

Conference on APEC Regional LNG Trade Facilitation Ended successfully

The Conference on APEC Regional LNG Trade Facilitation has been held on 15-16 July 2015 in The Grade Hotel in Taipei by Bureau of Energy, Ministry of Economic Affairs (MOEABOE). The conference began with the opening remarks delivered by Ms. Yu-Chen Wu, Deputy Director-General of MOEABOE, followed by the keynote speech given by Mr. Sheng-Chung Lin, Chairman of CPC Taiwan. The conference was well attended by around 150 participants from government officials of Japan, Korea, Thailand, the U.S., and Canada, managers of multinational energy companies, experts of Asia-Pacific Energy Research Center (APEREC), ASEAN Council on Petroleum (ASCOPE), Tokyo Commodity Exchange and Shanghai International Energy Exchange and Taiwan to discuss the prospects and future cooperative mechanism of LNG trade in the APEC region from diversified perspectives.

The BOE stated that, as APEC region is comprised of major LNG supply and demand countries, stable and prosperous LNG trade will not only ensure regional energy security but provide momentum for regional economic growth. Taiwan is the No.5 largest LNG import countries in the world, and to expand the use of LNG is the existing energy policy. Therefore, Taiwan expects to enhance exchange and cooperation on LNG trade and security issues among stakeholders in the region by promoting APEC Regional LNG Trade Facilitation Initiative and its relevant dialogue forums, and believe that it will be positive for LNG supply security for Taiwan.

In recent years, shale gas revolution in northern America has dramatically changed global energy market and development patterns. In this conference, the U.S. and Canada have mentioned their huge potentials of LNG export and relevant exploration and export policies, showing the ambition to export to the growing LNG market in Asia. Meanwhile, in recent years, Japan, China and Singapore have planned on building LNG trading hub to improve LNG price transparency and market liquidity. In this conference, representatives of Tokyo Commodity Exchange and Shanghai International Energy Exchange have shared their views on the operational mechanism of LNG trading hub and impact of LNG trading hub on LNG trade.

After two-day discussion, the participants agreed that, to capitalize on LNG's enormous and untapped potentials and to respond to new pictures of LNG supply/demand in the future in the APEC region, it is necessary for APEC

economies to take proactive actions, such as developing transparent and stable governance framework, establishing market-oriented price index and supporting effective market competition, to further facilitate LNG trade in the region by a transparent and flexible LNG trading system. The consensus reached in this conference will be submitted to the APEC Energy Ministerial Meeting (EMM12) in this October in the Philippines to be the guidance for future cooperation on LNG trade in the APEC region.