

### PERATURAN PRESIDEN REPUBLIK INDONESIA NOMOR 7 TAHUN 2013

#### **TENTANG**

PENGESAHAN ASEAN PETROLEUM SECURITY AGREEMENT (PERSETUJUAN KETAHANAN MINYAK DAN GAS BUMI ASEAN)

# DENGAN RAHMAT TUHAN YANG MAHA ESA PRESIDEN REPUBLIK INDONESIA,

- Menimbang: a. bahwa di Cha-am, Thailand, pada tanggal 1 Maret 2009
  Pemerintah Republik Indonesia telah menandatangani ASEAN
  Petroleum Security Agreement (Persetujuan Ketahanan Minyak
  dan Gas Bumi ASEAN), sebagai hasil perundingan para delegasi
  Negara-negara Anggota Perhimpunan Bangsa-Bangsa Asia
  Tenggara (ASEAN);
  - b. bahwa berdasarkan pertimbangan sebagaimana dimaksud pada huruf a, perlu mengesahkan Persetujuan tersebut dengan Peraturan Presiden;
- Mengingat : 1. Pasal 4 ayat (1) dan Pasal 11 Undang-Undang Dasar Negara Republik Indonesia Tahun 1945;
  - Undang-Undang Nomor 24 Tahun 2000 tentang Perjanjian Internasional (Lembaran Negara Republik Indonesia Tahun 2000 Nomor 185, Tambahan Lembaran Negara Republik Indonesia Nomor 4012);
  - Undang-Undang Nomor 22 Tahun 2001 tentang Minyak dan Gas Bumi (Lembaran Negara Republik Indonesia Tahun 2001 Nomor 136, Tambahan Lembaran Negara Republik Indonesia Nomor 4152);
  - 4. Keputusan Presiden Nomor 44 Tahun 1986 tentang Pengesahan Agreement on ASEAN Energy Cooperation (Lembaran Negara Republik Indonesia Tahun 1986 Nomor 57);

5. Keputusan . . .



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5. Keputusan Presiden Nomor 87 Tahun 1995 tentang Pengesahan Protocol Amending the Agreement on ASEAN Energy Cooperation (Lembaran Negara Republik Indonesia Tahun 1995 Nomor 81);

#### **MEMUTUSKAN:**

Menetapkan : PERATURAN PRESIDEN TENTANG PENGESAHAN *ASEAN*PETROLEUM SECURITY AGREEMENT (PERSETUJUAN KETAHANAN MINYAK DAN GAS BUMI ASEAN).

### Pasal 1

Mengesahkan ASEAN Petroleum Security Agreement (Persetujuan Ketahanan Minyak dan Gas Bumi ASEAN) yang telah ditandatangani oleh Pemerintah Republik Indonesia pada tanggal 1 Maret 2009 di Cha-am, Thailand yang naskah aslinya dalam Bahasa Inggris dan terjemahannya dalam Bahasa Indonesia sebagaimana terlampir dan merupakan bagian yang tidak terpisahkan dari Peraturan Presiden ini.

### Pasal 2

Apabila terjadi perbedaan penafsiran antara terjemahan Persetujuan dalam Bahasa Indonesia dengan naskah aslinya dalam Bahasa Inggris sebagaimana dimaksud dalam Pasal 1, yang berlaku adalah naskah aslinya dalam Bahasa Inggris.

### Pasal 3

Peraturan Presiden ini mulai berlaku pada tanggal diundangkan.

Agar . . .



- 3 -

Agar setiap orang mengetahuinya, memerintahkan pengundangan Peraturan Presiden ini dengan penempatannya dalam Lembaran Negara Republik Indonesia.

> Ditetapkan di Jakarta pada tanggal 10 Januari 2013 PRESIDEN REPUBLIK INDONESIA,

DR. H. SUSILO BAMBANG YUDHOYONO

Diundangkan di Jakarta
pada tanggal
MENTERI HUKUM DAN HAK ASASI MANUSIA
REPUBLIK INDONESIA,

AMIR SYAMSUDIN

LEMBARAN NEGARA REPUBLIK INDONESIA TAHUN 2013 NOMOR 15

Salinan sesuai dengan aslinya

SEKRETARIAT KABINET RI Deputi Bidang Politik, Hukum, dan Keamanan,

Bistok Simbolon

# LAMPIRAN MEKANISME UNTUK PELAKSANAAN TINDAKAN TANGGAP DARURAT YANG TERKOORDINASI

#### **PENDAHULUAN**

Tindakan Tanggap Darurat Terkoordinasi (CERM) dengan ini dibentuk berdasarkan Persetujuan Ketahanan Minyak dan Gas Bumi ASEAN (APSA) sebagai kerangka kerja untuk konsultasi dan koordinasi regional.

Dokumen ini memberikan rincian pelaksanaan CERM untuk membantu secara efektif Negara Anggota ASEAN dalam keadaan darurat (*Distress*), dengan jumlah keseluruhannya sebesar sepuluh persen (10%) dari Kebutuhan Domestik Normalnya.

Dalam memahami perbedaan dalam struktur pasokan minyak dan politik, dan keterlibatan industri perminyakan di Negara Anggota ASEAN, bantuan yang diberikan dibawah CERM wajib didasarkan pada asas sukarela dan berbasis komersial.

Mekanisme untuk pelaksanaan CERM terdiri dari tiga (3) bagian sebagai berikut:

Bagian 1 memperkenalkan CERM dan organisasi dari manajemen CERM;

Bagian 2 menjelaskan Mekanisme Penggerak CERM; dan Bagian 3 menjelaskan prosedur dan operasi untuk melakukan aktivasi dan deaktivasi CERM.

