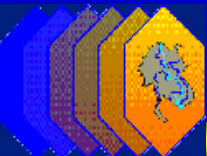


GUIDELINES FOR ESTABLISHMENT OF RPTCC

First RPTCC Meeting

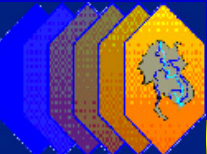
13 July 2004

Guilin, PRC



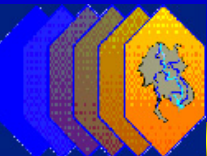
Entry into Force of IGA

- All six members signed at the GMS Summit on 3 Nov 2002 in Phnom Penh
- Five countries ratified or accepted IGA, except Cambodia
 - Officially, IGA entered into force from 15 Sep 2003 upon the date of issuance of the third certified instruments (Article 7.2)



Establishment of RPTCC

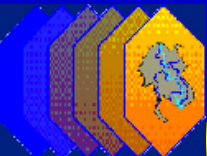
- The IGA calls for establishment of the RPTCC to coordinate implementation of regional power trade under the IGA (Article 4.2)
- Guidelines for establishment of RPTCC was adopted at EGP-8 in 2002 and revised at EPF-10 in 2003
- All six countries nominated each three members of RPTCC



IGA :

Institutional Framework (I)

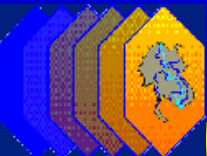
- Article 4.1
 - Parties assign responsibility for the policy direction and supervision of regional trade under this IGA to the Ministers responsible for electricity or electricity policy
 - These Ministers shall meet as and when they deem necessary, or request of the Chair of RPTCC to be formed in accordance with Article 4.2



IGA :

Institutional Framework (II)

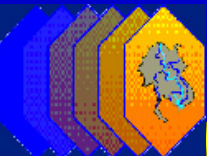
- Article 4.2
 - Parties recognize the need for a high level body, RPTCC to coordinate for implementation
 - Parties designate their national representatives to current EPF to constitute the first interim RPTCC
 - RPTCC report to the GMS Ministerial Level Conference and respective governments through the Ministers under Article 4.1
 - RPTCC have independence in management of its operation to achieve objectives
 - The current EGP provide technical support to the RPTCC



IGA :

Institutional Framework (III)

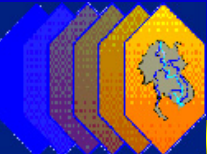
- Article 4.3 (Role of RPTCC)
 - The task of the RPTCC is to determine the first step to establish and implement of regional trade arrangements, which they submit to Parties for endorsement
 - This include a plan to accomplish the following
 - i) Provide to the Parties a final draft of PTOA which will specify the rules of regional power trade
 - ii) Provide to the Parties a recommendation for the overall policy and day-to-day management of regional power trade, including necessary bodies for coordination



IGA :

Institutional Framework (III)

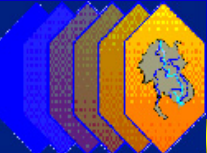
- Article 4.3 (Role of RPTCC) - *Continued* -
 - iii) establish short, medium and longer term initiatives which need to be pursued on a priority basis in order to achieve the objectives of regional power trade within a specified time table
 - iv) identify necessary steps for implementation of regional trade, including means for financing



IGA :

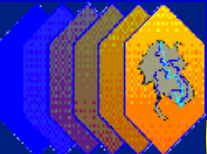
Institutional Framework (IV)

- Article 4.4
 - Parties authorize their perspective appropriate national authorities and government-designated electric utilities to enter into necessary arrangements to regulate the establishment and operation of regional power trade, including PTOA, subject to approval of the RPTCC
 - Parties support and assist their respective appropriate national authorities and government – designated electric utilities in the performance of and execution of their obligations in terms of any agreement entered into force between respective utilities pursuant to IGA and consistence with PS



Guidelines of RPTCC

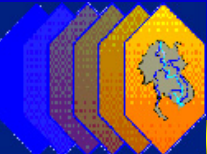
- Preamble, Objectives, Functions, Membership
- Representation, Coordinators for Power Trade
- Chairperson, Vice Chairperson and PTOA Project Manager
- Working Groups, Reporting
- Meeting Frequency and Venue, Decision-making
- Financing and Other Support
- Initiation and Revision



Guidelines

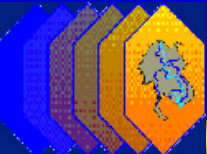
- Preamble: description of background for the guidelines
- Objectives:

Based on policy guidance from the Ministers, the RPTCC shall provide the strategic direction and overall management of the interim stage. Accordingly, they shall establish the short, medium and longer-term initiatives that need to be pursued in order to achieve the objectives of regional power trade within a specified timetable; and identify necessary steps for implementation of regional trade, including the drafting of the Regional Power Trade Operating Agreement (PTOA). The RPTCC shall represent the Parties involved in regional power trade under the IGA.



