

Thank you Mr. Chairman,

First of all, I would like to commend the panelists for their excellent presentation.

Mr. Chairman,

The Royal Thai Government has determined to strengthen our energy strategy, particularly on energy efficiency. We are of the opinion that energy efficiency does not only contribute to the economic development of our country but also plays a critical part of reducing greenhouse gas emissions. During the past 15 years, the ratio of energy consumption to the GDP of the country has significantly increased. Presently, Thailand's energy elasticity is 1.4:1. The government, therefore, set the desirable target to reduce the ratio of energy consumption growth rate to the GDP growth rate from 1.4:1 to 1:1 by the year 2007.

This target would be achieved through the effective implementation of energy conservation measures both voluntary and compulsory. The implementation is mainly focused in the two major energy intensive sectors, including transportation and industrial sectors, which hold a share of 37 % and 36 % of energy consumption. The incentive measures to induce energy conservation such as tax exemption and special investment and financial support program for

industries implementing energy efficiency program, have been applied.

The implementation of others measures such as the enforcement of the Minimum Energy Performance Standards (MEPS) for electrical appliances and energy-efficiency labeling for cars as well as the promotion of Energy Conservation Certification system for factories. The promotion of energy production systems with efficient combined use of energy in industrial sector will also supportively expedite the process of energy elasticity reduction in Thailand.

According to our experiences in implementation of the energy efficiency strategy, we found that public awareness and appropriate incentives are vital. Unfortunately, sometimes the government intervention in the area of energy, particularly subsidy for oil price, turns to be disincentives for enhancing energy efficiency. In this regard, we would like to see that measures concerning climate change and atmospheric problems, such as CDM, carbon tax etc., would be the significant incentive to enhance energy efficiency.

Thank you.