

Standards Advancing in Southeast Asia Despite Currency Crisis¹

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Even as Asian economies contract, three Southeast Asian governments are pressing ahead with plans to advance energy efficiency standards regimes before the year 2000. Thailand and the Philippines are ambitiously expanding current programs, and Vietnam is designing a brand-new program as part of its energy conservation Master Plan. Energy officials are promoting standards as a strategy for safeguarding foreign exchange reserves and avoiding cashflow shortages by reducing fuel imports and operating costs.

In Thailand, the Philippines and Vietnam, key leaders are redefining the Asian economic crisis as an opportunity. Because fuel imports exacerbate the depletion of foreign exchange, the time is opportune for accelerating development of energy efficiency initiatives. Energy efficiency is publicly explained as critical to long-term national economic development. This past March, the directors of Thailand's National Energy Policy Office even mobilized military cauldades to escort a citizen bike ride in Bangkok to reduce fuel consumption and help the country. Saving energy has become patriotic.

Strong efficiency programs, particularly in the Philippines and Thailand, predated the economic downturn. The standards and labeling activities are now being vigorously enhanced.

Thailand

Thailand's national utility, the Electricity Generating Authority of Thailand, established voluntary labeling programs for the two largest energy-consuming appliances in the residential sector--refrigerators and air conditioners. The Thai programs are young, but have quickly become exemplary.

Thailand is now taking their success to the next level--minimum energy performance standards. Currently, the National Energy Policy Office is drafting mandatory standards for air conditioners, refrigerators, ballasts, and industrial motors. The 10-month drafting process involves stakeholder consultations with manufacturers and is informed by an engineering analysis on the consumer, manufacturer and environmental costs and benefits of proposed standards levels.

Philippines

The Philippines regulates the energy efficiency of window air conditioners through minimum energy performance standards and energy labeling. In 1993, the Department of Energy, the Department of Trade and Industry, and the Association of Home Appliance Manufacturers set up a Technical Committee to build a standards regime.

¹ Other possible titles: News Flash from Southeast Asia; News from the East

Early this year, the Committee devised an aggressive schedule for expanding program activities to refrigerators, ballasts, industrial motors and washing machines before 2000. The refrigerator labeling program already began in February. The Committee also ratcheted upwards the energy-efficiency ratio requirement for air conditioners and extended it to split-type models.

Vietnam

Standards and labeling programs will likely be initiated in 1998 through the draft Master Plan for Energy Efficiency and Conservation. The Ministry of Science, Technology and Environment hosted the first consultative seminar on the Plan in March. The products under consideration for mandatory standards are lighting equipment, industrial motors, fans, refrigerators, washing machines, and air conditioners. To complement standards, labels may also be introduced.

Sidebar or Text Box:

Elsewhere--Efficiency under Siege²

Fiscal resources in most Southeast Asian are scarcer than last year. Some leaders have not understood investments in energy efficiency as a long-term economic development strategy. In fact, last fall, the government of former Thai Prime Minister Chavalit tried to use most of Thailand's US\$400 million Energy Conservation Promotion Fund to offset a budget deficit until internal and external pressure from efficiency advocates forced him to restore it. Other countries have not fared so well in averting threats to energy efficiency initiatives—for example, reduced budgets have delayed development of labeling in Malaysia and testing infrastructure in Indonesia.

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If space: **The International Institute for Energy Conservation is a nonprofit organization founded in 1984 to accelerate the adoption of energy-efficient technologies and sustainable energy strategies in developing and transition countries. IIEC has offices in Santiago, Chile; London; Bangkok, Thailand; Washington, DC, U.S.A.; and Pretoria, South Africa**

² title option: Threat to Efficiency