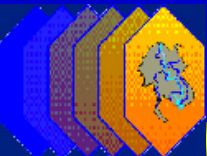
Guidelines

- Function:
 - Provide policy guidance for market options study and recommendations to Ministerial level on market structure & likely phase of its development
 - Provide a final draft of PTOA
 - Provide a recommendation for the overall policy and day-to-day management of regional power trade, including necessary bodies of coordination
 - Establish the short, medium and long term initiatives to achieve the objectives of regional power trade
 - Identify necessary steps for implementation of regional trade, including means for financing
 - Act as a cooperative link among the various stakeholders
 - Promote identification of and implementation of priority projects and facilitate the implementation of priority projects



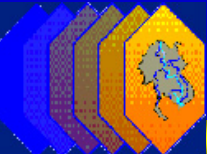
Guidelines

- **Membership:** The Members of the RPTCC shall be the designated representatives of those GMS Parties who have signed the IGA. Those GMS Parties that have not signed the IGA may designate representatives who will be granted observer status, but who may not participate with Members in making decisions or recommendations
- **Representation:** The RPTCC shall consist of three representatives *per* Party. One representative shall be the ministry official with primary responsibility for electricity matters and one representative from the utilities. Each Party shall name one of its representatives to the RPTCC as its Coordinator for Power Trade



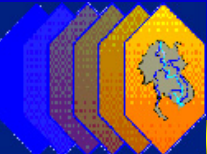
Guidelines

- **Coordinators for Power Trade:** Each Party shall designate a Coordinator to coordinate all activities related to power trade. The Coordinators shall serve as a link between the RPTCC, the PTOA Working Groups, and the national governments. The Coordinators may hold their own meetings, as necessary.
- **Chairperson, Vice Chairperson and PTOA Project Manager:** The RPTCC shall elect a Chairperson and Vice Chairperson at its first meeting, who shall be from different Parties. Both the Chair and Vice Chair shall assign alternates to act in case of their absence. The Chairperson shall hold office for one year, after which time the chairperson shall rotate among the Parties in alphabetical order. The Vice Chairperson shall also serve as PTOA Project Manager and will not rotate until the Draft PTOA has been agreed to ensure continuity during the drafting process.



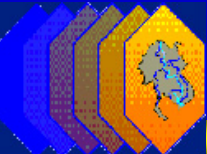
Guidelines

- **Working Groups:** The RPTCC may establish Working Groups, as needed to achieve its objectives.
- **Reporting:** The RPTCC will work under the guidance of the Ministers responsible for electricity or electricity policy, as appropriate. The RPTCC will establish the Agenda for the Working Groups.
- **Meeting Frequency and Venue:** The RPTCC shall hold one Annual Meeting and additional meetings to meet its objectives. Additional meetings can be called by the Chairperson as well as by a consensus of the RPTCC. The schedule and venue for meetings shall be decided at the RPTCC Annual Meeting.
- **Decision-making:** The RPTCC is an advisory body that will make recommendations to Ministers on subregional power initiatives. Decisions within the RPTCC and recommendations shall be made by consensus.



Guidelines

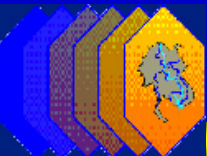
- **Financing and Other Support:**
 1. **Financing.** Each Party shall arrange for financing the costs of its participation in the RPTCC and its working groups. The Parties themselves will also sponsor national-level work and participation in working group meetings. External assistance may be used to cover costs of participation, where deemed necessary.
 2. **Other Support.** The home institution of the Project Manager will provide administrative support for the drafting of the PTOA.
 3. Should additional costs arise, expenses shall be shared in a manner agreed to by the Members.



Guidelines

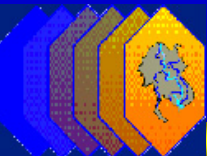
- Initiation and Revision:

These Guidelines shall be applied by the EPF as the Interim PRTCC, prior to the establishment of the RPTCC. The RPTCC will be formally constituted upon entry into force of the IGA. Any proposed revision to these guidelines shall be effective only after adoption by the RPTCC



Discussion

Any necessary modifications
from the floor



Thank You !!!!

