

SPEECH
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By
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Mr. Takashi Kawamura, Chairman of the Board, Hitachi, Ltd.,
H.E. Hoang Trung Hai, Deputy Prime Minister of Vietnam,
Dr. Ngo Doan Vinh, President, Development Strategy Institute, Ministry of
Planning and Investment, Vietnam,
Datuk Ir. Ahmad Fauzi bin Hasan, Chief Executive Officer, Energy
Commission, Malaysia,
Dr. Ir. Djadjang Sukarna, Secretary of Directorate General for New,
Renewable Energy and Energy Conservation, Ministry of Energy and
Mineral Resources, Indonesia,
Mr. Toshiaki Kuzuoka, Senior Vice President and Executive Officer of
Hitachi Ltd.,
Distinguished members of the Hitachi family,
Distinguished Hitachi Young Leaders,
Members of the press,
Ladies and Gentlemen,

I would like to thank Hitachi for inviting me and all of you for your warm
welcome. Let me say straight away that I am particularly honoured to
participate in the 11th meeting of the Hitachi Young Leaders Initiative or
HYLI here in the beautiful city of Hanoi.

As some of you may know, my association with the HYLI is a long-
standing one. I have had the pleasure of seeing the program evolve and
grow through each cycle. Over the last fifteen years, the initiative has
brought together some of the brightest, most accomplished and talented
future leaders of Asia, who have joined together to exchange and to
share their thoughts and ideas, with a view towards strengthening Asia's
progress, peace and prosperity. I have always been impressed, even
astonished at times, by the knowledge, wisdom and creativity of these
outstanding young people.

Hitachi continues to exemplify how a company's sense of corporate social
responsibility should be, through a string of extraordinary initiatives
aimed at genuine development and change. Personally, I have long
admired the company's efforts to return benefits back to the society
we live in, so when once more I was offered the honour of chairing
the selection committee for Thailand for the 11th HYLI in August 2011,
I accepted the position with the greatest pleasure. And standing as we
are at the dawning of the program's second decade, I feel extremely
honoured to remain a part of this exciting initiative.

In October last year, the global population finally topped 7 billion
people. And from 7 billion now, the world's population will climb to more
than 9 billion by the middle of the century. Humanity's growth means
more demand for energy and this unprecedented increase in energy use
has already started to alter the world's climatic conditions.

In the last few years, different parts of the world have been struck by
brutal natural disasters. One of the incidents that caused the largest
impact on the world's economy, society and humanity was last year's
8.9-magnitude earthquake that set off a devastating tsunami washing
over the coastal cities in Northern Japan.

In my country, Thailand, we had two severe flooding incidents in 2011; the summer flood, which started in late March and the monsoon season flooding that began in late July and continued for a period of more than nine months. By the end of 2011, over 500 deaths have been reported, and over 2.3 million people affected, with initial estimation of economic costs of over Baht 150 billion or USD 5 billion. The flooding inundated about 6 million hectares of farmland in 58 provinces, stretching from Chiang Mai in the North, to the Central plains of the Chao Phraya River, down to parts of the capital city Bangkok and its estuary into the Gulf of Thailand. The flooding of the monsoon season has been described as “the worst flooding yet in terms of the amount of water and number of people affected”.

One may think that Mother Nature has now turned on us. The earth has been sending signal after signal to mankind to stop flouting our prosperity by destroying nature. The only way to minimize the risk of dangerous climate change is by ensuring that future development is ecologically sustainable. This means a far more judicious, efficient and creative use of energy. In short, we need a clean energy revolution. We require a radical departure from current practices and existing realities.

Energy is central to every major challenge we face today: relieving poverty, spurring economic recovery, and combating climate change. We will not be able to overcome these challenges without providing sustainable energy for all. In modern societies today where the demand for communication, transportation and mobility has multiplied, sustainable energy is the key to fuelling regional development.

