

MAHATHIR-ASEAN

KUALA LUMPUR, APRIL 27 (BERNAMA) — THE ASEAN COUNTRIES MUST BRACE THEMSELVES TO A NEW ENERGY REGIME WITH LESS DEPENDENCE ON OIL AS THE ENERGY PROBLEMS TO BE FACED BY THEM IN FUTURE WOULD BE EVEN MORE ACUTE, DEPUTY PRIME MINISTER/DATUK SERI DR. MAHATHIR MOHAMAD SAID TODAY.

HE STRESSED THAT IT WAS IMPERATIVE FOR THE ASSOCIATION TO COOPERATE IN ENERGY IN VIEW OF THE WORLD'S ENERGY DILEMMA AND THE GRAVE ECONOMIC PROBLEMS CONFRONTED BY THE FIVE COUNTRIES TOGETHER WITH OTHER DEVELOPING COUNTRIES.

THE DEPUTY PRIME MINISTER, WHO SAID THIS WHEN OPENING THE SECOND MEETING OF ASEAN ECONOMIC MINISTERS ON ENERGY COOPERATION HERE, HOWEVER FELT THAT THE ENERGY SITUATION WAS NOT COMPLETELY HOPELESS FOR THE GROUPING.

(-574-), HE SAID, HAD BLESSED ASEAN WITH A CONSIDERABLE AMOUNT ON ENERGY RESOURCES, AND WHILE EACH OF THE MEMBER COUNTRIES MIGHT HAVE WIDELY DIFFERING ENERGY RESOURCE ENDOWMENTS, ALL OF THEM EXCEPT SINGAPORE, HAD PLENTY OF NON-OIL ENERGY RESOURCES WHICH THEY HAD YET NOT FULLY UTILISED. — BERNAMA MORE 1229/MK

NOOB (F)
MAHATHIR - ASEAN 2 KUALA LUMPUR

POINTING OUT THAT REGIONAL SOLUTIONS WOULD BOVIOUSLY AFFORD THE ADVANTAGES OF ECONOMIES OF SCALE, HE SAID: +IN CHARTING OUR ENERGY DEVELOPMENT STRATEGIES, WE MUST NOT LOSE SIGHT OF THE ENORMOUS ADVANTAGES OFFERED BY ADOPTING A REGIONAL APPROACH TO RESOURCE UTILISATION AND MANAGEMENT.

+THE SLOW PROGRESS MADE IN THE UTILISATION OF ALTERNATIVE SOURCES OF ENERGY CAN BE ATTRIBUTED TO THE MASSIVE INVESTMENTS REQUIRED FOR THEIR DEVELOPMENT WHICH WOULD BE TOO GREAT A BURDEN TO BE BORNE BY ONE SINGLE MEMBER COUNTRY.

+SUCH COST CAN BE MITIGATED BY JOINT COOPERATIVE ENDEAVOURS, + DATUK SERI DR. MAHATHIR SAID THE ASEAN COUNTRIES WERE EXCESSIVELY DEPENDENT ON OIL FOR THEIR ENERGY REQUIREMENT; DEPENDENCE ON OIL RANGED FROM 82 PER CENT FOR THAILAND TO ALMOST 100 PER CENT FOR SINGAPORE.

THEREFORE, THE CURRENT INSECURITY OF WORLD OIL SUPPLY AND THE DRASTIC RISE IN CRUDE OIL PRICES WERE COMPELLING REASONS FOR ASEAN COUNTRIES NOT ONLY TO LOWER THEIR DEPENDENCE ON OIL BUT ALSO TO DIVERSIFY THEIR ENERGY BASE GIVING PROMINENCE TO THE DEVELOPMENT AND UTILISATION OF ALTERNATIVE ENERGY SOURCES. — BERNAMA MORE 1240/MK

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NO10 (F)
MAHATHIR-ASEAN 3 KUALA LUMPUR

THEIR PLANNING, HE SAID, MUST ALLOW FOR UNCERTAINTY, PARTICULARLY WHEN SO MUCH WAS AT STAKE.

+THE MAN IN THE STREET PUTS HIS EGGS IN MORE THAN ONE BASKET, AND WE MUST IN OUR TURN KEEP ENERGY OPTIONS OPEN WHENEVER WE CAN, SO THAT RISKS CAN BE SPREAD OVER A WIDE FRONT, HE ADDED.

