

## FOREWORD

Energy demand in Association of Southeast Asian Nations (ASEAN) countries has been rapidly expanding in the last decades. While the total energy demand in ASEAN countries has grown by almost 2.5 times from 1990 to 2011, its oil demand in particular has shown the largest increase, by more than 120 million tons of oil equivalent. Because domestic oil production has been either stagnant or shrinking in most ASEAN countries, oil demand growth has automatically resulted in increasing oil imports, which has made ASEAN countries more vulnerable to external supply disruptions or highly volatile international oil prices.

In recognition of this, this study has developed two scenarios to draw a picture of what will happen if an unexpected severe oil supply disruption happens in the absence of oil stockpiling. The particular focus of this report is on the ASEAN region because it has highest necessity to promptly initiate stockpiling development actions in East Asia. The report then considers what kind of oil stockpiling options are available for ASEAN countries that have not yet developed their stockpiling systems, and how government and industry relationships can help to promote stockpiling development.

It is my hope that the outcomes of this study will serve as a point of reference for policymakers in East Asian countries and contribute to the improvement of energy security in the region as a whole.