While mobility links countries, cities and communities, making possible human and economic interactions, all of us have a shared mission in maintaining the balance of our environment. Development must go hand-in-hand with environmental preservation, and to do so, we need to create a network of sustainable transportation systems.

According to information from the International Energy Agency’s 2009 report, the transport sector alone is responsible for about a quarter of the total carbon emissions in the world. This information is very alarming for players of all sectors, but especially for the transport sector. We need to collaborate in order to find ways and means of achieving significant reductions of CO₂ emissions. Several parties and organizations, such as the European Union, have set ambitious goals to reduce carbon dioxide emissions by 80 to 95 percent by 2050. To achieve such goals, all actors in the transport sector must step up and take a proactive role in contributing to the reduction of CO₂ emissions worldwide.

Let me give you some examples of what we are doing in Thailand as an effort to bring about sustainable development while fulfilling the country’s and Bangkok’s potential as a regional transport hub.

In the last ten years successive national governments and Bangkok city administrations have heavily invested in infrastructural development, especially rail mass transit systems. We now have two such systems, one is the Bangkok Mass Transit System (BTS) or the “Sky Train”, the other is the underground Mass Rapid Transit (MRT), with extensions to both already in operation, being constructed or planned. The results are greater mobility, safety and convenience in intra-city travel, more efficient and less use of energy, and reduction of carbon emissions and damage to the environment.

Alternative energy has also been an option when it comes to seeking ways and means of promoting fuel efficiency with regard to mass transit systems. Old buses with diesel engines are being replaced by Natural Gas Vehicle (NGV) or buses. Bangkok commuters are enjoying the new 4,000 NGV-run buses that serve around 4-5 million people daily within Bangkok and its peripheral areas. The NGV project has already saved about 500,000 litres of petrol each day.

Recently, Thai Government launched a program to provide credit cards for operators of public-transport vehicles that use natural gas. This scheme aims to help ease fuel cost burdens of drivers of taxis, auto-rickshaws and other public-transport vehicles.

Motorists are also being motivated to consume fuel more efficiently. The current government issued a brand-new policy of tax relief for first-time car buyers from October 01, 2011. Qualified vehicles must be eco-cars with an engine capacity of not more than 1,500cc. Apart from the objective of boosting the Thai economy, the policy also aims to encourage the use of alternative fuels for cars with small-sized engines, such as gasohol, NGV and LPG, instead of using only gasoline.

Even though Thailand can produce gasoline and natural gas from its domestic sources, the country still has limited domestic oil production and relies heavily on imports, being the second largest net oil importer in Southeast Asia (SEA). According to the Statistical Energy Survey conducted by BP in 2008, Thailand produced an average of 309,100 barrels of crude oil per day and consumed an average of 910,730 barrels of oil a day. Almost all of the country's oil and natural gas fields are located offshore in the Gulf of Thailand, with the Bongkot Field being the largest.

The oil industry is dominated by Public Company Limited (PTT) while Chevron is the largest foreign operator of natural gas, and currently accounts for 70 percent of Thailand's natural gas production from 22 offshore fields. It is crucial for Thailand to explore new options of energy sources, given that 70 percent of power generation in Thailand is currently fuelled by natural gas. Thailand is also in the process of exploring the option of liquid hydrogen fuels as alternative sources of energy. At the moment, we are waiting for the maturity of hydrogen-based technology and suitable vehicles.

You can see that in an effort to create sustainable mobility for our region, the sharing of ideas and brainstorming are tremendously valuable. I am especially keen to see how younger generations can contribute their knowledge to help shape sustainable development for their communities. A forum such as the HYLI demonstrates the power that young people can have to define the future of Asia. This is what the HYLI has helped to do over the last decade: to help and to guide the younger generations in the right direction so that one day they can share their vision and ideas for the benefit of not just Asia but also the world.

So, congratulations to the HYLI and to Hitachi for the 11th anniversary of this initiative and hats off for the company's good work in inspiring future generations.

Thank you.