2009 ASEAN Petroleum Security Agreemen

1.The objective of this Agreement is to enhance petroleum security, either individually or collectively, and minimize exposure to an emergency situation, through the implementation of short, medium and long term measures as hereinafter provided.

2.The ASEAN Member States shall endeavour to implement short, medium and long-term measures to minimise the exposure to emergency situation.

3.The ASEAN Member States shall endeavour to establish the following short-term measures: ASEAN Member State in Distress Emergency Response to Petroleum Supply Disruption During the critical shortage period, the ASEAN Member State in Distress will implement short-term measures to reduce the demand of its Normal Domestic Requirement before requesting assistance under the CERM. Such emergency response may include, amongst others, Demand Restraint (recognizing the diversity and sovereignty of each ASEAN Member State), Fuel Switching, Surge Protection and Information Sharing/e-trading;

4.The ASEAN Member States shall endeavour to establish the following short-term measures: Coordinated Emergency Response Measures(CERM) All ASEAN Member States shall endeavor to supply petroleum to the ASEAN Member State in Distress at the aggregate amount equal to ten percent (10%) of the Normal Domestic Requirement of the ASEAN Member State in Distress based on the terms and conditions to be negotiated among the appropriate parties in the spirit of assistance and no undue advantage shall be taken by the ASEAN Member States concerned; The assistance rendered under CERM shall be on a voluntary and commercial basis, and The details of the mechanism for the operationalisation of the CERM are set out in the Annex to this Agreement.

5.The ASEAN Member States shall endeavour to adopt the following as medium and long-term measures taking into account the ASEAN Member States' own supply situation, commitments and reliance on petroleum: ASEAN Energy Co-operation, which includes APG, TAGP, Regional Energy Policy and Planning (REPP), Coal, Renewable Energy, Energy Efficiency and Conservation; Exploring for new petroleum resources, whereby interested or relevant parties of the ASEAN Member States may endeavour to participate on a commercial and voluntary basis in joint ventures to explore and develop petroleum resources particularly in deepwater and new frontier areas, both globally and regionally; Energy Diversification and Improvement of Energy Efficiency include leveraging on the APG and TAGP, Fuel Switching to other alternative energy, joint Research Development & Demonstration (RD&D) in Renewable Energy, Energy Efficiency and New Energy Technologies; Diversification of energy supply sources, whereby ASEAN Member States are to reduce the dependence on import from a single petroleum source; Oil and Gas markets liberalisation, whereby ASEAN Member States recognize that the deregulation and liberalisation of petroleum industry would enhance the petroleum security by allowing more players into the playing field; and Oil Stockpiling, whether individually or jointly by ASEAN Member States, shall be on a voluntary and commercial basis. The joint stockpiling may be commenced by ASEAN Member States who are ready and willing to make the commitments and cooperation.

6.ASEAN Member States shall endeavour to participate in international dialogues to enhance ASEAN's energy and/or petroleum security with ASEAN Dialogue Partners and relevant international organisations.

7.During periods of petroleum shortages and emergencies affecting the whole ASEAN region, the ASCOPE Secretary In Charge shall support any mechanism formalised pursuant to the 22nd AMEM in Manila, Philippines on 9 June 2004, on regional consultation and coordination.

8.The ASEAN Member States shall establish a Governing Board as the main policy making body for the CERM, which shall comprise one or more Ministers or their designated representatives from each ASEAN Member State.

9.The ASEAN Member States shall establish a Management Committee which shall carry out the functions in accordance with the CERM assigned to it by the Governing Board; examine and make proposals to the Governing Board on matters related to the CERM and shall be composed of one or more senior representatives of the Government of each ASEAN Member State.

10.The ASEAN Member States shall establish a Coordinating Agency to liaise with ASCOPE Secretariat and the Executing Agencies of ASEAN Member States for immediate assistance to activate the CERM to assist the ASEAN Member State in Distress.

11.The ASCOPE Secretariat shall be the designated institution to coordinate the implementation of the CERM, as provided for in Article 3.2.1 (b).

12.The meetings of the Governing Board and Management Committee shall be called by the ASCOPE Secretariat.

13.The Governing Board shall appoint the Industry Advisory Group as and when necessary which shall compose of Senior Members of the Oil Companies of each ASEAN Member State.

14.Any differences between the ASEAN Member States concerning the interpretation or application of this Agreement or any arrangements arising therefrom shall, as far as possible, be settled amicably between those ASEAN Member States.

15.In case the consultation referred to in Article 6.1 fails to settle the dispute within a period of 30 days or a period agreed between those ASEAN Member States, the matter shall be settled in accordance with the ASEAN Protocol on Enhanced Dispute Settlement Mechanism signed in Vientiane Lao PDR on 29th November 2004.

16.This Agreement shall be deposited with the Secretary-General of ASEAN who shall promptly furnish a certified true copy to each ASEAN Member State.

17.This Agreement is subject to ratification or acceptance by all the ASEAN Member States. The Instrument of Ratification or Acceptance shall be deposited with the Secretary-General of ASEAN who shall promptly inform each ASEAN Member State of such deposit.

18.This Agreement shall enter into force on the thirtieth (30th) day after the deposit of the tenth (10th) Instrument of Ratification or Acceptance.

19.No reservations may be made to this Agreement either at the time of signature or ratification or acceptance.

20.The Annex on GERM shall constitute an integral part of this Agreement.

21.Any amendment to the provisions of this Agreement and its Schedule on the Mechanism for the Operationalisation of the CERM shall be effected by consent of all the ASEAN Member States and shall become effective on a mutually agreed date.

22.This Agreement shall supersede the ASEAN Petroleum Security Agreement signed on 24th June 1986 in Manila, Philippines.

23.This Agreement shall remain in force for a period of ten (10) years, unless terminated earlier by agreement of all the ASEAN Member States. The expiry or termination of this Agreement shall be without prejudice to the rights and obligations of the ASEAN Member States arising from this Agreement prior to the effective date of expiry or termination of this Agreement.

24.An ASEAN Member State may at any time give notice of its intention to withdraw from this Agreement, by giving written notice to the Secretary-General of ASEAN, who shall immediately notify all other ASEAN Member States. Such withdrawal shall take effect six (6) months from the date of the said notice.

25.This Agreement may be extended beyond its period of validity, as stipulated in paragraph 7.8 of this Article, with the agreement of all ASEAN Member States.

26.Any ASEAN Member State may propose any amendment to the provisions of this Agreement. Such amendment shall be effected by written consent of all the ASEAN Member States. Any amendment to this Agreement shall be without prejudice to the rights and obligations of the ASEAN Member States, prior to the effective date of such amendment.