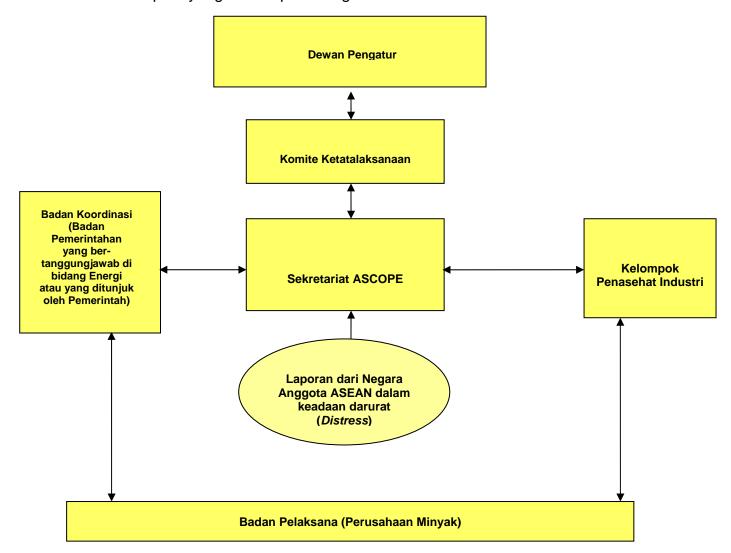
### BAGIAN 1 IKHTISAR CERM

### 1.1 Pendahuluan

Prosedur yang dijelaskan di bawah Mekanisme CERM telah dibuat untuk memfasilitasi aktivasi/deaktivasi tindakan darurat dalam membantu Negara Anggota ASEAN dalam keadaan darurat (Distress) dan mendukung kerja sama yang erat diantara Negara-Negara Anggota ASEAN dan industri minyak dan gas bumi.

### 1.2 Organisasi Manajemen CERM

Badan operasional yang terlibat dan hubungan fungsionalnya seperti yang terlihat pada diagram berikut:



Fungsi dan tanggungjawab dari badan operasional yang terlihat pada diagram dijelaskan sebagai berikut:

Dewan Pengatur	Badan pembuat kebijakan utama dan terdiri dari satu atau lebih Menteri atau perwakilannya yang ditunjuk dari setiap Negara Anggota ASEAN.
	Ketika terdapat laporan dari suatu Negara Anggota ASEAN dalam keadaan darurat berupa kelangkaan kritis disebabkan oleh situasi darurat, Dewan Pengatur wajib bertemu segera untuk mempertimbangkan tindakan apa yang harus diambil.
Komite Ketatalaksanaan	Wajib terdiri dari satu atau lebih pejabat senior Pemerintah dari setiap Negara Anggota ASEAN.
	Wajib melaksanakan fungsi yang ditugaskan oleh Dewan Pengatur kepadanya; membuat dan memeriksa proposal kepada Dewan Pengatur mengenai hal yang terkait dengan CERM.
Sekretariat ASCOPE	Wajib bertanggungjawab untuk pengumpulan data dan analisa, berhubungan dengan badanbadan operasional lainnya dan pengkoordinasian/pemonitoran CERM.
	Mengambil langkah-langkah yang dibutuhkan untuk mengaktifkan CERM seperti yang ditetapkan dalam bagian 3.
Badan Koordinasi	Badan Koordinasi wajib menjadi Badan Pemerintah yang bertanggung jawab di bidang Energi atau yang ditunjuk oleh Pemerintah.
	Struktur Badan Koordinasi dari setiap Negara Anggota ASEAN akan berbeda satu sama lain, mencerminkan perbedaan struktur pasokan minyak dan politik serta dapat memiliki keterlibatan yang berbeda-beda dari bagian industri perminyakan.
	Badan Koordinasi dari Tiap Negara Anggota ASEAN bertindak sebagai penghubung dengan Sekretariat ASCOPE dan Badan Pelaksana dalam situasi darurat.
Kelompok Penasehat Industri (IAG)	Kelompok Penasehat Industri ( <i>Industry Advisory Group</i> ) wajib terdiri dari Anggota Senior dari Perusahaan Minyak setiap Negara

	Anggota ASEAN dan harus siap untuk konsultasi mengenai isu respon darurat.
	Kelompok Penasehat Industri wajib memberikan saran mengenai pelaksanaan praktis dari tindakan darurat.
Badan Pelaksana	Badan Pelaksana adalah Perusahaan- Perusahaan Minyak yang berpartisipasi dalam pelaksanaan CERM.

Dewan Pengatur dan Komite Ketatalaksanaan wajib mencapai kesepakatan dalam segala hal secara mufakat. Mufakat berarti kesepakatan yang dicapai ketika semua anggota setuju untuk menyatakan kedudukan bersama mengenai suatu persoalan.

### BAGIAN 2 MEKANISME PENGGERAK

Mekanisme Penggerak berisikan sebagai berikut:

### 2.1 Pertimbangan Penggerak

Negara Anggota ASEAN dalam Keadaan Darurat (*Distress*), setelah mengalami kekurangan sedikitnya sepuluh persen (10%) dari Kebutuhan Normal Domestik Negara Anggota ASEAN selama suatu periode sedikitnya 30 hari berturut-turut dan telah menerapkan tindakan jangka pendek untuk mengurangi permintaan dari Kebutuhan Domestik Normal Negara Anggota ASEAN berdasarkan usaha yang terbaik, dapat melaporkan ke Sekretariat ASCOPE mengenai Keadaan Darurat Negara Anggota ASEAN dan meminta bantuan dibawah CERM.

#### 2.2 Temuan

Kapanpun pertimbangan penggerak menyatakan Keadaan Darurat dihadapi oleh suatu Negara Anggota ASEAN, Sekretariat ASCOPE wajib membuat suatu temuan dan menyerahkan laporannya kepada Dewan Pengatur melalui Komite Ketatalaksanaan untuk pertimbangan dan persetujuan aktivasi CERM.

#### 2.3 Pelaksanaan

Dengan persetujuan oleh Dewan Pengatur, Sekretariat ASCOPE wajib menginformasikan kepada Badan Koordinasi dari setiap Negara Anggota ASEAN mengenai keputusan

Dewan Pengatur dan meminta bantuan sukarela di bawah CERM.

### 2.4 Syarat dan Ketentuan mengenai Bantuan

Semua Negara Anggota ASEAN, dengan dipengaruhi oleh kebutuhan domestik, kewajiban kontrak, kemampuan dan sumber dayanya, wajib berusaha untuk menyediakan minyak dan gas bumi kepada Negara Anggota ASEAN yang dalam keadaan darurat yang keseluruhannya berjumlah sepuluh persen (10%) dari Kebutuhan Domestik Normal Negara Anggota ASEAN dalam keadaan darurat dimaksud.

Bantuan yang diberikan wajib didasarkan pada asas sukarela dan berbasis komersial, dengan syarat dan ketentuan yang akan dirundingkan di antara para pihak yang layak dalam semangat tolong-menolong dan tanpa mengambil keuntungan yang tidak sepantasnya oleh Negara Anggota ASEAN terkait.

