



Opening Address

**International Symposium on NEAREST
(North East Asia Region Electrical System Ties)**

18-19 May 2004

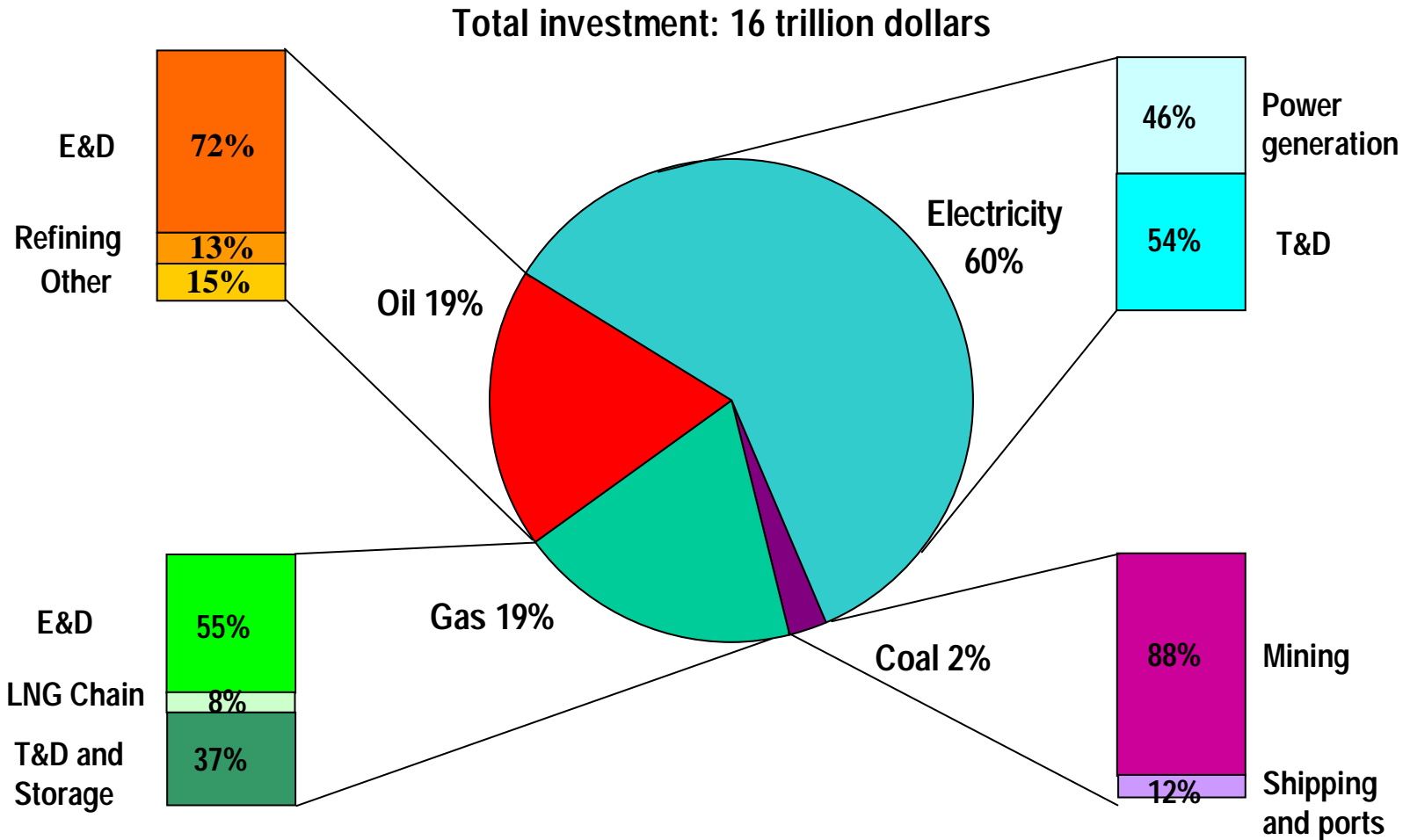
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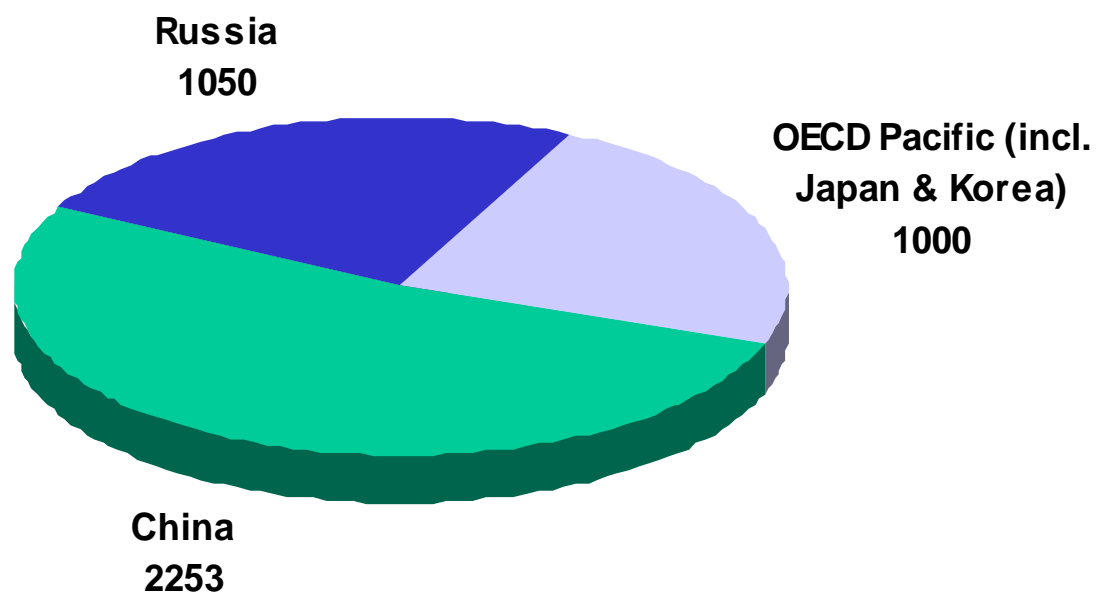
World Energy Investment 2001-2030





