

Intervention on Energy Security

Hon. Mr. Thanathorn Lohsoonthorn

Thai Parliamentary Delegation

at the 18th Annual Meeting of the Asia – Pacific Parliamentary Forum

19 January 2010, Republic of Singapore

Mr. Chairman,

Distinguished Guests,

Ladies and Gentlemen,

The current international financial crisis has led to a forecast slowdown in global oil demand which has resulted in a sharp drop of oil price in the 4th quarter of 2008. Right now, the oil prices have steadily increased, albeit moderately. Oil prices are likely to rebound sooner than later once the demand side picks up as global oil supply side is limited. Thus, it is in every country's long-term benefit to minimize its dependence on fossil fuels, in order to achieve sustainable development as well as environmental preservation.

As oil reserves have been gradually shortened while the demands make the newest peak day by day, there has been the attempts of countries with high demand of oil – such as the United States of America, China and Japan – to seek ways and means to win access to the resource at lower cost, for example; G to G Agreement on tax exempt with an oil exporting country, bidding for concession right to invest in oil business. Oil supply was also used sometimes as proposal or pressure in inter-state negotiations. Thus, many countries start to explore new alternative and renewable energy, such as Nuclear, wind, solar geothermal, tidal waves, to secure their consumption sufficiency.

ASEAN itself has a policy to enhance regional energy security among its members. Despite relatively fluctuating oil prices at this time, concerted efforts are still needed among the ASEAN, ARF members as well as other Asia Pacific countries in order to diversify energy source to reduce heavy dependence on oil imports from external sources.

Mr. Chairman,

His Majesty the King Bhumibhol, the King of Thailand, had foreseen the later coming energy security concerns and started his research on biofuels as an alternative energy since about 1975, at that time oil was still abundant and its price required not much money to pay for. To upgrade and ensure the people's well-being, the king also introduced the philosophy named "Sufficiency Economy", principles of which comprise moderation, reasonableness, and the need of self-immunity for sufficient protection from impact arising from internal and external changes. In pursuance of His Majesty's far-sightedness in terms of energy, Thailand still keeps conducting further researches on other alternative power supplies. We welcome advance energy-development technologies with our full awareness, meanwhile, of environment impact in order to make sound decision to secure our future growth of energy demand.

Among the various alternatives, the progress of biofuels' development ranks the highest in Thailand. Not only would it serve as cheaper and domestically available sources of energy, but it would also lift up the prices of agricultural produces. Now, our country's abundance of ethanol supply means that we are well-positioned to serve as regional hub for ethanol production and export. However, we never forgot to bear in mind the necessity to maintain equilibrium between energy and food production ratio because the people's good living condition is always considered palmary over all other profits. Thus, at international scale, Thailand joins ASEAN in the policies to enhance regional energy security and balance-keeping between fuel crops and energy crops plantation; for our energy security should not be traded with our food security.

Since nuclear power, one alternative to fossil fuels in consideration of many nations, had arouse public fear of radioactive leak, as well as controversies among environmental activists whether its production cost is too high and worth-investing or not, especially while many other renewable and environment-friendly alternative energy resources still remain, Thailand will carefully consider the nuclear plan and if it is to be operated, I would like to assure all of you that the plan will comply with global and regional legal frameworks, relevant international treaties and obligations to which we are party. Anyway, at the time when many other renewable and environment-friendly alternative energy resources still remain, Thailand's superior hope is that the energy policies of countries in our Asia – Pacific region will be promoted 'green' and 'save' together. I also would like to take this

opportunity to reaffirm that Thailand avails itself to always be a supporting partner in your endeavors to make this world no longer worry about the energy insufficiency.

Finally, I would like to express my sincere appreciation to the Parliament of Singapore for this well – organized and highly constructive meeting.

Thank you very much, Mr. Chairman.