Apabila bantuan yang diberikan menyebabkan kesukaran bagi Negara Anggota ASEAN yang memberikan bantuan secara sukarela, maka Negara Anggota ASEAN manapun yang memberikan bantuan di bawah CERM dapat mengakhiri bantuan yang diberikannya pada setiap saat sebelum masa pertolongan atau keadaan darurat berakhir.

#### 2.5 Pemantauan

Setelah melakukan aktivasi CERM, Sekretariat ASCOPE akan terus-menerus memantau situasi untuk menunjukkan apakah keadaan daruratnya telah berubah. Hal ini akan memungkinkan Sekretariat ASCOPE untuk meyakinkan apakah keputusan deaktivasi wajib dibuat.

### BAGIAN 3 PROSEDUR DAN PELAKSANAAN

Negara Anggota ASEAN dalam Keadaan Darurat melapor kepada Sekretariat ASCOPE mengenai Keadaan Daruratnya dan meminta bantuan di bawah CERM. Prosedur untuk aktivasi/deaktivasi wajib dilaksanakan sebagai berikut:

### A. Aktivasi

Tahap 1 Sekretariat ASCOPE membuat temuan berdasarkan pada penilaiannya sendiri yang berasal dari berbagai sumber informasi meliputi data perminyakan ASEAN, informasi langsung dari perusahaan-perusahaan minyak dan jalur

diplomatik, dan konsultasi dengan pemerintah dan industri di sektor minyak dan gas bumi, untuk membuktikan keadaan tersebut dan menyerahkan laporan kepada Dewan Pengatur melalui Komite Ketatalaksanaan untuk pertimbangan dan persetujuan dalam waktu 48 jam sejak waktu penerimaan permintaan.

Tahap 2 Sekretariat ASCOPE wajib meminta Komite Ketatalaksanaan untuk mengadakan pertemuan dalam waktu 48 jam untuk meninjau kembali data yang telah terkumpul dan informasi yang telah tersedia. Dengan berdasarkan pada informasi yang telah tersedia, Komite Ketatalaksanaan wajib melaporkan kepada Dewan Pengatur dalam waktu 48 jam berikutnya mengenai apakah terjadi Keadaan Darurat dan menganjurkan persetujuan untuk melakukan aktivasi CERM.

Tahap 3 Dewan Pengatur wajib bertemu dalam waktu 48 jam setelah penerimaan laporan dan proposal dari Komite Ketatalaksanaan. Dewan Pengatur wajib meninjau kembali penemuan dari Sekretariat ASCOPE dan/atau laporan dari Komite Ketatalaksanaan dan wajib, dalam waktu 48 jam berikutnya, mempertimbangkan dan memutuskan apakah akan menegaskan bahwa Keadaan Darurat telah terjadi dan melakukan aktivasi CERM.

Tahap 4 Sekretariat ASCOPE akan segera menginformasikan kepada Badan Koordinasi dari setiap Negara Anggota mengenai keputusan dan permohonan bantuan dari Dewan Pengatur, berdasarkan asas sukarela dan berbasis komersial, kepada Negara Anggota ASEAN dalam Keadaan Darurat (*Distress*).

Tahap 5 Badan Koordinasi wajib menginformasikan kepada Sekretariat ASCOPE mengenai kesiapannya untuk memberikan bantuan secara sukarela dan berbasis komersial kepada Negara Anggota ASEAN dalam Keadaan Darurat (*Distress*) di bawah CERM.

Bantuan tersebut wajib diberikan oleh Badan Pelaksana sesegera mungkin dengan berbasis komersial, dengan syarat dan ketentuan yang akan dirundingkan di antara para pihak yang layak dalam semangat tolong-menolong dan tanpa mengambil keuntungan yang tidak sepantasnya oleh Negara Anggota ASEAN terkait.

Tahap 6 Sekretariat ASCOPE mengkoordinasi dan memonitor pelaksanaan CERM.

#### B. Deaktivasi

- Tahap 1 Sekretariat ASCOPE wajib memonitor situasi di Negara Anggota ASEAN dalam Keadaan Darurat (*Distress*), dan penemuan bahwa situasi Kelangkaan Kritis telah berakhir, serta wajib memberikan laporan kepada Komite Ketatalaksanaan dalam waktu 48 jam setelah penemuan tersebut.
- Tahap 2 Dalam waktu 48 jam sejak pelaporan mengenai penemuan tersebut dari Sekretariat ASCOPE, Komite Ketatalaksanaan wajib bertemu untuk meninjau kembali data yang telah terkumpul dan informasi yang telah tersedia serta wajib melaporkan situasi kepada Dewan Pengatur dalam waktu 48 jam berikutnya.
- Tahap 3 Dalam waktu 48 jam sejak penerimaan laporan dari Komite Ketatalaksanaan, Dewan Pengatur wajib bertemu untuk meninjau kembali penemuan Sekretariat ASCOPE dengan Komite mempertimbangkan laporan dari Ketatalaksanaan. Dewan Pengatur wajib mempertimbangkan dan memutuskan apakah akan menegaskan bahwa Keadaan Darurat telah berakhir dan melakukan deaktivasi CERM.

Kelompok Penasehat Industri dapat diundang berdasarkan kebutuhan akan prosedur aktivasi dan deaktivasi.

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### ASEAN PETROLEUM SECURITY AGREEMENT

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, Lao People's Democratic Republic (Lao PDR), Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam being members of the Association of Southeast Asian Nations, hereinafter refer to collectively as "ASEAN" or "ASEAN Member States", or individually, as "ASEAN Member State";

**RECALLING** the Agreement on ASEAN Energy Cooperation signed in Manila, Philippines, on 24<sup>th</sup> June 1986, which emphasized co-operation among the ASEAN Member States in developing energy resources to strengthen the economic resilience of the individual ASEAN Member States as well as solidarity and integrity of ASEAN;

**NOTING** the ASEAN Petroleum Security Agreement (APSA) 1986 signed in Manila, Philippines, on 24<sup>th</sup> June 1986, which established the ASEAN Emergency Petroleum Sharing Scheme for crude oil and/or petroleum products in times or circumstances of both shortages and oversupply;

**RECALLING** further the Protocol Amending the Agreement on ASEAN Energy Cooperation signed in Bangkok, Thailand on 15<sup>th</sup> December 1995, which provided for focused energy co-operation in ASEAN to pursue cooperative activities in various areas of energy;

