



Cleaner Energy Future Initiative for ASEAN (CEFIA)

Global Environmental Affairs Office Ministry of Economy, Trade and Industry, Japan

Key components of CEFIA

CEFIA (Cleaner Energy Future Initiative for ASEAN) is an initiative to facilitate collaboration between the public and private sectors for accelerating the deployment of cleaner energy and decarbonization technology in the ASEAN region.

Finance

Linking projects with the Sustainable Development Goals, and attracting ESG investments



<u>Decarbonization</u> <u>Technology</u>

Utilizing cleaner energy technology and decarbonization technology

Institutions

Developing and improving policy and institutional framework required for introduction and deployment of cleaner energy technology and decarbonization technology



CEFIA: Promotion of business-driven deployment of decarbonization technology

(3) Bridge to connect technology and policy/institutional framework

(1) Introduction of advanced technology

(2) Policy and institutional framework

Preparatory work - Pre-study (e.g., energy trends, markets, policy-related information and data), strategy and assumption setting

Step1

Feasibility Study (FS)

• Demonstration project

Financing (Public, Private)

 Commercialization and deployment of technology Bilateral Government-Private Workshops

Establishment of testing laboratories. Capacity-building



ASFAN Government-Private Forum

Practices

Private sector involvement

- Attract green finance through information disclosure
- Enhance ESG investments
- Scale-up business operations

 Identification of counterparts (e.g., ministries, governmental agencies, etc.)

Step2

Policy recommendations

 Development of policy and institutional framework

 Adoption and implementation of the framework



Flagship projects

Showcase good practices of cooperation in introducing technology in parallel with developing appropriate policy and institutional framework, as well as mobilizing public and private finance (governments, private sectors, and academia)

Title	Purpose	Activities
ZEB	Promoting and developing the Net-Zero Energy Building (ZEB) to contribute to the acceleration of energy efficiency in the demand side in ASEAN.	 International Standardization Seminar and workshop Demonstration project
RENKEI	Disseminating control optimization (RENKEI) to reduce energy consumption throughout utility plants and manufacturing plants through IoT.	 Feasibility Study for Thailand Industry Workshop Capacity Building
Microgrid	Introducing Microgrid system combining Magnus wind turbines, solar power, and energy storage functions into remote islands, to realize decarbonized energy and improving resilience.	Feasibility StudyDemonstration project
SteelEcosol	Diagnosing and introducing the best available energy-saving technologies (BAT) to the steel industries.	Capacity BuildingPublic-Private DialogueSteel plant diagnosis
Finance	Activities for mobilizing finance to facilitate energy transition and decarbonization in ASEA.	 Survey local financial institutions Capacity Building for local financial institutions (webinar)

CEFIA flagship project (ZEB)

Contribute to accelerating the decarbonization in the building sector in ASEAN by promoting the step-by-step approach to achieving Zero Energy Building (ZEB).

Implementation System

CEFIA supports the activities of the "ZEB Solution WG" at the Japanese Business Alliance for Smart Energy Worldwide (JASE-World).

♦ Expected Effect

Contributing to accelerate decarbonization in the building sector

Step-by-step approach to achieving ZEB

ZEB Ready

Significant energy saving more than 50% from reference point **Nearly ZEB**

(net)ZEB

Net energy saving not reach 100% **But more than ZEB Ready**

Net energy saving of **100%** or more

Including Renewable energy

Major Activities

For the diffusion of ZEB in ASEAN, awareness activities of ISO Technical Specification **TS23764**, support for access to technologies and products for achieving ZEB and support in formulating demonstration project.

Examples of Activities

- Introduction of activities to promote awareness of the ZEB concept.
- · Creation of an introductory video on public-private partnership efforts to accelerate the spread of ZEB in ASEAN.

%ISO/TS23764

- "Methodology for achieving non-residential zero-energy buildings (ZEBs)." A technical specification proposed to ISO by JASE-W, approved and issued by ISO.
- •TS 23764 advocates a step-by-step approach to implementing ZEB.



Video footage of "Introduction of CEFIA Flagship Project: ZEB"

CEFIA flagship project (RENKEI)

RENKEI aims to reduce energy consumption in power plants and entire business sites through IoT.

Implementation System

Based on Working group of Japan Electronics and Information Technology Industries Association (JEITA). Collaborates with Japanese and Thai universities.

♦ Expected Effect

Compared to energy-saving projects involving the introduction of hardware equipment, RENKEI can be an add-on to existing facilities, resulting in a shorter project implementation period and better cost-effectiveness as a measure to reduce greenhouse gas emissions.

