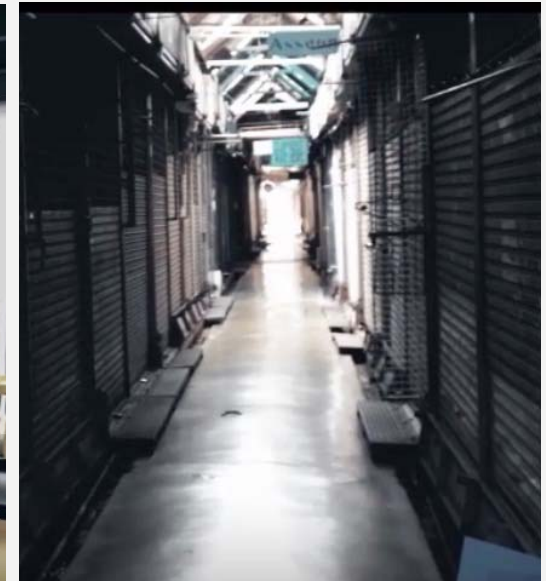
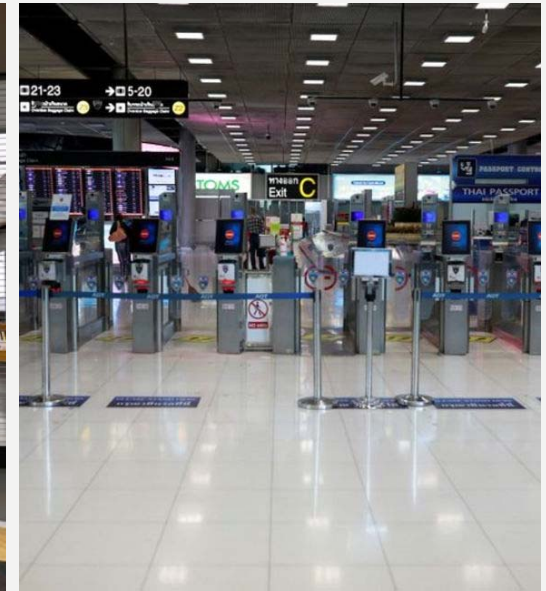
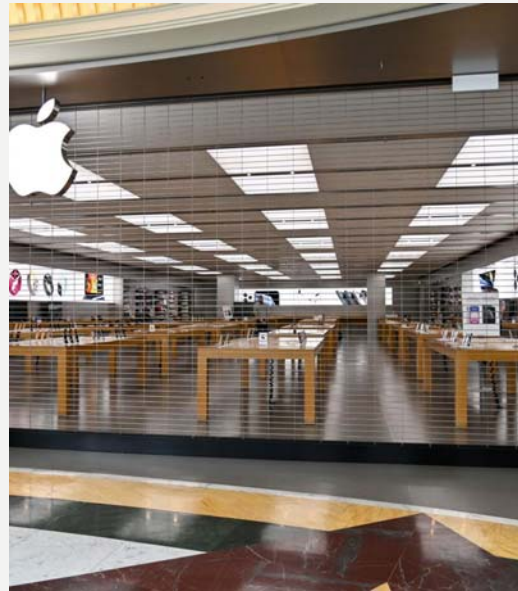




# IMPACT OF COVID-19 PANDEMIC ON ASEAN ENERGY SECTOR

# KEY IMPACT

- Containment measures (lockdown) to prevent the spread of the disease have pushed global economy into recession.
- Reduction in energy consumption by suppressed manufacturing and user demand





