

## “THE ULAANBAATAR CALL FOR ACTION”

*The 12<sup>th</sup> International Conference on Northeast Asian Natural Gas and Pipeline*

*29-30 August 2011*

*Ulaanbaatar, Mongolia*

- A stable supply of energy forms the key foundation to support economic activity and the livelihood of the people. The earthquake which occurred on 11 March 2011 in Japan reaffirmed for us the importance of a stable supply of energy. Under these circumstances the 12th International Conference on Northeast Asian Natural Gas and Pipelines was held in Ulaanbaatar, Mongolia, on 29 and 30 August 2011.
- Among the various sources of energy, natural gas possesses unique characteristics. First, it is a relatively clean fossil fuel. Natural gas electricity generation is a proven technology, and contributes to a stable electricity supply. At the same time, new technological development, including distributed generation, is also proceeding. In addition to substantial reserves having been confirmed in various parts of the world, the development of nonconventional natural gas is also proceeding, and there is a resource base guaranteeing a long-term, stable supply.
- Taking these factors and other matters into consideration, the IEA, in its *World Energy Outlook 2011*, presented a bold scenario called “The Golden Age of Gas Scenario (GAS Scenario)”. According to this scenario, in 2035 the global demand for natural gas would increase more than 50% from the present, reaching 5.1 TCM, and would supply more than a quarter of global energy demand.
- Putting together the reports at this conference and the output of the previous joint research of NAGPF, there is the possibility that a largest annual supply of some 330 BCM of natural gas will be realized in Northeast Asia (PRC, Japan, Mongolia, ROK and East Siberia and the Far East of Russia) around 2020. Furthermore, the total demand of the various nations will be some 530 BCM, and it is anticipated that the difference of some 200 BCM will be imported from outside the region.

- In Northeast Asia, in order to make maximum use of the advantages of natural gas, it is necessary to put in order the following conditions:
  - The continuation of resource exploration and development within Northeast Asia;
  - The utilization of natural gas resource beyond Northeast Asia region;
  - The putting in order of the infrastructure for natural gas transportation;
  - The putting in order of a market environment supporting stable business relations;
  - The active and effective policies made by Northeast Asian countries to support the development and utilization of natural gas; and
  - The enhancement of multilateral cooperation, including those within the existing frameworks.
  
- Linked to this, great efforts have already been made in the countries of Northeast Asia, and some results have been achieved. In addition to those, a variety of new initiatives, including the projects below, are being investigated aiming toward their realization:
  - The Chayanda gas field development;
  - A Russia - China gas pipeline;
  - A Vladivostok LNG facility;
  - A Russia - ROK gas pipeline; and
  - A Russia - Mongolia - China - ROK Pipeline.
  
- From the beginning the sources of energy supply should be diverse, and it is necessary to continue seeking the most appropriate energy mix in accordance with the situation for each country. We have learnt that in Mongolia, which is the host country for this international conference, a variety of efforts (including those by way of international cooperation) are being developed, seeking the most appropriate energy mix.
  
- WE, the participants at this conference, taking into consideration the contribution to the reciprocal development of Northeast Asian regional society via the promotion of the aforementioned projects, CALL FOR those concerned in the public and private sectors related to the natural gas development and utilization of each country to actively undertake the cooperation necessary.