Major Activities

Activities with a view to developing knowledgeable human resources, making policy recommendations, and implementing projects in actual factories in order to promote the spread of control optimization (RENKEI).

Examples of Activities

- Conducting research on GHG reduction potential in industry under RENKEI control (Estimation of CO2 reduction potential by the introduction of RENKEI control in the Philippines, Thailand, Malaysia, Singapore, Indonesia, and Vietnam)
- Conducting feasibility studies (estimating energy-saving effects through RENKEI control, etc.)
- Holding seminars for companies in Thailand to promote RENKEI control
- Dissemination of information (Introduction of activities at the Energy Week International Conference organized by the ASEAN Centre for Energy)

Important milestone

Potential survey of RENKEI Control Application in Thailand Video Message on RENKEI



RENKEI Control
Dr. David Banjerdpongchai
Professor,
Chulalongkorn University

Dr. David Banjerdpongchai (Professor at Chulalongkorn University) presented results of Potential survey of RENKEI control at CEFIA Japan Seminar 2021

Overview of CEFIA Flagship Project (Finance)

Activities for mobilizing finance to facilitate energy transition and decarbonization in ASEA; conducting analysis of challenges in implementing decarbonization technology in ASEAN, identifying the needs of local financial institutions, and organizing seminars.

◆ Implementation System

Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), which has a network of development banks in ASEAN, take the lead in the implementation of the project. It also collaborates with experts in the financial sector in ASEAN.

♦ Expected Effect

- Accelerating the mobilization of funds in the flagship sectors
- Expanding the efforts of financial institutions in the energy transition sector

Major Activities

Conducting analysis of challenges in implementing decarbonization technology in ASEAN, identifying the needs of local financial institutions, and organizing seminars to mobilize finance.

Examples of Activities

- •Interviews and surveys of ASEAN local bank members to identify issues and needs
- Analysis of examples of "visualization" initiatives at financial institutions
- •Exchange of views with financial institution officials (discuss measures to strengthen cooperation using the CEFIA forums)

In addition, activities to accelerate project formulation originating from the flagship projects (technical themes) will be implemented.

Status of Webinars and Other Events

- Webinar "Fostering mutual understanding of botleneck and opportunities for accelerating cleaner energy finance": March 2021
- Workshop "Visualization of carbon footprint reductions by financial institutions": March 2021
- Webinar "Financing Energy Transition Pathways under the CEFIA": March 2022



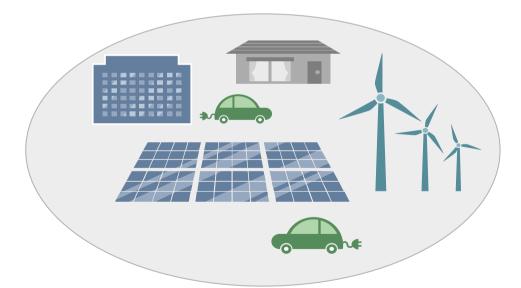
Scene from the webinar

CEFIA flagship project (Microgrid)

- Promote deployment of Microgrid system combining various renewable sources, such as wind and solar power, as well as energy storage functions.
- •Enable power supply even in times of disaster, thereby realize decarbonized energy and improve resilience by disseminating in vulnerable areas such as remote island regions.

Sharing good practices

Sharing feasibility study and demonstration outcomes



Visualization of Climate Change Impact

Discussion towards technology deployment

Example of Activities:

Microgrid technology using Magnus vertical-axis wind turbine was introduced by Challenergy Inc. in the 3rd CEFIA Government-Private Forum.



Monitoring
Measuring wind and
solar potential by cloudconnected and standalone monitoring

Simulation
Calculating micro-grid
operation, financial
model and CO2
reduction.

Planning
Negotiating with local
institutions, permits,
financial arrangement
and contract

EPC
Construction of RE
equipment, energy
management system
and network

Operation

RE
Operation of micro-gri
with stable CF and
improve overall
profitability

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Presentation slide by Challenergy Inc.

CEFIA flagship project (SteelEcosol)

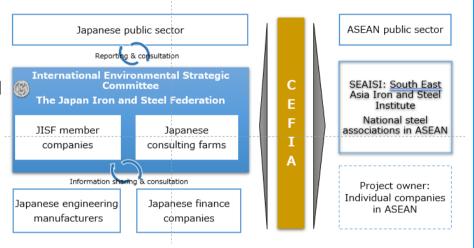
Under CEFIA, conducting public-private dialogues and energy diagnosis of steel plants to promote the adoption of **Best Available Technology (BAT)** in the ASEAN steel industry.