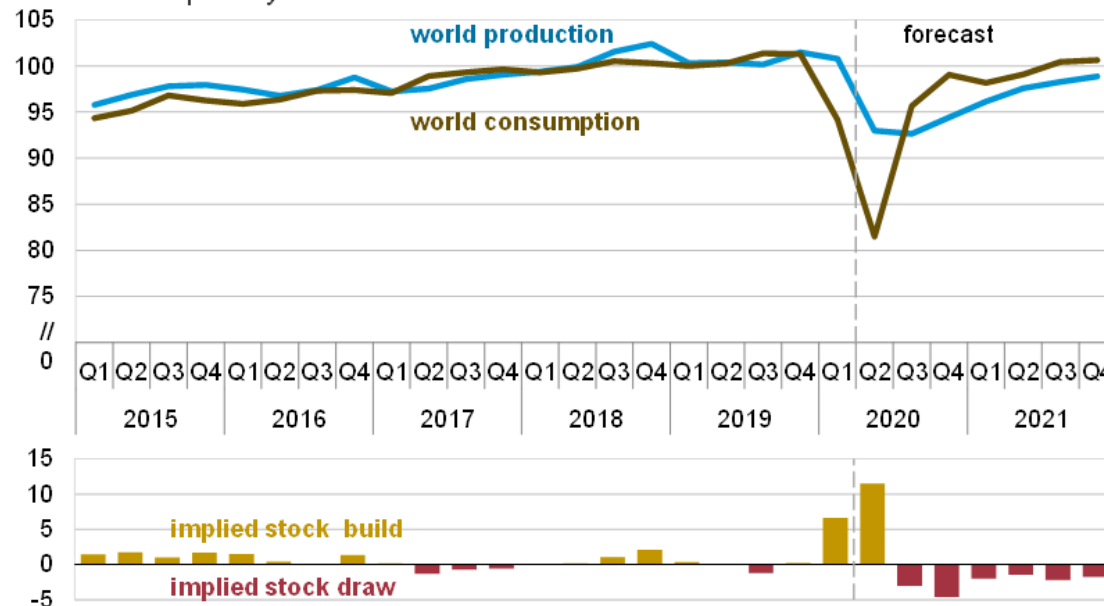
GDP and export implications of global pandemic scenario for EAP countries  
 (% deviation from the benchmark)

[Source: : Envisage simulations in World Bank Policy Research Working Paper, April 2020]

# KEY IMPACT

- The dramatic fall on oil consumption leading to a drastic drop of crude oil price

World liquid fuels production and consumption balance  
million barrels per day



Source: Short-Term Energy Outlook, May 2020



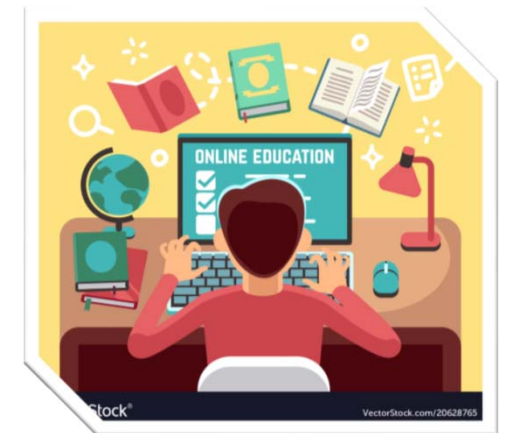
-50%  
Road transport

-29 M Barrels a day  
(in April) and  
-9.3 M Barrels a day  
this year  
Global oil demand

Source: IEA, April 2020

# KEY IMPACT

- Global electricity demand decreased by 2.5% in the first quarter of 2020 after less than a month lockdown
- More impact for countries with strict measures and those where services make up a larger part of the economy.
- Digitalization was unexpectedly triggered to help the global community keep going and stay safe. Also likely to become a new normal in our lives.



# IMPACT ON ASEAN ENERGY SECTOR

- The lockdowns have dramatic impact on power demand across the region.

## Lockdown duration and power demand impact

Country	Fall in weekday power demand	Number of days locked down (start date, end date*)	Estimated decline during lockdown	Estimated decline vs 2019 annual power demand
Philippines	23%	46 (16 March 2020, 30 April 2020)	2.7 TWh	2.6%
Malaysia	26%	56 (18 March 2020, 28 April 2020)	5.7 TWh	3.5%
Singapore	8%	56 (7 April 2020, 1 June 2020)	0.7 TWh	1.2%
Vietnam	9%	23 (1 April 2020, 22 April 2020)	1.5 TWh	0.6%