**REALISING** that energy security and self-sufficiency can be achieved through national and multinational efforts geared towards indigenous energy resource exploration, development, exploitation, distribution and transportation,



and undertaken in a manner that both conserve the resources and preserve the environment and human habitat;

NOTING further that the importance of ASEAN energy cooperation was further underscored in the Bangkok Summit Declaration of 1995, which states that ASEAN shall ensure greater security and sustainability of energy through diversification, development and conservation of resources, the efficient use of energy, and the wider application of environmentally-sound technologies; and as reinforced in the ASEAN Second Informal Summit on 15<sup>th</sup> December 1997 in Kuala Lumpur, Malaysia, calling for cooperative activities aimed at establishing interconnecting arrangements for power and natural gas, among others, within ASEAN Power Grid (APG) and Trans-ASEAN Gas Pipeline (TAGP) Project;

AWARE that the development of the APG and the TAGP Project are two important Energy Programmes in the Hanoi Plan of Action endorsed by the ASEAN Heads of Government on 16<sup>th</sup> December 1988, the ASEAN Plan of Action for Energy Cooperation (APAEC) 1999-2004 adopted by the 17<sup>th</sup> ASEAN Ministers on Energy Meeting (AMEM) in Bangkok, Thailand on 3<sup>rd</sup> July 1999, and the APAEC 2004-2009 further adopted by the 22<sup>nd</sup> AMEM in Manila, Philippines on 9<sup>th</sup> June 2004, which had entrusted the responsibility of implementing the ASEAN Power Grid to the ASEAN Heads of Power Utilities and Authorities (HAPUA) and TAGP to the ASEAN Council on Petroleum (ASCOPE) through the auspices of the ASEAN Energy Ministers;

**MINDFUL** that ASEAN is increasingly becoming more dependent on petroleum resources outside the region, there is a need to recognise, coordinate and rationalise these efforts, plans and programmes to enhance security of petroleum supply for ASEAN Member States;

**AWARE** of the future threats and risks to the ASEAN security of petroleum supply coupled with the fact that some ASEAN Member States, which are now net oil exporters will



in the near future become net oil importers with high dependence on petroleum resources outside the region, particularly the Middle East;

ALSO AWARE that the ability to respond to an energy emergency situation in the ASEAN Member States can be greatly enhanced by ensuring the physical availability of oil and oil products through the establishment of stockpiles on voluntary and commercial basis;

**FURTHER AWARE** of the changes in global energy market landscape, including but not limited to deregulation and liberalisation, and the increasing global concerns on environmental issues;

**NOTING** that ASEAN energy security is the key to economic resilience and that the ASEAN Vision 2020 and the ASEAN Energy Co-operation were conceived in view of such consideration;

**REALISING** that a review of the APSA among ASEAN Member States is necessary to further strengthen the economic resilience of the individual ASEAN Member State as well as the solidarity and integrity of ASEAN;

**HAVE AGREED** on the following:

### ARTICLE 1 Objective

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



### ARTICLE 2 Definitions

For the purposes of this Agreement, the following definitions shall apply unless the context otherwise requires:

- 2.1 "ASEAN Member State in Distress" refers to an ASEAN Member State that had given appropriate notice to the ASCOPE Secretariat of the occurrence of a critical shortage due to an emergency situation that undermines energy security;
- 2.2 "Coordinated Emergency Response Measures" means the Coordinated Emergency Response Measures annexed as a Schedule to this Agreement and hereinafter referred to as "CERM";
- 2.3 "Critical Shortage" refers to the situation when an ASEAN Member State in Distress is experiencing a shortfall of at least ten percent (10%) of the Normal Domestic Requirement for a continuous period of at least 30 days;
- 2.4 "Crude Oil" means oil extracted from bituminous shales and other rock formations before any such oil has been refined or otherwise treated and includes all Natural Gas Liquids and Condensates from Natural Gas;
- 2.5 "Emergency Situation" refers to a situation when an ASEAN Member State is faced with Critical Shortage in petroleum supply due to natural calamity (such as earthquake and tsunami), explosion of facilities or war only;
- 2.6 "Natural Gas" means a mixture of hydrocarbons and varying quantities of non-hydrocarbons that exist either in the gaseous phase or in association with Crude Oil in natural underground reservoirs and is classified as either Associated Gas or Non-Associated Gas;



- 2.7 "Normal Domestic Requirement" refers to the daily average domestic petroleum consumption over the twelve (12) months period immediately preceding the occurrence of the emergency situation;
- 2.8 "Oil Stockpile" refers to strategic crude oil and petroleum products stored in ground level storage tanks or underground storage tanks to be used for both operational and strategic reasons, and
- 2.9 "Petroleum" refers to crude oils, products and natural gas in its natural condition.

# ARTICLE 3 Strategic Options to Enhance Petroleum Security

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

### 3.2 SHORT-TERM MEASURES

- 3.2.1 The ASEAN Member States shall endeavour to establish the following short-term measures:
  - (a) ASEAN Member State in Distress Emergency Response to Petroleum Supply Disruption
    - (i) 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.
    - (ii) 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;

- (b) Coordinated Emergency Response Measures (CERM)
  - (i) All ASEAN Member States shall endeavour 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;
  - (ii) The assistance rendered under CERM shall be on a voluntary and commercial basis, and
  - (iii) The details of the mechanism for the operationalisation of the CERM are set out in the Annex to this Agreement.

### 3.3 MEDIUM-AND LONG-TERM MEASURES

- 3.3.1 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:
  - (a) ASEAN Energy Co-operation, which includes APG, TAGP, Regional Energy Policy and Planning (REPP), Coal, Renewable Energy, Energy Efficiency and Conservation;



- (b) 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;
- (c) 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;
- (d) Diversification of energy supply sources, whereby ASEAN Member States are to reduce the dependence on import from a single petroleum source;
- (e) 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
- (f) 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.

### ARTICLE 4 International Cooperation

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.

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.

### ARTICLE 5 Institutional Framework for the CERM

- 5.1 The ASEAN Member States shall establish:
- 5.1.1 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.
- 5.1.2 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.
- 5.1.3 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.
- 5.2 The ASCOPE Secretariat shall be the designated institution to coordinate the implementation of the CERM, as provided for in Article 3.2.1 (b).
- 5.3 The meetings of the Governing Board and Management Committee shall be called by the ASCOPE Secretariat.