♦ Implementation System

Through the CEFIA platform, the International Environmental Strategy Committee of the Japan Iron and Steel Federation lead communication and information sharing activities with steel associations, member companies and the public sector in ASEAN countries.

Expected Effect

- Showing benefits of technology implementation, CO2 reductions, and payback period
- Facilitating policy dialogues to introduce best practices that promote energy conservation and CO2 reductions
- □ Promoting understanding of methods to reduce energy consumption and CO2 emissions in steel plants



Major Activities

Proposed a decarbonization project in the steel sector as a candidate for a new flagship project at the 3rd CEFIA Public-Private Forum.



Capacity Building • BAT list (technology)

- O. Activity foundation formation
- BAT list (technology customized list)
 ISO 14404 (Energy/CO2 intensity assessment)
- Dialogue Channels between Japan Steel Industry
- and ASEAN Steel Industry

1.Public-private dialogue

Sharing Japan's policies related to BAT dissemination and climate change with a wide range of ASEAN stakeholders

2. Steel plant diagnosis

Visiting individual steel plants to conduct energy diagnosis and recommend BAT implementation

The 1st CEFIA Government-Private Forum

Overview

Date: 27 November 2019

Place : Makati City, Philippines

Host: DOE Philippines

Sessions

Session I. CEFIA and Future Potentials

Session II. Flagship Project Ideas

Session III. Panel Discussions

Opening Statements

- 1. Mr. Alfonso G. Cusi, Secretary, Department of Energy, Philippines;
- 2. Mr. Shuji Miyamoto, Parliamentary Vice-Minister, Ministry of Economy, Trade and Industry, Japan;
- 3. Mr. Christopher G. Zamora, Manager of APAEC, ASEAN Centre for Energy
- 4. Mr. Doo Youl Kim, Ministry of Trade, Industry and Energy(MOTIE), Korea
- 5. Mr. Yongping Zhai, Chief of Energy Sector Group, Asian Development Bank



Participants

Registered participants (government officials, private sectors, international organizations) approximately \rightarrow 200 participants including speakers

17 Speakers and Panelists

METI, ACE, ADB, Challenergy, DREAM, IRES, KEA, Power China, Global Mobility Services, SEDA – ECCJ, Baundung Institute of Technology, Indonesia, Association of Development Financing Institutions in Asia and the Pacific

The 2nd CEFIA Government-Private Forum

- The CEFIA Government-Private Forum is established under the ASEAN+3 New and Renewable Energy (NRE) and Energy Efficiency and Conservation (EE&C) Forum.
- The 2nd CEFIA Government-Private Forum was held on February 2, 2021. The forum held briefings
 on the current situations of CEFIA's activities and discussions on contributions to the ASEAN Plan of
 Action for Energy Cooperation (APAEC) and on approaches to activating financing for low-carbon
 technologies in the ASEAN region.
- Moreover, taking the opportunity of the forum, the Asian Development Bank (ADB) and METI signed a memorandum of cooperation (MOC) in CEFIA.

Date: 2 February 2021 Host: DEDE, Thailand

Participants: government officials, private sectors,

international organization

Audience: 227 attended in GoToWebinar,

221 views on YouTube

Opening Remarks

Dr. Prasert Sinsukprasert, Director-General, DEDE, Thailand

Special Remarks

Mr. Munekiyo Kouichi, Parliamentary Vice-Minister of Economy, Trade and Industry, METI, Japan

3 Session

•Session I: Flagship Projects

•Session II: APAEC Phase II and CEFIA Activities

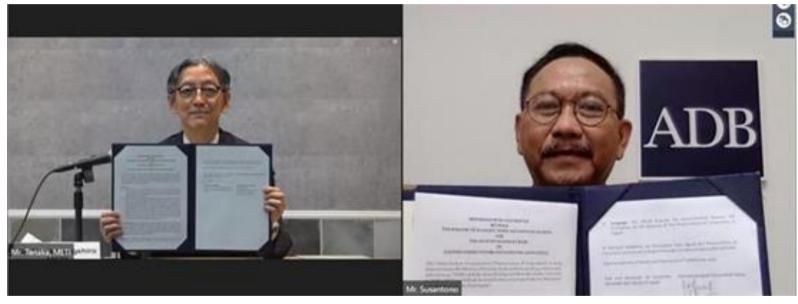
Session III: Mobilization of Finance





MOC in CEFIA concluded between METI and ADB

- Taking the opportunity of the 2nd CEFIA Government-Private Forum, the Asian Development Bank (ADB) and METI signed a memorandum of cooperation (MOC) in CEFIA.
- Signees were Mr. Tanaka Shigehiro, Vice-Minister for International Affairs, METI, and Mr. Bambang Susantono, Vice-President, ADB.



