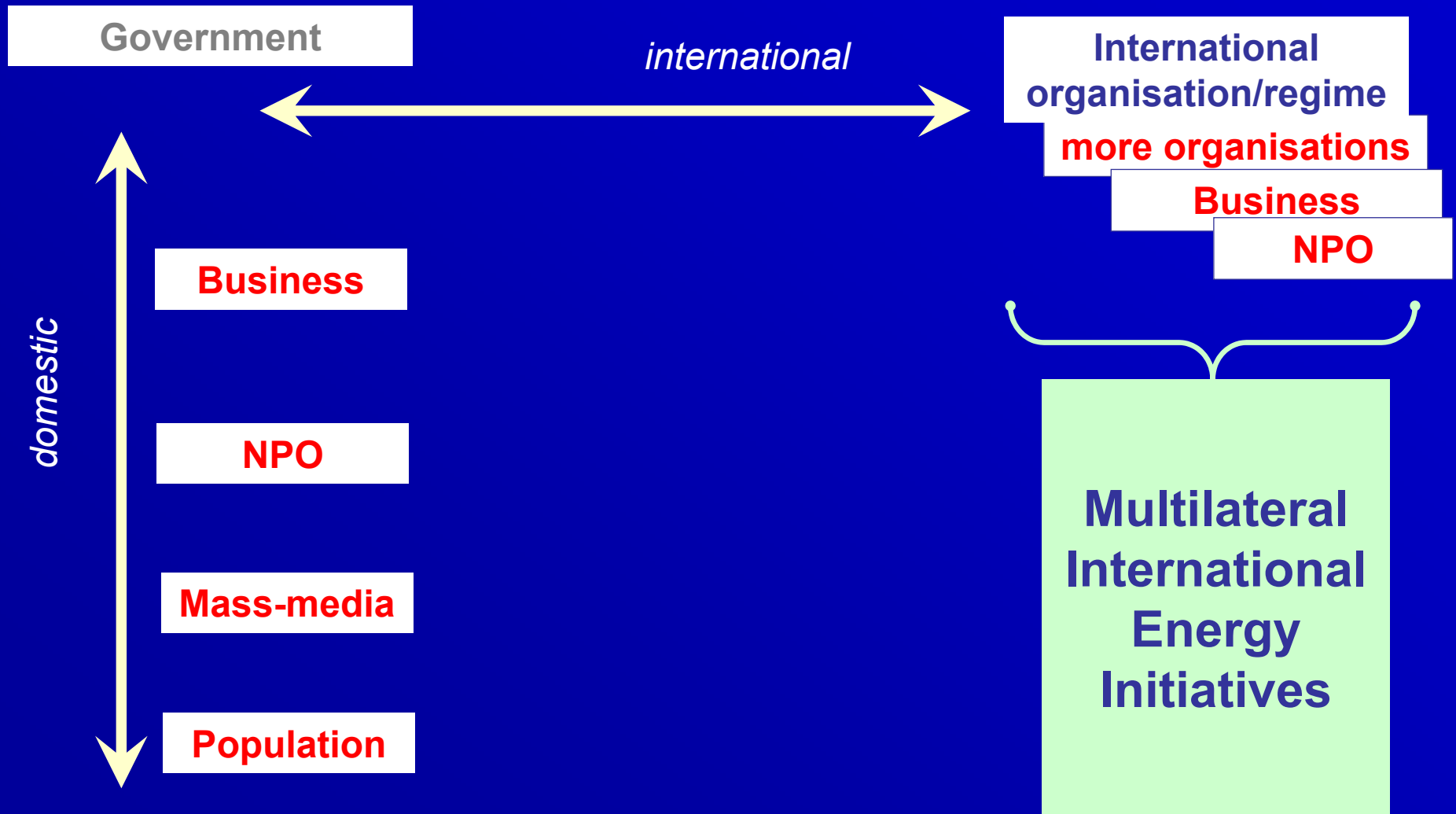
---

- ◇ **To expose the lessons learned by undertaking case studies:**
  - **energy infrastructure**
  - **technological R&D**
  - **environment**
  
- ◇ **Analyse the coherence of International Energy Initiatives in the APEC region**
  - **crosscutting**
  - **complementarities**
  - **gaps**