5.4 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.

### ARTICLE 6 Settlement of Disputes

- 6.1 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.
- 6.2 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.

### ARTICLE 7 Final Provisions

- 7.1 This Agreement shall be deposited with the Secretary-General of ASEAN who shall promptly furnish a certified true copy to each ASEAN Member State.
- 7.2 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.
- 7.3 This Agreement shall enter into force on the thirtieth (30<sup>th</sup>) day after the deposit of the tenth (10<sup>th</sup>) Instrument of Ratification or Acceptance.



- 7.4 No reservations may be made to this Agreement either at the time of signature or ratification or acceptance.
- 7.5 The Annex on CERM shall constitute an integral part of this Agreement.
- 7.6 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.
- 7.7 This Agreement shall supersede the ASEAN Petroleum Security Agreement signed on 24<sup>th</sup> June 1986 in Manila, Philippines.
- 7.8 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.
- 7.9 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.
- 7.10 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.
- 7.11 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.

**IN WITNESS WHEREOF**, the undersigned, being duly authorised thereto by their respective Governments, have signed this ASEAN Petroleum Security Agreement.

**DONE** at Cha-am, Thailand, this First Day of March in the Year Two Thousand and Nine, in a single original copy in the English Language.

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Minister of Foreign Affairs and Trade

For the Kingdom of Cambodia:

HOR NAMHONG

Deputy Prime Minister and Minister of Foreign Affairs and International Cooperation

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For the Socialist Republic of Viet Nam:

**VU HUY HOANG** 

Minister of Industry and Trade



# ANNEX MECHANISM FOR THE OPERATIONALISATION OF THE COORDINATED EMERGENCY RESPONSE MEASURES

#### **PREFACE**

The Coordinated Emergency Response Measures (CERM) is hereby established under the ASEAN Petroleum Security Agreement as the framework for regional consultation and coordination.

This document provides the details for the operationalisation of the CERM to effectively assist the ASEAN Member State in Distress at the aggregate amount equal to ten percent (10%) of its Normal Domestic Requirement.

In recognition to the differences in the oil supply and political structures, and the involvement of the oil industries in the ASEAN Member States, assistance rendered under the CERM shall be made on a voluntary and commercial basis.

The Mechanism for the Operationalisation of the CERM comprises three (3) sections, as follows:

Section 1 introduces the CERM and the organisation of the CERM Management;

Section 2 explains the Trigger Mechanism of the CERM; and

Section 3 explains the procedures and operations for the activation and deactivation of the CERM.

### SECTION 1 OVERVIEW OF THE CERM

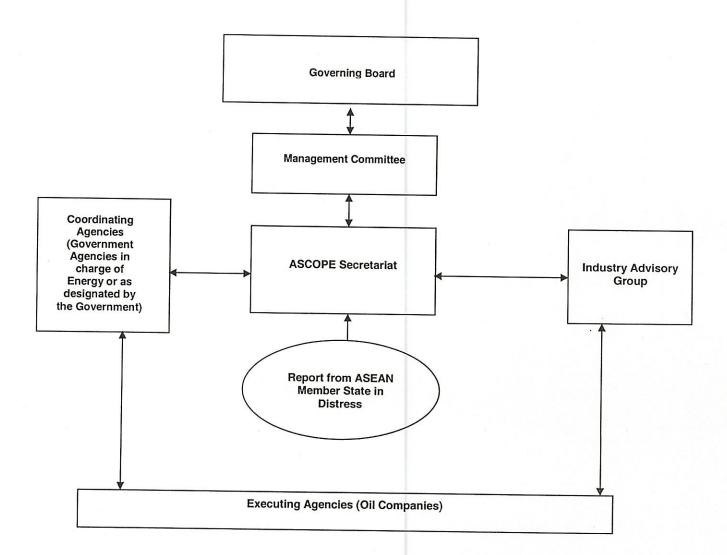
### 1.1 Introduction

The procedures defined under the CERM Mechanism have been designed to facilitate the activation/deactivation of emergency measures to assist the ASEAN Member State in Distress and foster close cooperation among the ASEAN Member States and the oil industry.



### 1.2 CERM Management Organization

The operational bodies involved and their functional relationships are shown in the following diagram:



The functions and responsibilities of the operational bodies shown in the diagram and described below:



Governing Board	The main policy making body and is composed of one or more Ministers or their duly designated Representatives from each ASEAN Member State.
	In the event of a report from an ASEAN Member State in Distress of a Critical Shortage due to an emergency situation, the Governing Board shall meet promptly to consider what action should be taken.
Management Committee	Shall be composed of one or more senior representatives of the Government of each ASEAN Member State.
	Shall carry out the functions assigned to it by the Governing Board; examine and make proposals to the Governing Board on matters related to the CERM.
ASCOPE Secretariat	Shall be responsible for data collection and analysis, liaison with other operational bodies and coordination/monitoring of the CERM.
*	Takes the necessary steps to activate the CERM as specified under Section 3.
Coordinating Agencies	The Coordinating Agency shall be the Government Agency in charge of Energy or as designated by the Government.
	The structure of the Coordinating Agency of each ASEAN Member State will differ from country to country, reflecting different oil supply and political structures and may have differing involvement of oil industry personnel.
	The Coordinating Agency of each ASEAN Member State liaises with the ASCOPE Secretariat and the Executing Agencies under the Emergency Situation.
Industry Advisory Group (IAG)	The Industry Advisory Group shall be composed of Senior Members of the Oil Companies of each ASEAN Member State and shall be available for consultation on issues of emergency response.
	The Industry Advisory Group shall advise on the practical execution of emergency measures.
Executing Agencies	The Executing Agencies are the Oil Companies participating in the implementation of the CERM.



The Governing Board and the Management Committee shall reach agreement on all matters by consensus. Consensus shall mean agreement reached when all members agree to take a common stand on an issue.

### SECTION 2 TRIGGER MECHANISM

The Trigger Mechanism comprises the following:

### 2.1 Trigger Calculation

The ASEAN Member State in Distress, after experiencing a shortfall of at least ten percent (10%) of the Normal Domestic Requirement for a continuous period of at least 30 days and has implemented short-term measures to reduce the demand of its Normal Domestic Requirement on a best endeavour basis, can notify the ASCOPE Secretariat of its Emergency Situation and request assistance under the CERM.