+THE LESSONS OF THE LAST DECADE HAVE IMPRESSED UPON US ON THE IMPERATIVE OF PURSUING STRATEGIES THAT WOULD ABSOLVE OURSELVES FROM BEING CAPTIVE TO DISRUPTIONS IN OIL SUPPLIES SO THAT WE CAN CONTINUE TO MAINTAIN OUR IMPRESSIVE ECONOMIC GROWTH RATES DESPITE RECESSION AMONG OECD COUNTRIES AND THE GROWING THREAT OF PROTECTIONISM.+

THIS, DATUK SERI DR. MAHATHIR ADDED, MUST SURELY BE THE THRUST OF THE ASEAN ENERGY POLICIES.

HE ALSO NOTED WITH APPRECIATION THE VIGOROUS EFFORTS PURSUED BY THE ASEAN COMMITTEE ON SCIENCE AND TECHNOLOGY TO EXPAND RESEARCH AND DEVELOPMENT IN ALTERNATIVE SOURCES OF ENERGY.—BERNAMA MORE
1313/AM

NO12 (F)
MAHATHIR - ASEAN 4 KUALA LUMPUR

THE DEPUTY PRIME MINISTER SAID THE ASEAN POWER GRID WAS ANOTHER ATTRACTIVE PROPOSITION FOR REGIONAL COOPERATION, AND + PERHAPS OFFERS THE BEST SOLUTION FOR THE POOLING OF NON-TRANSPORTABLE AND RENEWABLE ENERGY RESOURCES SUCH AS HYDRO ELECTRIC AND GEOTHERMAL POWER AMONG MEMBER COUNTRIES.+

TECHNOLOGY WAS NOW AVAILABLE, HE SAID, FOR TRANSMISSION OF POWER OVER LONG DISTANCES AT AN ECONOMIC COST PERMITTING THE FEASIBILITY OF TAPPING SITES FROM CENTRES OF CONSUMPTION.

+THIS MEANS FOR INSTANCE THAT THE EXCESS HYDRO ELECTRIC POTENTIAL IN SARAWAK BESIDES BEING TRANSMITTED TO PENINSULAR MALAYSIA COULD ALSO PERHAPS BE SUPPLIED TO KALIMANTAN IN INDONESIA,+ HE SAID.

+LIKEWISE, INDONESIA'S HYDRO ELECTRIC OUTPUT FROM ASAHAN IN SUMATRA COULD BE EXPORTED TO PENINSULAR MALAYSIA.+

CURRENTLY, THE ASEAN COUNTRIES, HE SAID, WERE DEPENDENT ON OIL FOR ALMOST 80 PER CENT OF ITS TOTAL ELECTRICITY GENERATION, AND RECENT STUDIES REVEALED THAT ASEAN ELECTRIC POWER WAS PROJECTED TO INCREASE BY ABOUT 30 GW BETWEEN NOW AND 1990.—BERNAMA MORE

NO14 (F)
MAHATHIR - ASEAN 5 KUALA LUMPUR

THE CAPITAL INVESTMENT REQUIRED FOR THIS PROJECTED INCREASE IN GENERATING CAPACITY WOULD AMOUNT TO ABOUT \$46 BILLION (ABOUT US\$20 BILLION).

DATUK SERI DR. MAHATHIR SAID THE SHEER MAGNITUDE OF THIS FIGURE MADE A REGIONAL APPROACH TO ELECTRICITY SUPPLY PLANNING IMPERATIVE IN ORDER TO OPTIMISE THE UTILISATION OF CAPITAL AND ENERGY RESOURCES WITH DUE CONSIDERATION TO THE BENEFITS THAT COULD ACCRUE FROM POWER SYSTEM INTERCONNECTIONS.

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HE NOTED THAT STEPS HAD ALREADY BEEN TAKEN TO INTERCONNECT THE NATIONAL ELECTRICITY BOARD (MALAYSIA) POWER SYSTEM WITH THE SYSTEMS OPERATED BY THE ELECTRICITY GENERATING AUTHORITY OF THAILAND AND THE PUBLIC UTILITIES BOARD OF SINGAPORE.

HE SAID HE WAS ALSO HAPPY THAT THE ASEAN HEADS OF UTILITIES AT THEIR RECENT MEETING AT JAKARTA, HAD AGREED TO PURSUE THE SUBJECT OF INTERCONNECTION WITH UTMOST URGENCY.

REFERRING TO COAL AS A VIABLE ENERGY OPTION, HE SAID THE ASEAN COUNTRIES EXCEPT SINGAPORE, WERE ENDOWED WITH VARYING AMOUNT OF COAL DEPOSITS RANGING FROM SOME 400 MILLION TO 500 MILLION TONS IN MALAYSIA TO SOME 15 BILLION TONS IN INDONESIA.--
BERNAMA MORE 1328/AM

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MAHATHIR-- ASEAN @ KUALA LUMPUR

HE ALSO NOTED THAT THE RECENT ASEAN EXPERTS GROUP MEETING ON COAL HAD STATED THAT COAL IN ASEAN, IF OPTIMALLY DEVELOPED, WOULD BE POTENTIALLY ADEQUATE TO MEET REGIONAL CONSUMPTION AS A FUEL FOR POWER GENERATION, CEMENT INDUSTRIES AND OTHER APPLICATIONS.

