

Foreword

Natural gas has numerous advantages. Its resources are enormous and can now be developed at a competitive cost, thanks to technological breakthroughs such as the shale revolution. Its resource locations are more diversified compared to oil and it therefore has the advantage of securing energy supply. It can play a significant role in addressing climate change, replacing coal in the power sector. It is a clean and very convenient energy to use in our daily lives. Expanding the use of natural gas can significantly improve the 3Es (efficient, environmentally friendly, and energy security).

The production capacity of liquified natural gas (LNG) is expected to see a 'revolutionary' expansion in the coming 3 years according to the International Energy Agency, and hence LNG will play a key role in increasing natural gas use in Asia. Taking advantage of the advent of significant supply capacity expansion, Asia has a great opportunity to enhance its natural gas use through importing LNG in the future. This study explores how Asia can increase natural gas and LNG use, and what kind of policy is required to realise this potential.

This study aims:

- (1) To develop LNG demand outlook, assess the potential in Asian countries, and analyse the adequacy of future supply capacities to the region;
- (2) To understand the current obstacles in introducing and increasing LNG use in Asia; and
- (3) To consider and propose policy measures to address the obstacles and enhance LNG use in Asia.

The authors hope that this study will provide new insights into LNG market development in the East Asia Summit region.

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