Mr. Tanaka Shigehiro, Vice-Minister for International Affairs, METI

Mr. Bambang Susantono, Vice-President, ADB

The fields for cooperation:

- [i] Energy efficiency/conservation and renewable energy
- [ii] Other technologies that contribute to transition to low carbonization
- [iii] Utilization of private funds for supporting these efforts

The 3rd CEFIA Government-Private Forum

- The CEFIA Government-Private Forum is established under the ASEAN+3 New and Renewable Energy (NRE) and Energy Efficiency and Conservation (EE&C) Forum.
- The 3rd CEFIA Government-Private Forum was held on February 21, 2022. The forum included an
 introduction of CEFIA's current activities, along with discussions on topics such as how
 decarbonization projects will realistically move ahead and how funding for decarbonization
 technologies will be mobilized.

Summary

Date: 21 February 2022

Host: Energy Commission of the government of Malaysia

Participants: government officials, private sectors,

international organization

Audience: 151 attended in Zoom, 168 views on YouTube

Opening Remarks

H.E Datuk Zurinah Pawanteh, Secretary General of Minister of Energy and Natural Resources, Malaysia Dr. Nuki Agya Utama, Executive Director of ASEAN Centre for

Energy (ACE)

Special Remarks

Mr. ISHII Masahiro, State Minister of Economy, Trade and Industry, Japan

3 Session

•Session I: Flagship Projects

•Session II: CEFIA Collaboration Roadmap

Session III: Mobilization of Finance for Decarbonization Pathways





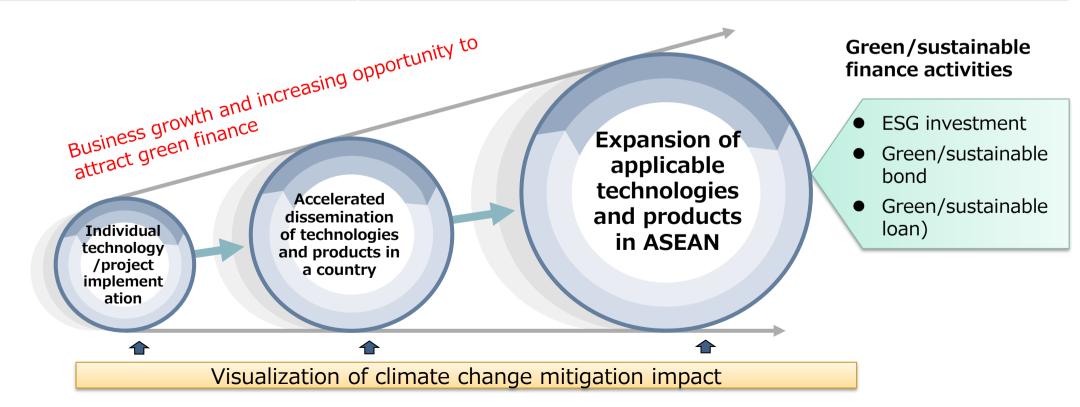


CEFIA Visualization -Basic Concept-

Expected Objective of Visualization

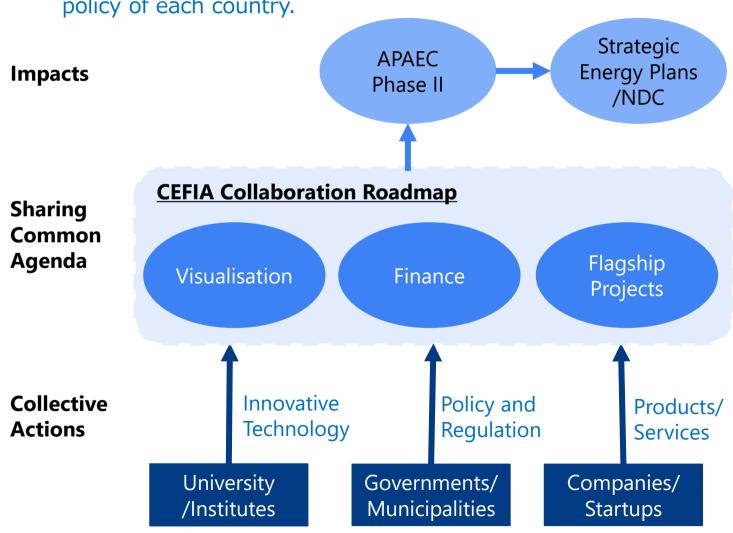
- Contribute to securing of climate finance as disclosure of climate mitigation impact is increasingly important.
- Visualization of climate mitigation impact contributes to and enhance activities planned in APAEC II.