Northeast Asia Energy Investment by Country/Region 2001-2030

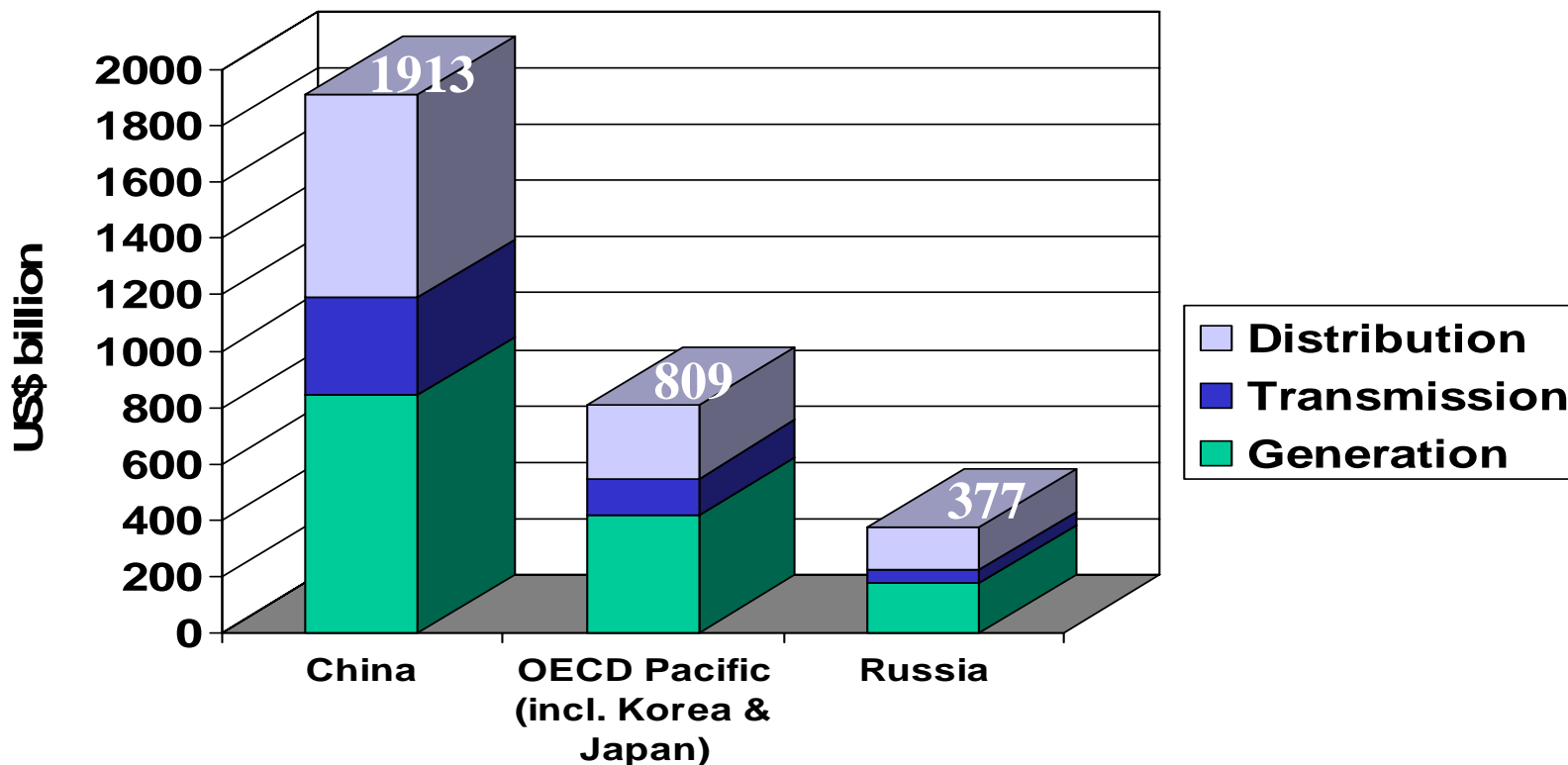
(US\$ billion)



