



## Cogeneration: Clean, Clever, Competitive



# COGEN Europe's involvement in SE Asia Experiences – Lessons learnt - Outlook



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Thomas Bouquet, Project Manager, COGEN Europe



## COGEN Europe



### European Trade Association for the Promotion of Cogeneration

- Representing the cogeneration sector
- Setting the agenda
- Resource and information source for policy makers



### Vision

- COGEN Europe working towards the wider use of cogeneration in Europe for a sustainable energy future



### Structure

- National Members
  - National Promotional Organisations - 21
- Company Members - 130
  - Gas and Electricity Utilities
  - Equipment Manufacturers and Suppliers
  - Consultancies
  - Banks, Insurance and End Users





## Cogeneration Applications

Many opportunities



### Industry



Chemicals, Oil, Petrochem  
Paper, Board, Timber  
Food, Drink  
Iron, Steel, Aluminium  
Cars, Tyres, Water Treatment

### Buildings



District Heating & Cooling  
Hospitals  
Hotels, Leisure Complexes  
Offices, Shopping Malls  
Houses

### District Heating



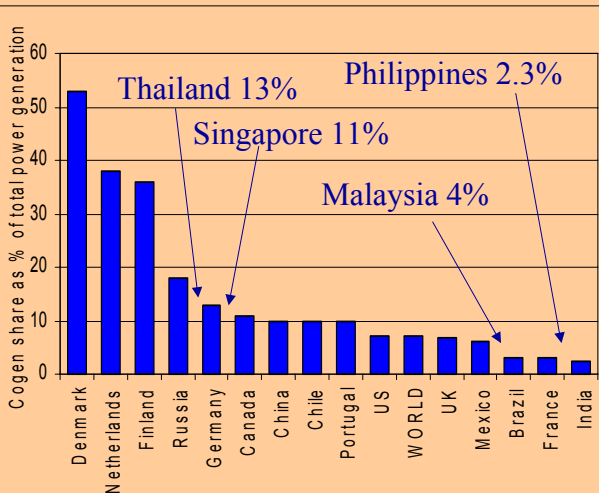
### Agriculture



Horticulture  
Biofuels  
Sugar



## International cogeneration development is diverse



- Three countries in Europe have substantial cogen shares
- World average share – 7%
- Market growth has been flat for 5 years
- Cogen is marginal in most other countries
- This hides some good examples of progress



## Why so much diversity?



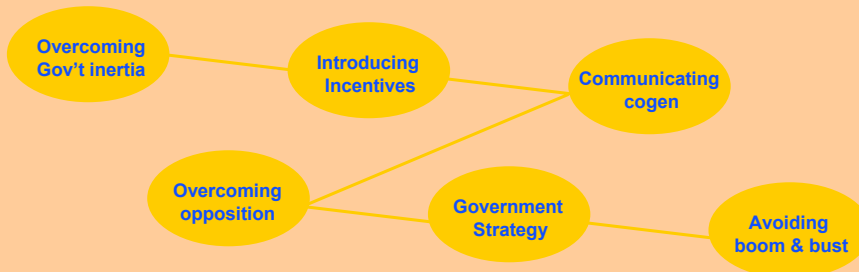
- Natural resources
  - Countries with abundant energy resources are less likely to prioritise efficiency
  - Countries with natural gas supply are in a strong position to develop cogen
- Energy supply tradition
  - District energy – eg in colder European countries; central planning states
  - State monopoly traditions – eg France and many other countries
- Heat requirement
  - Warmer countries require less heat
  - Low level of industrialisation
- Environmental policy
  - Some European governments tend to be greener



## Why an Industry Strategy is Important



### • Important goals ...



### • ... require:



## Success factors



## COGEN 3



COGEN 3  
(Jan 02 – Dec 04)

“Promoting the implementation of Proven, Clean and Efficient Biomass, Coal and Gas Cogeneration Projects by facilitating business partnerships between ASEAN industries and European suppliers”.



## What did COGEN 3 do?



### For ASEAN End-users/Partners

- Support project development
- Support in arranging financing
- Find appropriate European equipment suppliers

### For developers, financiers & Investors

- Provides market info
- Supports in assesment of project bankability

### For European Equipment Suppliers

- Finds projects in SE Asia
- Supports business facilitation
- Provides market info

### For ASEAN Policymakers

- Provides cogeneration policy guidance
- Arranges study tours
- Arranges seminars & workshops



## COGEN 3 Deliverables



### Vast array of services

- Analytical tools
- Capacity building (workshops, etc.)

### 8 Full scale demonstration projects

### EU Cogeneration Directory

### Publications

- National Energy Policy Reviews
- Articles/Reports
- Presentations



## EAEF



### EAEF

(March 02 – Feb 07)

„The EC-ASEAN Energy Facility is a programme of cooperation between the EC and ASEAN to facilitate partnerships between ASEAN & European organisations in developing joint projects in the energy sector“ .



## Objectives of EAEF



1. Increase the security of supply in ASEAN and indirectly in Europe
2. Increase economic cooperation between EU & ASEAN
3. Improve the environment at both local and global level
4. Facilitate the implementation of the ASEAN Plan of Action for Energy Cooperation (I&II)



## EAEF as a follow-up of COGEN3



- Close working relation with COGEN3 until end 2004.
- 2005: EAEF to „monitor, follow-up and disseminate results of COGEN3.“
- Goal: to ensure the sustainability and replicability of results achieved under the COGEN3 programme
- Means: creation of 4 country coordination offices & funding of short projects



## COGEN Europe & EAEF



COGEN Europe has been involved in 2 EAEF projects (during course of 2005):

- EAEF 61-2003, Setting-up of National Associations for cogeneration and distributed generation
- EAEF 62-2003, Capacity building in formulating policy instruments for RES & EE



## Lessons learnt



- European-ASEAN business partnerships can work...but need a lot of nurturing (and distance is an issue)
- Past cooperation was limited by exogenous factors (i.e. framework conditions)
- European policy instruments are very diverse: it is difficult for ASEAN policy-makers to determine replicability of policies (best practices)
- Awareness and understanding have risen significantly
- There is a huge potential for further cooperation



## Outlook



- Technical knowledge and policy making expertise will rise rapidly
- Further business cooperation will require active presence in the region
- There is still a need for greater regional integration / creation of sectoral structures (e.g. creation of a COGEN ASEAN)
- Financial constraints / economic imperatives will limit potential for widespread implementation of cutting-edge solutions





## Way forward?



- Many European entities want to engage with ASEAN Partners. What is missing is a common, permanent Agora/Forum
- Hence the idea of a **clearing house**, such as the one being developed in the [Technology@Work](#) project



## Final question



For how long will the EU-AESAN relationship be viewed as asymmetrical?



**Thank you  
for your  
attention!**



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