APAEC Phase II: Programme Area	APAEC Phase II: Outcome Based Strategy
PA 6. Reginal Energy Policy and Planning	OBS 2. Promote information sharing on energy-climate nexus OBS 5. Attract Investment and Financing to Accelerate ASEAN's Energy Infrastructure Growth



CEFIA Collaboration Roadmap

- Development the roadmap in consultation with related Sub-sector Networks and stakeholder (e.g. Business organizations, partner organizations in flagship projects).
 - CEFIA aims to contribute to APAEC Phase II.
 - CEFIA believes that this will lead to contributions to the energy policy of each country.



Objectives of the roadmaps

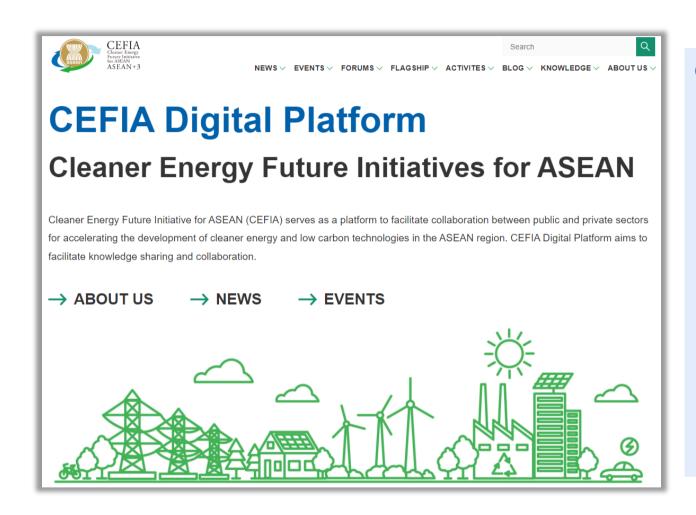
- Serves as a platform for <u>collaborations</u> between public, private and academic sectors.
- Clarifies <u>collaboration</u>
 between CEFIA and APAEC II.
- Promotes <u>collaboration</u>
 among finance, frameworks,
 and low-carbon solutions...

Action areas comprising the roadmaps

- Info sharing.
- Capacity building.
- Pilot Projects/ support on project formulation.
- Support on introduction of policy, framework, and finance.
- Evaluation.

CEFIA Digital Platform

CEFIA Digital Platform aims to facilitate knowledge sharing and collaboration.



Objective

- To enhance roles
 (Showcase, Workspace,
 Databank, and Catalyst)
 through Digital
 Collaboration
- To provide various information of CEFIA activities to facilitate knowledge sharing and various collaborations

https://www.cefia-dp.go.jp/

CEFIA Project Management Unit (PMU)

- Launching of the CEFIA Project Management Unit (PMU) at the 3rd CEFAI Public-Private Forum.
- ACE and METI are jointly implementing CEFIA facilitation activities through PMU activities.

Composition of PMU

•ASEAN Centre for Energy (ACE)

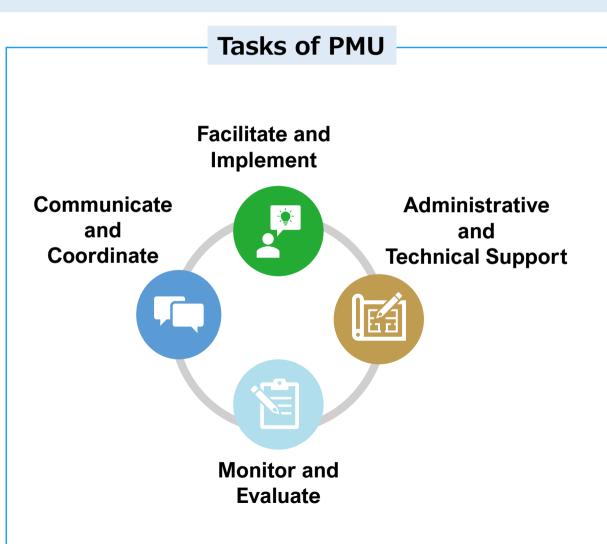


 Ministry of Economy, Trade and Industry (METI), Japan.



Activities

- Development of CEFIA Collaboration Roadmap
- Administrative support to the host countries in organizing CEFIA Forum



Thank You!!

