

## **Japan-U.S. Joint Ministerial Statement on Japan-U.S.-Mekong Power Partnership (JUMPP)**

1. The Governments of the United States of America and Japan, on the occasion of the one-year anniversary of the Japan-U.S.-Mekong Power Partnership (JUMPP);
2. Underscoring our shared objective of sustainable and inclusive economic growth and prosperity through promoting, inter alia, fair and reciprocal energy trade and access to affordable, reliable, and secure energy;
3. Sharing the firm belief that energy sector resilience is critical to economic growth, political stability, and that universal access to modern energy services is a prerequisite for social and economic development;
4. Reaffirming the strong potential in energy production and the value of transparency; free and fair competition; diversification of energy sources, suppliers and routes; the sovereign right of states to partner economically with countries and entities of their choosing in developing their energy resources; and the unfettered flow of energy supplies in the Indo-Pacific region, including the Mekong sub-region, which is vital to regional stability, prosperity, and development;
5. Renewing our pledge to advance partnerships that promote a more sustainable energy sector and quality energy infrastructure development that meets the needs of people in the Mekong sub-region, in accordance with the international standards of quality infrastructure investment such as those mentioned in the “G20 Principles for Quality Infrastructure Investment,” including openness, transparency, economic efficiency and debt stability;
6. Acknowledging electricity demand in Mekong partner countries is projected to increase by 6 to 7 percent per year and the urgent need to meet this rising demand with secure, accessible, affordable, and reliable electricity and high-quality, sustainable power sector investment
7. Recognizing that governments in the Mekong sub-region are seeking to increase their use of diverse and variable renewable energy resources, which present opportunities and challenges for modernizing policy and regulatory frameworks, increasing electricity trade, and improving power system operations;
8. Recognizing that increased power trade and, in the long term, an integrated electricity market will better prepare the Mekong sub-region to meet demand growth, maximize use of existing power infrastructure, and optimize each country’s potential while encouraging renewable energy resource development and the power sector reforms necessary to attract private sector investment;
9. Reflecting upon the development trajectory of the Mekong sub-region’s power sector, the need for sustainable utility-scale hydropower installations, the connectedness of water

and energy security in the Mekong sub-region, and the urgent need for regional coordination to advance diversified, resilient, and sustainable power systems moving forward;

10. Acknowledging that a global energy transition is underway, increasing in pace and complexity, and expanding the deployment of new, advanced energy technologies posing challenges to traditional models of energy governance, electrical grid architecture, and market structures;
11. Promoting enhanced bilateral and regional power trade for energy security and economic integration, and cognizant that regional electricity trade mutually benefits electricity importers and exporters through market integration, the expansion of market size and increasing access to affordable, sustainable, and modern power, and enhancing energy connectivity;
12. Affirming the important role of the Japan-U.S.-Mekong Power Partnership (JUMPP) toward achieving the 2030 Agenda for Sustainable Development Goals (SDGs), in particular Goal 7: “Ensure access to affordable, reliable, sustainable and modern energy;” and acknowledging JUMPP’s important and initial contributions during its inaugural year, including projects listed in the annex;
13. Recognizing JUMPP forms part of the enduring economic and energy cooperation partnership between our countries, and welcoming the expanded partnerships the United States and Japanese governments have established with the Mekong partner countries to build stronger, more competitive, and more interconnected electricity markets and infrastructure;
14. Noting ongoing cooperation under the Mekong-U.S. Partnership, Mekong-Japan cooperation, and the ASEAN-U.S. Strategic Partnership; and the implementation of regional initiatives such as the Asia Enhancing Development and Growth through Energy (Asia EDGE) and the Japan-U.S. Strategic Energy Partnership (JUSEP);
15. Recalling the stated objectives of the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) and its Master Plan (2019-2023), the Master Plan on ASEAN Connectivity (MPAC) 2025, and the “Tokyo Strategy 2018” adopted at the 10th Mekong-Japan Summit, and recognizing the importance of aligning our cooperation on energy under JUMPP with those strategies and plans;

Hereby:

16. Decide to broaden and deepen our cooperation to promote regional energy integration and market development through maintenance and expansion of flexible, transparent, and competitive markets for energy commodities and technologies;
17. Identify opportunities for JUMPP to accelerate Mekong sub-regional infrastructure connectivity as a shared objective to expand energy access, better harness the Mekong

sub-region's natural resources, mobilize private investment, improve energy services, and to better respond to energy shocks and disruptions;