THE DEPUTY PRIME MINISTER, HOWEVER, WARNED THAT THEY MUST NOT IGNORE THE SUBSTANTIAL CONTRIBUTION THAT ENERGY CONSERVATION COULD PROVIDE, PARTICULARLY WITH RISING OIL PRICES.

HE QUOTED A RECENT WORLD BANK REPORT AS SAYING THAT DEVELOPING COUNTRIES COULD REDUCE AS MUCH AS 15 PER CENT OF THEIR PROJECTED ENERGY CONSUMPTION IN 1990 BY EFFECTING A BROAD PROGRAMME OF ENERGY DEMAND MANAGEMENT.

IN THIS RESPECT, HE FELT THAT EFFORTS TO CONSERVE ENERGY MUST BE THE CORNERSTONE OF ASEAN ENERGY COOPERATION.

DATUK SERI DR MAHATHIR SAID HE HAD NOT DELIBERATELY LEFT OUT THE GROUPING'S COOPERATION IN OIL AS THERE ALREADY EXISTED THE ASEAN EMERGENCY OIL SHARING SCHEME.

ALTHOUGH MALAYSIA AND INDONESIA WERE THE BEST OFF IN PETROLEUM RESOURCES, HE SAID THE RESERVE LIFE INDEX, THAT IS THE RATIO OF ANNUAL OUTPUT TO PROVEN RESERVES FOR BOTH COUNTRIES, WAS RELATIVELY LOW.--BERNAMA MORE 1358/MK

NO18 (F)
MAHATHIR-ASEAN 7 KUALA LUMPUR

MALAYSIA AND INDONESIA, HE SAID, HAD RESPONDED POSITIVELY TO REQUEST FOR OIL SUPPLIES FROM OIL DEFICIT MEMBER COUNTRIES.

+WHAT MATTERS MOST HERE IS NOT THE AMOUNT THAT IS SUPPLIED BUT THE SPIRIT OF COOPERATION THAT COUNTS,+ HE ADDED.

THE MEETING IS CHAIRED BY THE MINISTER OF ENERGY, TELECOMMUNICATIONS AND POSTS OF MALAYSIA, DATUK LEO MOGGIE, AND IS ATTENDED BY THE MINISTER OF SCIENCE, TECHNOLOGY AND ENERGY OF THAILAND, WING COMMANDER THINAKORN BHANDUGRAVI, THE MINISTER OF MINES AND ENERGY OF INDONESIA, DR SUBROTO, THE MINISTER OF TRADE AND INDUSTRY OF SINGAPORE, PROFESSOR ENCIK GOH CHOK TONG, AND THE MINISTER OF ENERGY OF THE PHILIPPINES, ENCIK GEROMINO VELASCO.

EARLIER, DATUK LEO MOGGIE, IN HIS ADDRESS, SAID MUCHWORK HAD BEEN DONE TO PUT INTO EFFECT THE PLEDGES MADE BY THE ENERGY MINISTERS SINCE THEIR FIRST MEETING IN BALI SEVEN MONTHS AGO.--BERNAMA MORE 1408/MK

NO24 (F)
MAHATHIR - ASEAN 8 KUALA LUMPUR

HE SAID THE DEVELOPMENT AND UTILISATION OF NON-OIL ENERGY SOURCES MUST SURELY BE AMONG THE MAIN THRUST OF THE ASEAN POLICIES AND THE FOUNDATION OF THEIR JOINT ENDEAVOURS IN THE LIGHT OF THE HARSH REALITY OF UNPREDICTABLE HIGH INTERNATIONAL ENERGY PRICES.

HE FELT THAT WHILE THEIR RESPECTIVE EMPHASIS AND SCOPE MIGHT DIFFER ARISING FROM THEIR ENERGY RESOURCE ENDOWMENTS, THEY ALL SHARED A COMMON ASPIRATION, THAT IS, TO DEPART FROM THEIR HEAVY DEPENDENCE ON OIL IN MEETING THEIR ENERGY REQUIREMENT.

+CERTAINLY, IN A WORLD PRESENTLY ENGULFED WITH NUMEROUS UNCERTAINTIES, WE CAN NO LONGER AFFORD TO POSTPONE DECISIONS TO PURSUE CONCERTED EFFORTS TO ACHIEVE OUR COMMON GOALS,+ HE ADDED.-- BERNAMA 1420/MK