

IMPLEMENTATION FACILITATION ASSISTANCE TEAM (IFAT) UPDATE

At EWG22 the Philippines provided a presentation outlining the topics of the Philippines IFAT visit. Details on the visit are provided below.

EWG members, during the EBN6 Summary Record presentation, noted the EBN comments regarding the use of IFATs to provide advice on any issue within the energy sector. EWG members supported the comments made by the EBN and encouraged member economies to consider using IFATs not just for gaining advice on electricity and gas reform, but for other issues within the energy sector.

EWG members noted the administrative arrangements applying to IFAT visits. It was suggested by one economy that the results of IFAT visits should be made available through the website.

At EBN7 members noted the report on the outcomes of the IFAT visit to the Philippines provided by Mr Tom Fisher, the IFAT Leader. In reporting on the IFAT, the Philippines expressed appreciation to all IFAT members and all delegates for their support and inputs, which will very much contribute to the future achievement of successful energy sector reform and sustainable development in the Philippines. EBN members noted the enthusiasm generated by the IFAT meeting by the government, illustrated by the commitment of Secretary Perez to the meeting, and private sector representatives.

During discussions on the IFAT process, the EWG Chair Representative indicated that EWG members, at their meeting in Papua New Guinea in September 2001, encouraged member economies to consider using the IFATs for other issues outside of electricity and gas reform within the energy sector.

In discussing follow-up activities for IFAT visits, EBN members resolved that the relevant economy EBN representative report at the subsequent two meetings of the EBN on the progress in implementing the IFAT outcomes. Members considered the desirability of promulgating IFAT outcomes through the EWG website and noted that the decision to post IFAT outcomes on the EWG website would reside with the relevant host economy. Members also noted that a position paper examining a multi-tier approach for implementing a regulatory framework, based on the capacity of the project, would be prepared for the next EBN meeting. The paper is to be prepared by the New Zealand representative.

Philippines IFAT Visit

During the fourth APEC Energy Ministers' Meeting, the Philippines announced that it would host an IFAT visit to its economy. On 12 September 2001, the Philippines Government wrote to the EWG Chair inviting an IFAT to visit in March 2002 to provide technical assistance and expert advice on the development of the Philippine natural gas industry.

The visit, which involved a two day meeting/dialogue with IFAT members, was held on 14-15 March 2002 in Cebu. The Philippines Government specifically asked that the IFAT focus on the following five major topics:

1. gas industry structure;
2. gas pricing;
3. gas industry regulation;
4. gas industry incentives; and
5. cross-border issues associated with infrastructure development.

Representatives from Australia, Canada, Japan, New Zealand, and the United States (US) were selected as IFAT members. Additional Participants (Australia, Japan, and the US), Government and private industry representatives also participated in the meeting.

The Philippines Government agreed to pay the hotel accommodation, including meals and local transport expenses, for members of the IFAT.

While the final IFAT report is not expected for some weeks, both the IFAT members and the Philippines considered the visit to be a success.

A report on the outcomes of the Philippines IFAT visit will be provided to EWG members at EWG23.

Action Proposed for the Twenty-Third Meeting

- Members to note the outcomes of the IFAT visit to the Philippines.