18. Decide to expand capacity-building and technical assistance, including on-the-job training, amongst JUMPP partners to improve institutional and regulatory frameworks, strengthen energy sector governance, help unlock private investment in Mekong partner countries' power sectors, and grow cross-border energy trade;
19. Support advancement of key enablers of electricity market integration, including cross border power trade for more efficient power and to optimize the use of energy resources in the region; development of a functional regional grid code; improvement of efficiency and utilization rates for existing transmission capacity to expand cross-border power trade; development of regional legal and regulatory roadmaps to facilitate regional trade expansion; promotion of bankable, standardized power purchase agreements to drive private investment; promotion of bankable projects; enhanced deployment of wind, solar, natural gas, and advanced power generation technologies to diversify the region's electricity mix; and progress on competitive market reforms and institutions;
20. Promote a nexus approach to water-food-energy security to ensure that the construction and operation of energy projects in the region will reduce, mitigate, or eliminate negative impacts on the environment and affected communities in the development of the Mekong river basin;
21. Intend to strive for enhanced coordination amongst ASEAN Member States, Heads of ASEAN Power Utilities and Authorities, Asian Development Bank, World Bank, United Nations Economic and Social Commission for Asia and the Pacific, International Energy Agency, and other partners that support regional electricity integration and promote the international standards of quality infrastructure investment mentioned in the newly endorsed "G20 Principles for Quality Infrastructure Investment;"
22. Decide to formulate a JUMPP action plan within one year and to hold an annual meeting of JUMPP diplomatic representatives and technical experts on the margins of the annual Mekong-U.S. Partnership and Friends of the Lower Mekong Senior Officials Meetings to establish time-bound objectives and benchmarks, review progress, address barriers to integration, and to facilitate intercessional communications amongst JUMPP partners.

Annex: List of projects supported by JUMPP in 2019-2020

- a. Supporting Thailand's electric utility, Electricity Generating Authority of Thailand (EGAT), in establishing an energy-trading company that would improve utilization of existing electricity generation assets while facilitating expansion of cross-border electricity flows by enabling domestic and regional power exchange;
- b. Supporting EGAT preparations for third-party access to the national transmission network, which would allow independent and small power producers to sell excess renewable power-- a key enabler for expanded regional power trade;

- c. Advising EGAT on available technologies for grid modernization and digitalization to facilitate increased use of variable renewable energy;
- d. Supporting Thailand's Energy Regulatory Commission (ERC) to open the domestic gas market and build a competitive regulatory framework to attract private investment;
- e. Supporting Thailand's ERC on creating regulatory incentives and tools to facilitate distributed energy resources, as well as enhance sector transparency through the implementation of the U.S. Uniform System of Accounting;
- f. Advising Vietnam's regulator on ongoing wholesale and retail electricity competitive market development progress, as well as development of an ancillary services market to provide additional economic value and system stability and competitiveness to Vietnam's electricity market;
- g. Helping Vietnamese Electricity (EVN) and power system and market operator NLDC reliably integrate over 4,500 MW of new solar generation, and build technical capacity to better integrate high levels of wind and solar power penetration in the upcoming time, including advisory support on whether to establish a Renewable Energy Control Center;
- h. Attracting investment in renewable energy projects to meet ASEAN objectives for regional renewable energy targets and to proliferate viable commercial models for deployment of clean energy;
- i. Building regional capacity for all Mekong partner countries by bringing energy ministries, regulators, and electric utilities together to train with U.S. experts on cross-border electricity trade, renewable energy integration, and the benefits of transparent, competitive procurement;
- j. Engaging with the Japan International Cooperation Agency (JICA) Public Private Partnership team to jointly identify potential projects for JICA's Private Sector Investment Finance (PSIF), which builds upon on Japan's "Initiative on Overseas Loan and Investment for ASEAN", announced by Prime Minister Shinzo Abe in November 2019, aimed at expanding and greening infrastructure investments in the region;
- k. Employing Japan's Initiative on Overseas Loan and Investment for ASEAN to build and operate a combined cycle gas turbine power plant in the Rojana Rayong 2 Industrial Park of Thailand and a solar power plant in Tây Ninh Province in Vietnam;
- l. Sharing regional best practices to showcase state-of-the-art management of distributed energy resources (DER) and cross-border power trade through the Clean Power Asia program, a USAID-JICA partnership to highlight best practices to a regional audience, most recently through the ADB virtual event "Asia Clean Energy Forum 2020;"
- m. Delivery of JICA's Power Network System Master Plan for Lao PDR;
- n. USAID and JICA's partnership to develop an Integrated Resource and Resilience Plan for Lao PDR;
- o. Supporting power quality improvements through grid code enforcement and the use of JICA advisory teams dispatched to the Lao PDR Ministry of Energy and Mining (MEM); and

- p. Supporting the Power Sector Development in Myanmar through the partnership with JICA for Technical Cooperation Programs and funding the Projects with Grants and ODA Loans.