The region will account for about 26% (\$4.3 trillion) of world total energy investment (\$16 trillion) during the projection period



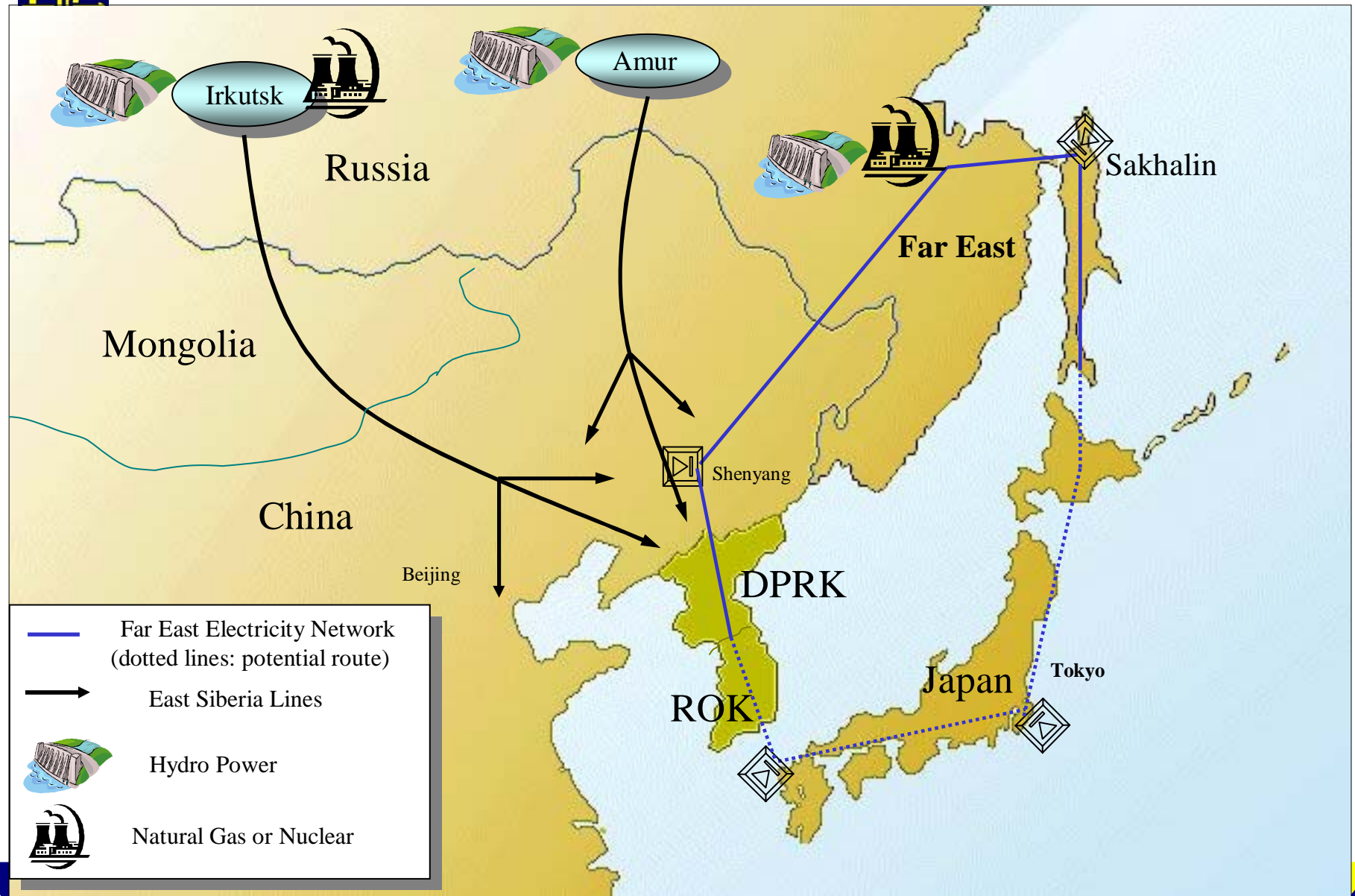
Northeast Asia Electricity Investment by Region/Sector (2001-2030)



\$3.1 trillion (72% of total energy investment) is expected to be invested in electricity sector during the projection period



Electric Power Link Plans in Northeast Asia





Challenges for Financing Energy Industry in Northeast Asia

- **More than \$4 trillion of energy investment needed in Northeast Asia**
 - 72% of this investment is needed in electricity sector
- **Realising this investment will call for:**
 - ◆ **More rigorous sector reforms: notably more cost-reflective pricing and improved collection of revenues**
 - ◆ **More stable and predictable investment regimes**
 - ◆ **Better corporate governance**
 - ◆ **Development of domestic financial markets**
 - ◆ **Stronger incentives for private and foreign investors**



Broader Policy Implications: “Wake-Up Call” for Governments

- **Increasing emphasis on creating right enabling conditions – and lowering barriers to investment**
- **Less direct intervention as lender or owner**
- **Governments should monitor and assess the need to adjust regulatory reforms in network industries**
- **Policymakers need to ensure basic principles of good governance are applied and respected**



Thank You!

감사합니다!