

Canada at Association of Southeast Asian Nations energy conference

Canada is prepared to share its experience and expertise to help contribute to a more stable world energy balance, Energy Minister Marc Lalonde told the plenary session of the Association of Southeast Asian Nations (ASEAN) Council on Petroleum held in Manila last month.

Representatives from the five ASEAN countries — Indonesia, Malaysia, Thailand, Singapore and the Philippines — were on hand to hear Mr. Lalonde's address. In addition, a delegation of some 20 countries attended the conference.

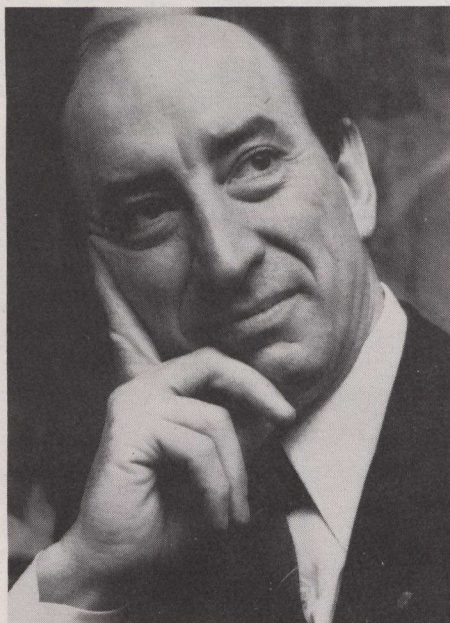
"Besides development assistance activities — perhaps even more promising in bringing to production energy resources — is the knowledge and expertise that can be acquired from the wide range of highly-competent Canadian companies that have expanded their energy-related activities into ASEAN member-countries," the minister told the delegates.

Industry interests

He said one such Canadian consulting and engineering company currently working in ASEAN countries is Shawinigan Engineering, which is active in hydro-electric development in the Philippines and in Malaysia. Shawinigan conducted pre-investment studies and engineering work for the Kenering-Bersia hydro-electric project in West Malaysia due to be completed next year and assisted by a \$7.5-million loan.

Another Canadian company, Acres

During his visit to Manila, Energy Minister Marc Lalonde announced that the Export Development Corporation (EDC) had signed a \$10-million (U.S.) line of credit with the Development Bank of the Philippines. The line of credit is intended to assist Canadian exporters competing for sales in the Philippines by providing the Philippine buyer with a simple and easily-accessible credit facility through the Development Bank of the Philippines. The main beneficiaries of this facility will be small- and medium-sized Canadian manufacturing companies. Contracts for sales from Canada will be considered on a case-by-case basis. The types of projects expected to be considered include those primarily related to the textile, communication and mining industries.



Marc Lalonde

Consulting Limited, is currently updating a long-range power development study for Indonesia, said Mr. Lalonde. In addition, Montreal Engineering is involved in two Indonesian projects, the Bukit Asam coal mining and transportation project and the Suralaya thermal power plant. The Bukit Asam project, which will exploit Sumatra's massive coal reserves and ship them to a thermal power station in Java, is the largest single Indonesian project receiving Canadian assistance.

The firm is also working on a thermal power project in Singapore. Another company, Integ of Vancouver, has just completed a major study in the Philippines on conversion from oil to coal power plants.

Canadian manufacturers are also becoming increasingly active in ASEAN countries, said Mr. Lalonde. He cited major sales of large thermal boilers by Babcock and Wilcox Canada, and Combustion Engineering Canada in Indonesia and Thailand. Canadian Westinghouse has provided large transformers to Thailand and gas turbines to Indonesia.

Large investments

In addition, said the minister, some Canadian oil and gas companies have made major investments in the ASEAN area: Bow Valley with a Singapore office and exploration in the Philippines; Husky, also in the Philippines; Hudson's Bay Oil and Gas in Indonesia; and Canadian Superior Oil in Thailand.

Mr. Lalonde also spoke of Canada's CANDU nuclear reactor system. CANDU reactors are currently being constructed in Argentina, Romania and the Republic of Korea with several other countries considering their purchase.

The minister said the growing interest in CANDU results from the good performance record of such reactors now operating in Ontario. To the end of 1980, CANDUs had a lifetime average capacity factor of 77 per cent, the highest of any reactor type. The top four reactors rated above 500 megawatts were CANDUs. CANDUs hold six of the top ten places among the more than 100 reactors rated above 500 megawatts.

"Through co-operation, we can help the ASEAN countries emulate our success in this field of energy," said Mr. Lalonde. "Canada can assist with any aspect of the development of a country's nuclear program — from the establishment of a regulatory infrastructure and educational and training programs, through exploration and mining, to the building of nuclear facilities. As recently as last June, Canada entered into an agreement with the Philippines for co-operation in the peaceful uses of nuclear energy. "We look forward to continuing co-operation with our host country and with other members of ASEAN," said Mr. Lalonde.

Indonesian foreign minister visits

Indonesian Foreign Minister Mochtar Kusumaatmadja made a recent visit to Canada where he met for bilateral talks with Secretary of State for External Affairs Mark MacGuigan and Marcel Massé, president of the Canadian International Development Agency.

Professor Mochtar's visit follows the visit in September of Indonesian Agriculture Minister Soedarsono as well as that of the Minister of Administrative Reform Sumarlin in May. Canadian ministers who have recently visited Indonesia include Trade Minister Ed Lumley, Energy Minister Marc Lalonde and Minister of State for Mines Judy Erola. The number of visits between Canada and Indonesia indicates the growing importance of the bilateral relationship and the prospects for its future expansion.

Indonesia is one of the principal recipients of Canadian development assistance. Canadian trade with Indonesia last year was approximately \$240 million (Cdn.).