### 2.2 The Finding

Whenever the trigger calculation dictates the Emergency Situation faced by an ASEAN Member State, the ASCOPE Secretariat shall make a finding and submit its report to the Governing Board through the Management Committee for consideration and approval to activate the CERM.

#### 2.3 The Execution

Upon approval by the Governing Board, the ASCOPE Secretariat shall inform the Coordinating Agency of each ASEAN Member State of the Governing Board's decision and request voluntary assistance under the CERM.

#### 2.4 Terms and Conditions of Assistance

All ASEAN Member States shall, subject to their domestic needs, contractual obligations, capabilities and resources, endeavour 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.



The assistance rendered shall be on a voluntary and commercial basis, with 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.

Any ASEAN Member State giving assistance under the CERM may, at any time before the expiry of the duration of assistance or emergency situation, terminate assistance rendered if such assistance causes hardship to that ASEAN Member State giving voluntary assistance.

### 2.5 Monitoring

Following activation of the CERM, the ASCOPE Secretariat will continuously monitor the situation to indicate whether the magnitude of the emergency situation has changed. This will enable the ASCOPE Secretariat to ascertain whether a deactivation finding should be made.

### SECTION 3 PROCEDURES AND OPERATIONS

The ASEAN Member State in Distress notifies the ASCOPE Secretariat of its Emergency Situation and requests assistance under the CERM. Procedures for the activation/deactivation shall be as follows:

#### A. Activation

- Step 1 The ASCOPE Secretariat makes a finding based on its own assessment derived from a variety of information sources including the ASEAN oil data, direct information from oil companies and diplomatic channels and consult with both the government and industrial sectors in the petroleum industry, to verify the situation and submit a report to the Governing Board through the Management Committee for consideration and approval within 48 hours from the receipt of the request.
- Step 2 The ASCOPE Secretariat shall call for the meeting of the Management Committee within 48 hours to review the data compiled and the information provided. On the basis of available information, the Management Committee shall report to the



Governing Board within a further 48 hours whether the Emergency Situation exists and recommend approval to activate the CERM.

- Step 3 The Governing Board shall meet within 48 hours upon receipt of the Management Committee's report and proposal. The Governing Board shall review the findings of the ASCOPE Secretariat and/or the report of the Management Committee and shall, within a further 48 hours, consider and decide whether to confirm the Emergency Situation exists and activate the CERM.
- Step 4 The ASCOPE Secretariat will immediately inform the Coordinating Agency of each Member State of the Governing Board's decision and request assistance, on a voluntary and commercial basis, for the ASEAN Member State in Distress.
- Step 5 The Coordinating Agencies shall inform the ASCOPE Secretariat of their readiness to provide voluntary assistance, on a commercial basis, to the ASEAN Member State in Distress under the CERM.

The assistance shall be rendered by the Executing Agencies as soon as possible on a commercial basis, with 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.

Step 6 The ASCOPE Secretariat coordinates and monitors the implementation of the CERM.

### B. Deactivation

Step 1 The ASCOPE Secretariat shall monitor the situation in the ASEAN Member State in Distress, and, upon finding that the Critical Shortage situation no longer exists, shall provide the Management Committee with a report within 48 hours of the finding.



- Step 2 Within 48 hours of the ASCOPE Secretariat's report of the finding, the Management Committee shall meet to review the data compiled and the information provided and shall report the situation to the Governing Board within a further 48 hours.
- Step 3 Within 48 hours of receiving the Management Committee's report, the Governing Board shall meet to review the finding of the ASCOPE Secretariat in the light of the report from the Management Committee. The Governing Board shall consider and decide whether to confirm that the Emergency Situation no longer exists and deactivate the CERM.

The Industry Advisory Group may be called upon on a need basis for both activation and deactivation procedures.

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### ASEAN PETROLEUM SECURITY AGREEMENT

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, Lao People's Democratic Republic (Lao PDR), Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam being members of the Association of Southeast Asian Nations, hereinafter refer to collectively as "ASEAN" or "ASEAN Member States", or individually, as "ASEAN Member State";

**RECALLING** the Agreement on ASEAN Energy Cooperation signed in Manila, Philippines, on 24<sup>th</sup> June 1986, which emphasized co-operation among the ASEAN Member States in developing energy resources to strengthen the economic resilience of the individual ASEAN Member States as well as solidarity and integrity of ASEAN;

**NOTING** the ASEAN Petroleum Security Agreement (APSA) 1986 signed in Manila, Philippines, on 24<sup>th</sup> June 1986, which established the ASEAN Emergency Petroleum Sharing Scheme for crude oil and/or petroleum products in times or circumstances of both shortages and oversupply;

**RECALLING** further the Protocol Amending the Agreement on ASEAN Energy Cooperation signed in Bangkok, Thailand on 15<sup>th</sup> December 1995, which provided for focused energy co-operation in ASEAN to pursue cooperative activities in various areas of energy;

**REALISING** that energy security and self-sufficiency can be achieved through national and multinational efforts geared towards indigenous energy resource exploration, development, exploitation, distribution and transportation,



and undertaken in a manner that both conserve the resources and preserve the environment and human habitat;

NOTING further that the importance of ASEAN energy cooperation was further underscored in the Bangkok Summit Declaration of 1995, which states that ASEAN shall ensure greater security and sustainability of energy through diversification, development and conservation of resources, the efficient use of energy, and the wider application of environmentally-sound technologies; and as reinforced in the ASEAN Second Informal Summit on 15<sup>th</sup> December 1997 in Kuala Lumpur, Malaysia, calling for cooperative activities aimed at establishing interconnecting arrangements for power and natural gas, among others, within ASEAN Power Grid (APG) and Trans-ASEAN Gas Pipeline (TAGP) Project;

AWARE that the development of the APG and the TAGP Project are two important Energy Programmes in the Hanoi Plan of Action endorsed by the ASEAN Heads of Government on 16<sup>th</sup> December 1988, the ASEAN Plan of Action for Energy Cooperation (APAEC) 1999-2004 adopted by the 17<sup>th</sup> ASEAN Ministers on Energy Meeting (AMEM) in Bangkok, Thailand on 3<sup>rd</sup> July 1999, and the APAEC 2004-2009 further adopted by the 22<sup>nd</sup> AMEM in Manila, Philippines on 9<sup>th</sup> June 2004, which had entrusted the responsibility of implementing the ASEAN Power Grid to the ASEAN Heads of Power Utilities and Authorities (HAPUA) and TAGP to the ASEAN Council on Petroleum (ASCOPE) through the auspices of the ASEAN Energy Ministers;