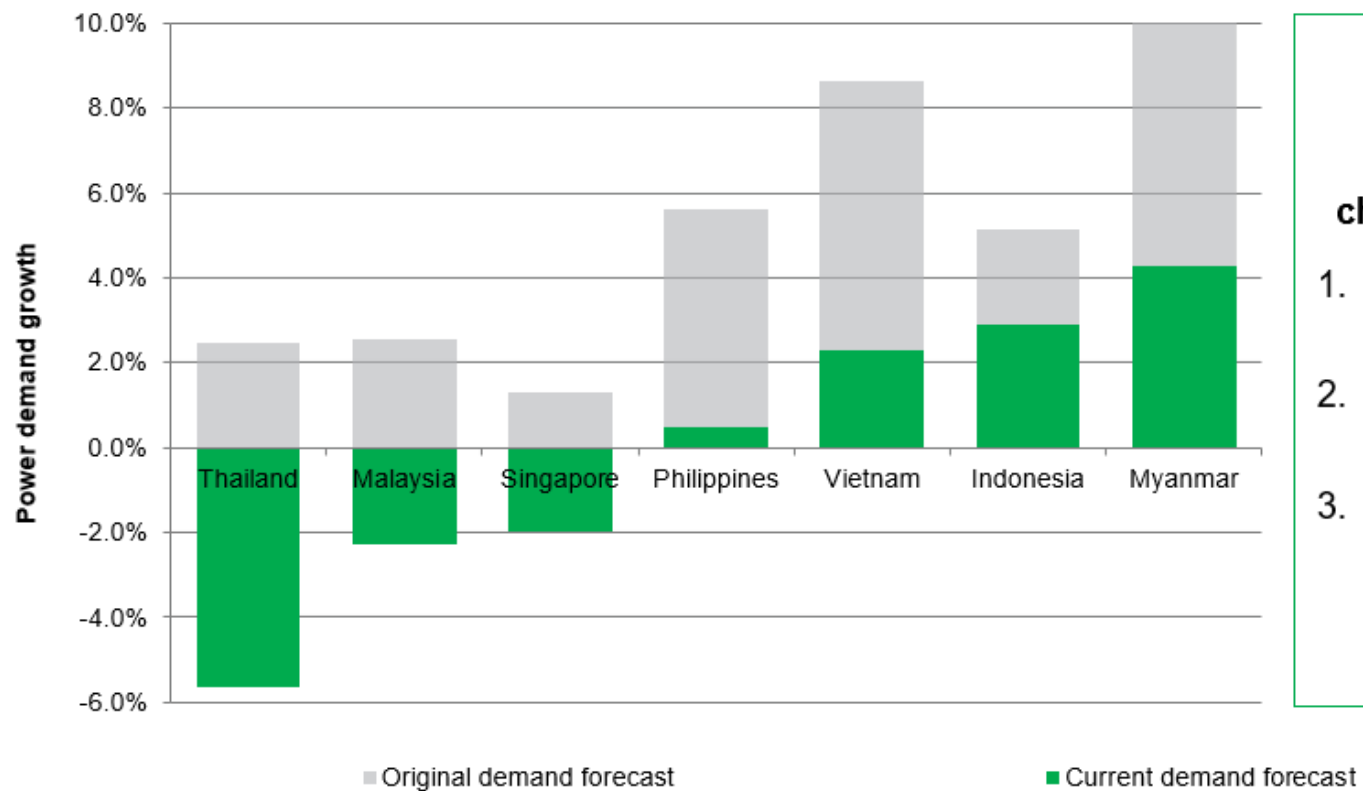
Notes: Indicative end date of lockdown as of 24 April 2020

Source: IHS Markit

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- Impact is more pronounced for countries where large power demand are from the industrial sector and the export-oriented economies such as Thailand.

## 2020 power demand growth forecast



### Key drivers impacting the change in forecast

1. Industrial power demand share
2. Export orientation of economies
3. Duration and strictness of lockdown

Notes: Original demand forecast released in 2019 vintage country profiles  
Source: IHS Markit

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# IMPACT ON CLEAN ENERGY DEVELOPMENT

- Low oil prices could discourage the transition to renewable energy and energy efficiency.
- Availability of some RE related products may be adversely affected by the disrupted global supply chains.
- Cheaper fossil-based energy would be an even higher priority during a recession and may give long term consequences on energy landscape.
- Human activities after COVID-19 will affect the mode of energy consumed and the consumption patterns.

Source: ERIA Policy brief, April 2020



# ON A SOLID RECOVERY TRACK

- The role of government: what should be the energy policy needed?
- Together with the technology disruption (before COVID-19), what will the future energy landscape look like for post COVID-19?
- There is always opportunity in crisis. What will be the opportunities for ASEAN to seize?

DAU TIENG 1 & DAU TIENG 2, Vietnam  
420 MW combined, the largest solar farm in ASEAN

