

LNG Public Education and Communication Information Sharing Initiative



Seventh Meeting of APEC Energy Ministers

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Gyeongju, Republic of Korea

Australia; Brunei Darussalam; Canada; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; Philippines; Russia; Singapore; Chinese Taipei; Thailand; United States; Viet Nam

1.Objective

The purpose of this initiative is to establish a mechanism for APEC member economies to share information on public education and communication in relation to LNG infrastructure. Interested member economies will be requested to share their experiences by providing specific cases of public education and communication concerning the construction of LNG production, transportation, receiving, storage and conversion facilities, particularly with respect to perceptions of safety risk, environmental and related social impacts, as well as how such issues are dealt with in communications with the public. The information will be posted on a designated website for reference by all APEC member economies. The ultimate utility of the initiative is to assist business firms and public authorities in member economies to address the Not-in-My-Backyard (NIMBY) sentiment concerning major LNG infrastructure projects, to eliminate the misunderstanding concerning the safety aspects of LNG, and to offer approaches and ways to address similar situations for the concerned parties to consider. This would improve the probability of successful new or expansion projects, shorten the time required to complete projects, and/or smooth the operation and maintenance of existing facilities.

2.Background

- (1) LNG is a regularly supplied, globally traded, and relatively clean fossil fuel. It is a low-carbon, low-polluting fuel. Its many uses include electricity generation, use as fuel in the residential, commercial, industrial and transportation sectors, and use as industrial feedstock.
- (2) Expanding the use of natural gas and LNG is a strategy for addressing the requirements embodied in the Kyoto Protocol for many APEC member economies.
- (3) The APEC Energy Security Initiative, Recommendations Endorsed by the 5th Meeting of the APEC Energy Ministers on 23 July 2002 in Mexico City, recognized natural gas as an important non-petroleum means to fill energy needs from the supply side, and recommended that cross-border trade barriers be lowered.
- (4) In the Sixth Meeting of APEC Energy Ministers in Manila, the Philippines, on 10 June 2004, the Ministers declared as follows:

Expand Our Energy Choices *Energy diversification broadens our choice of energy sources and technologies and in doing so, strengthens energy security and sustainable development within the APEC region. The region's move towards a more diverse energy mix includes a growing demand for natural gas, through cross-border pipelines and Liquefied Natural Gas (LNG)... Our challenge is to*

continue to diversify in ways that support the region's economic, social and environmental objectives. To meet this challenge:

- We support the creation of a competitive and transparent marketplace for gas trade and encourage member economies to move towards best practice as identified in 'Facilitating the Development of LNG Trade in the APEC Region', recognising the important contribution of the private sector in developing these principles, and direct the EWG to implement its recommendations. We also direct the EWG to continue work to improve the security of natural gas supply by identifying vulnerabilities, supporting trade promotion and establishing convenient information links to gas market data available in existing data systems.*

(5) The Best Practice Principles of "Facilitating the Development of LNG Trade in the APEC Region" includes a section on public education:

Public Education

- Economies should promote public education campaigns to build positive perceptions about LNG by highlighting its demonstrated safety and reliability and emphasizing its economic, environmental and energy security benefits.*
- Economies should clearly articulate their energy security policies as they relate to LNG."*

(6) The recommendation of APEC LNG Workshop (held in Chinese Taipei) in March 2005 indicates LNG public information and education as one of the topics for future workshop by APEC Gas Forum (APGAS):

The Workshop recommends that the EWG and the EGCFE, in coordination with the EBN and other appropriate industry representatives, organize specific expert workshops for APEC economies to increase their knowledge and capacities in different aspects of LNG Best Practices. Ideally, the sequence of workshops should be linked with, and support progress of, work undertaken through the APGAS Forum. Examples of best practices topics to be covered in such workshops include:

- Reform of gas market structure and trading systems*
- LNG import regulatory and permitting issues*
- Access to LNG receiving terminals, storage facilities, and trunk lines*
- LNG safety and security (terminals and seagoing tankers)*
- Gas quality and interchangeability*

- *Financing LNG projects, including the role of multilateral financing organizations*
- *Public information and education.*

3.Tasks

- (1) Develop a classification scheme on LNG public education and communication for use as the framework for organizing the information in the website.
- (2) Collect and classify existing reports and documents on public perceptions concerning LNG safety and security risks from the open literature.
- (3) Develop case studies documenting the experiences of major oil and gas companies in APEC member economies, particularly with respect to the process of constructing and operating an LNG receiving station, focusing on the public education and communication aspect.
- (4) Integrate the case studies on LNG public education and communication in relation to LNG related construction, provided by interested member economies.
- (5) Establish a website and post the information collected above according to the classification scheme developed in Item (1). The website will be open to public viewing and a mechanism will be established to enable member economies to review and analyze related topics.
- (6) Organize workshops on LNG public education and communication, and related topics. This would allow wider communication of the issues and experience sharing.

4.Potential Benefits

- Improve public understanding of the benefits and safety of LNG
- Gain *insights* to successful communication with the public on LNG projects
- Increase the probability of successful LNG projects
- Shorten LNG project completion time
- *Smooth* the operation and maintenance of existing LNG facilities