**MINDFUL** that ASEAN is increasingly becoming more dependent on petroleum resources outside the region, there is a need to recognise, coordinate and rationalise these efforts, plans and programmes to enhance security of petroleum supply for ASEAN Member States;

**AWARE** of the future threats and risks to the ASEAN security of petroleum supply coupled with the fact that some ASEAN Member States, which are now net oil exporters will



in the near future become net oil importers with high dependence on petroleum resources outside the region, particularly the Middle East;

ALSO AWARE that the ability to respond to an energy emergency situation in the ASEAN Member States can be greatly enhanced by ensuring the physical availability of oil and oil products through the establishment of stockpiles on voluntary and commercial basis;

**FURTHER AWARE** of the changes in global energy market landscape, including but not limited to deregulation and liberalisation, and the increasing global concerns on environmental issues;

**NOTING** that ASEAN energy security is the key to economic resilience and that the ASEAN Vision 2020 and the ASEAN Energy Co-operation were conceived in view of such consideration;

**REALISING** that a review of the APSA among ASEAN Member States is necessary to further strengthen the economic resilience of the individual ASEAN Member State as well as the solidarity and integrity of ASEAN;

**HAVE AGREED** on the following:

### ARTICLE 1 Objective

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



### ARTICLE 2 Definitions

For the purposes of this Agreement, the following definitions shall apply unless the context otherwise requires:

- 2.1 "ASEAN Member State in Distress" refers to an ASEAN Member State that had given appropriate notice to the ASCOPE Secretariat of the occurrence of a critical shortage due to an emergency situation that undermines energy security;
- 2.2 "Coordinated Emergency Response Measures" means the Coordinated Emergency Response Measures annexed as a Schedule to this Agreement and hereinafter referred to as "CERM";
- 2.3 "Critical Shortage" refers to the situation when an ASEAN Member State in Distress is experiencing a shortfall of at least ten percent (10%) of the Normal Domestic Requirement for a continuous period of at least 30 days;
- 2.4 "Crude Oil" means oil extracted from bituminous shales and other rock formations before any such oil has been refined or otherwise treated and includes all Natural Gas Liquids and Condensates from Natural Gas;
- 2.5 "Emergency Situation" refers to a situation when an ASEAN Member State is faced with Critical Shortage in petroleum supply due to natural calamity (such as earthquake and tsunami), explosion of facilities or war only;
- 2.6 "Natural Gas" means a mixture of hydrocarbons and varying quantities of non-hydrocarbons that exist either in the gaseous phase or in association with Crude Oil in natural underground reservoirs and is classified as either Associated Gas or Non-Associated Gas;



- 2.7 "Normal Domestic Requirement" refers to the daily average domestic petroleum consumption over the twelve (12) months period immediately preceding the occurrence of the emergency situation;
- 2.8 "Oil Stockpile" refers to strategic crude oil and petroleum products stored in ground level storage tanks or underground storage tanks to be used for both operational and strategic reasons, and
- 2.9 "Petroleum" refers to crude oils, products and natural gas in its natural condition.

# ARTICLE 3 Strategic Options to Enhance Petroleum Security

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

### 3.2 SHORT-TERM MEASURES

- 3.2.1 The ASEAN Member States shall endeavour to establish the following short-term measures:
  - (a) ASEAN Member State in Distress Emergency Response to Petroleum Supply Disruption
    - (i) 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.
    - (ii) 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;

- (b) Coordinated Emergency Response Measures (CERM)
  - (i) All ASEAN Member States shall endeavour 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;
  - (ii) The assistance rendered under CERM shall be on a voluntary and commercial basis, and
  - (iii) The details of the mechanism for the operationalisation of the CERM are set out in the Annex to this Agreement.

### 3.3 MEDIUM-AND LONG-TERM MEASURES

- 3.3.1 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:
  - (a) ASEAN Energy Co-operation, which includes APG, TAGP, Regional Energy Policy and Planning (REPP), Coal, Renewable Energy, Energy Efficiency and Conservation;



- (b) 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;
- (c) 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;
- (d) Diversification of energy supply sources, whereby ASEAN Member States are to reduce the dependence on import from a single petroleum source;
- (e) 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
- (f) 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.

## ARTICLE 4 International Cooperation

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.

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.

## ARTICLE 5 Institutional Framework for the CERM

- 5.1 The ASEAN Member States shall establish:
- 5.1.1 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.
- 5.1.2 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.
- 5.1.3 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.
- 5.2 The ASCOPE Secretariat shall be the designated institution to coordinate the implementation of the CERM, as provided for in Article 3.2.1 (b).
- 5.3 The meetings of the Governing Board and Management Committee shall be called by the ASCOPE Secretariat.



5.4 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.

## ARTICLE 6 Settlement of Disputes

- 6.1 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.
- 6.2 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.

## ARTICLE 7 Final Provisions

- 7.1 This Agreement shall be deposited with the Secretary-General of ASEAN who shall promptly furnish a certified true copy to each ASEAN Member State.
- 7.2 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.
- 7.3 This Agreement shall enter into force on the thirtieth (30<sup>th</sup>) day after the deposit of the tenth (10<sup>th</sup>) Instrument of Ratification or Acceptance.



- 7.4 No reservations may be made to this Agreement either at the time of signature or ratification or acceptance.
- 7.5 The Annex on CERM shall constitute an integral part of this Agreement.
- 7.6 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.
- 7.7 This Agreement shall supersede the ASEAN Petroleum Security Agreement signed on 24<sup>th</sup> June 1986 in Manila, Philippines.
- 7.8 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.
- 7.9 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.
- 7.10 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.
- 7.11 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



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In recognition to the differences in the oil supply and political structures, and the involvement of the oil industries in the ASEAN Member States, assistance rendered under the CERM shall be made on a voluntary and commercial basis.