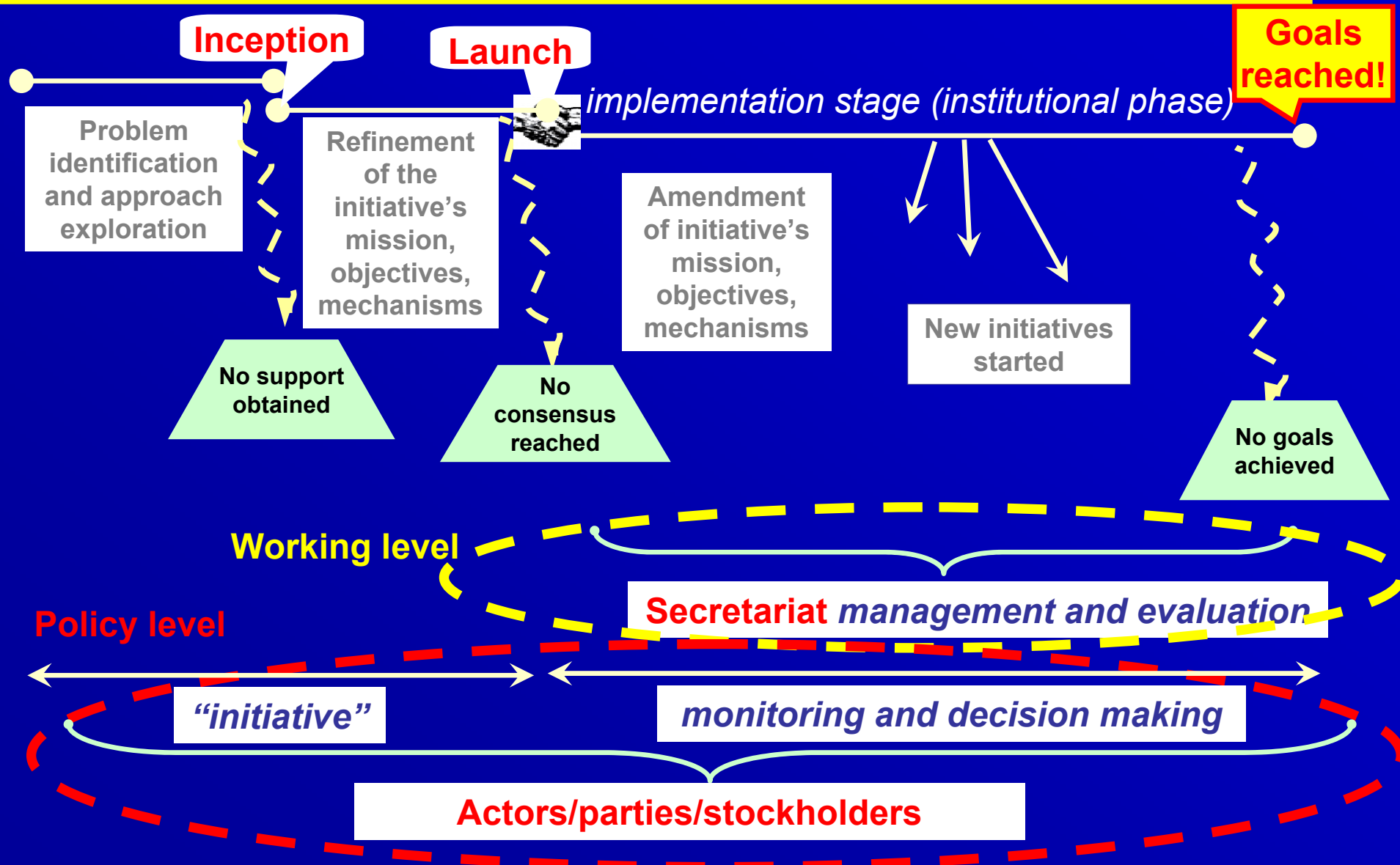
---

# **Elements of International Energy Initiatives**

# Government interaction is two-dimensional



# Initiative's life cycle





# **“Multilateral negotiation**

---

**is different process from bilateral negotiation, as it is a matter of making some order of a complexity of issues, parties, and roles”**

- Coalition analysis**
- Leadership analysis**
- Parliamentary diplomacy**

***“International negotiation: Analysis, approaches, issues”  
2<sup>nd</sup> edition, 2002, p 80***

---

# Findings

# **Key factors affecting success of initiatives**

---

- **Political consensus/will**
- **Commercial viability**
- **Social support**

**Initiatives both change and reflect the factor's  
strengths**

# Energy issues and major initiative's purposes

---

## ◇ Secure energy supply

- energy demand growing steadily
- increasing net energy import dependency

## ◇ Minimise environment footprint

- energy-related pollution and damage
- climate change concerns over GHG emissions

# Energy infrastructure is a key point

---

- ◇ Energy security and environment footprints are **peoples perception of energy infrastructure operation**
  - influenced by regulation, financial mechanisms, information, *etc.* framework
- ◇ Energy business supposed to be the major player, but it **needs guarantees to deal with uncertainties**
  - to [re]shape market
  - to address market externalities

# Structuring the Initiatives

## Purpose

**Security of energy  
supply**

**Minimal negative  
environmental impact of  
energy consumption**

## Mode

**Infrastructure development**

**Financing Mechanisms**

**Regulatory Framework**

**Research and Development**

**Information Sharing**

**Education and Capacity Building**

# Human resources

---

## ◇ Conflicts:

- policy makers needs fast results *vs.* long process of discussions to reach consensus
- organisation management: capacity building *vs.* staff rotation;

## ◇ Personality importance:

- personal characteristics (moral principles, philosophy, *etc.*) are important as initiatives are creative by nature and operate at the frontier of international cooperation [globalisation]

# Free riding, sensitivity

---

- **Cost/benefit sharing vs. “cherry picking”**
- **intellectual property (technology commercialisation and transfer)**
- **Commercially/nationally sensitive information (data confidentiality)**



---

# **International Energy Initiatives**

**at the international stage address  
market-external issues for the energy  
business development**

Thank you  
for your attention!