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TOWARDS A LOW CARBON FUTURE - UNVEILING OF BRUNEI'S SYSTEM VALUE ANALYSIS (SVA)

Brunei Shell Petroleum Co Sdn Bhd (BSP) presents framework to promote dialogue around identified priority areas for energy transition

BSP unveils the System Value Analysis (SVA) of Brunei in a special ceremony, which is part of the programme for Energy Week of the Brunei Mid-Year Conference and Exhibition (MYCE) 2022. The special unveiling ceremony took place today at the International Convention Centre (ICC).

BSP is proud to initiate the SVA study for Brunei together with Accenture, with the support from various departments from the Government, through peer reviews and sharing of expertise and data. Within the ASEAN region, the System Value Analysis (SVA) has been conducted for Malaysia, Indonesia and most recently Thailand.

System Value Analysis – a holistic framework, thriving beyond cost

The transition to a low carbon economy requires investment, innovation and unprecedented collaboration from the industry, the Government of Brunei, policy makers and the community. How we value the energy system is at the heart of that change - the path to an integrated zero-carbon energy system needs to take into account not only cost, but also system value.

Traditionally, cost has been a key driver for decision making when deploying low carbon technologies or initiatives. However, to accelerate actions in Brunei's journey towards a net zero future, a new lens is needed for decision making – one which identifies the broad range of benefits, outcomes and in-country value as a result of the energy transition. Shifting commercial focus beyond cost to include value, the System Value is the new lens for decision making and is a holistic framework that evaluates economic, environmental, social, and technical outcomes of potential energy solutions.

Identified high-impact priority areas

The potential solutions identified for Brunei include (1) the deployment of distributed solar (2) leverage Brunei's floating solar potential for grid connected capacity and green hydrogen production (3) Carbon Capture, and Storage (CCS) to decarbonize industries, both domestically and internationally and (4) scale up Electric Vehicles (EV) and boost public transportation.

These identified priority areas can then be used as baselines for dialogues to drive alignment and decisions between private and public stakeholders and conducive policy creation towards Brunei's net zero ambitions. The speed of the transition to a low carbon future will crucially depend on actions taken to put in place the broad range of policies necessary to drive and accelerate changes.



Accelerating change and progress

In her welcoming remarks, Agnete Johnsgaard-Lewis, BSP Managing Director and Shell Country Chair thanked the commitment and support from those involved in the project.

“As the country progresses towards a low carbon and climate resilient nation, BSP is committed to be a trusted partner with the Government of Brunei and lends its support to shape possible policies that can support Brunei’s ambitions to move towards net-zero by 2050. We believe that the SVA study can be used to underpin further dialogues to drive alignment, decisions and meaningful change between private and public stakeholders. Collaboration is vital to unlock sustainable investments in solutions for a clean energy transition,” Agnete stated.

Emphasising on the benefits of the SVA, Hajah Rosita Haji Hassan, BSP In-Country Value Manager, said, “The System Value Analysis is crucial for Brunei to understand how we can collectively leverage from the clean energy transition journey, and for the country to benefit from the socio and economic impact of the green projects. The possible benefits we can derive from cleaner energy goes beyond just numbers - we believe these solutions can help boost in-country value through the development of green and sustainable projects and especially in the creation of new jobs. Brunei has the potential to reposition itself as a key player for green energy transition in the region.”

The World Economic Forum (WEF) developed the System Value framework to drive discussions and actions to accelerate the clean energy transition. The System Value Analysis of Brunei will be shared and made available to the public on the WEF website next week. From there, the SVA can be used for dialogues to drive alignment, decisions and meaningful change between private and public stakeholders and conducive policy creation towards Brunei’s net zero ambitions.

Shirley Sikun, BSP Head of Energy Transition, said “Accelerating Brunei’s ambitions towards net-zero requires collaboration across all sectors and institutions. When the System Value Analysis is published on the World Economic Forum website, I encourage companies and members of the public to take the time to review the study and ask themselves: “How can we contribute towards a sustainable Brunei?”. Real change can happen when we keep asking questions and engage in thoughtful dialogue.”

BSP is already a willing and able player and is moving in step with the global drive towards a low carbon future, while aiming to sustain its significant contribution to the Brunei economy; sustainably powering Brunei and delivering energy responsibly and safely.

The ceremony was attended by Yang Mulia Haji Azhar Haji Yahya, Permanent Secretary of the Department of Energy, Prime Minister’s Office, attended as the Guest of Honour. Also present were Executive Committee members of the Brunei Climate Change Secretariat, academics and representative from various private sectors.

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NOTES TO EDITORS:

- For more information on System Value, please visit www.weforum.org/projects/system-value