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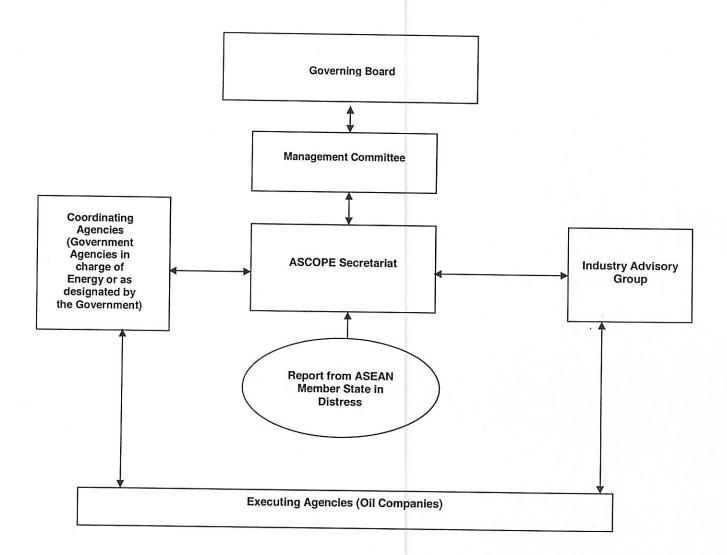
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The procedures defined under the CERM Mechanism have been designed to facilitate the activation/deactivation of emergency measures to assist the ASEAN Member State in Distress and foster close cooperation among the ASEAN Member States and the oil industry.



### 1.2 CERM Management Organization

The operational bodies involved and their functional relationships are shown in the following diagram:



The functions and responsibilities of the operational bodies shown in the diagram and described below:



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	In the event of a report from an ASEAN Member State in Distress of a Critical Shortage due to an emergency situation, the Governing Board shall meet promptly to consider what action should be taken.
Management Committee	Shall be composed of one or more senior representatives of the Government of each ASEAN Member State.
	Shall carry out the functions assigned to it by the Governing Board; examine and make proposals to the Governing Board on matters related to the CERM.
ASCOPE Secretariat	Shall be responsible for data collection and analysis, liaison with other operational bodies and coordination/monitoring of the CERM.
*	Takes the necessary steps to activate the CERM as specified under Section 3.
Coordinating Agencies	The Coordinating Agency shall be the Government Agency in charge of Energy or as designated by the Government.
	The structure of the Coordinating Agency of each ASEAN Member State will differ from country to country, reflecting different oil supply and political structures and may have differing involvement of oil industry personnel.
	The Coordinating Agency of each ASEAN Member State liaises with the ASCOPE Secretariat and the Executing Agencies under the Emergency Situation.
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The Governing Board and the Management Committee shall reach agreement on all matters by consensus. Consensus shall mean agreement reached when all members agree to take a common stand on an issue.

### SECTION 2 TRIGGER MECHANISM

The Trigger Mechanism comprises the following:

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The ASEAN Member State in Distress, after experiencing a shortfall of at least ten percent (10%) of the Normal Domestic Requirement for a continuous period of at least 30 days and has implemented short-term measures to reduce the demand of its Normal Domestic Requirement on a best endeavour basis, can notify the ASCOPE Secretariat of its Emergency Situation and request assistance under the CERM.

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Whenever the trigger calculation dictates the Emergency Situation faced by an ASEAN Member State, the ASCOPE Secretariat shall make a finding and submit its report to the Governing Board through the Management Committee for consideration and approval to activate the CERM.

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Upon approval by the Governing Board, the ASCOPE Secretariat shall inform the Coordinating Agency of each ASEAN Member State of the Governing Board's decision and request voluntary assistance under the CERM.

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All ASEAN Member States shall, subject to their domestic needs, contractual obligations, capabilities and resources, endeavour 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.



The assistance rendered shall be on a voluntary and commercial basis, with 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.

Any ASEAN Member State giving assistance under the CERM may, at any time before the expiry of the duration of assistance or emergency situation, terminate assistance rendered if such assistance causes hardship to that ASEAN Member State giving voluntary assistance.

### 2.5 Monitoring

Following activation of the CERM, the ASCOPE Secretariat will continuously monitor the situation to indicate whether the magnitude of the emergency situation has changed. This will enable the ASCOPE Secretariat to ascertain whether a deactivation finding should be made.

### SECTION 3 PROCEDURES AND OPERATIONS

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- Step 1 The ASCOPE Secretariat makes a finding based on its own assessment derived from a variety of information sources including the ASEAN oil data, direct information from oil companies and diplomatic channels and consult with both the government and industrial sectors in the petroleum industry, to verify the situation and submit a report to the Governing Board through the Management Committee for consideration and approval within 48 hours from the receipt of the request.
- Step 2 The ASCOPE Secretariat shall call for the meeting of the Management Committee within 48 hours to review the data compiled and the information provided. On the basis of available information, the Management Committee shall report to the



Governing Board within a further 48 hours whether the Emergency Situation exists and recommend approval to activate the CERM.

- Step 3 The Governing Board shall meet within 48 hours upon receipt of the Management Committee's report and proposal. The Governing Board shall review the findings of the ASCOPE Secretariat and/or the report of the Management Committee and shall, within a further 48 hours, consider and decide whether to confirm the Emergency Situation exists and activate the CERM.
- Step 4 The ASCOPE Secretariat will immediately inform the Coordinating Agency of each Member State of the Governing Board's decision and request assistance, on a voluntary and commercial basis, for the ASEAN Member State in Distress.
- Step 5 The Coordinating Agencies shall inform the ASCOPE Secretariat of their readiness to provide voluntary assistance, on a commercial basis, to the ASEAN Member State in Distress under the CERM.

The assistance shall be rendered by the Executing Agencies as soon as possible on a commercial basis, with 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.

Step 6 The ASCOPE Secretariat coordinates and monitors the implementation of the CERM.

### B. Deactivation

Step 1 The ASCOPE Secretariat shall monitor the situation in the ASEAN Member State in Distress, and, upon finding that the Critical Shortage situation no longer exists, shall provide the Management Committee with a report within 48 hours of the finding.



- Step 2 Within 48 hours of the ASCOPE Secretariat's report of the finding, the Management Committee shall meet to review the data compiled and the information provided and shall report the situation to the Governing Board within a further 48 hours.
- Step 3 Within 48 hours of receiving the Management Committee's report, the Governing Board shall meet to review the finding of the ASCOPE Secretariat in the light of the report from the Management Committee. The Governing Board shall consider and decide whether to confirm that the Emergency Situation no longer exists and deactivate the CERM.

The Industry Advisory Group may be called upon on a need basis for both activation and deactivation procedures.

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