



**Economic and Social
Council**

Distr.
GENERAL

ECE/ENERGY/47
7 March 2002

Original: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON SUSTAINABLE ENERGY

Eleventh session, 21-22 November 2001

REPORT

I. ATTENDANCE

1. The eleventh session of the Committee on Sustainable Energy was held on 21 and 22 November 2001 with the participation of 185 representatives from the following member states: Albania, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Kazakhstan, Kyrgyzstan, Monaco, Norway, Poland, Republic of Moldova, Romania, Russian Federation, Slovakia, Slovenia, Switzerland, Tajikistan, The former Yugoslav Republic of Macedonia, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, United States of America and Yugoslavia. Representatives of the European Community also participated. A representative of China attended under Article 11 of the Commission's terms of reference.
2. The United Nations Department of Economic and Social Affairs (UNDESA), International Atomic Energy Agency (IAEA), United Nations Framework Convention on Climate Change (UNFCCC), United Nations Environment Programme (UNEP), and the World Bank (IBRD) were also represented.
3. The following intergovernmental and non-governmental organizations were in attendance: International Energy Agency (IEA), World Energy Council (WEC), World Coal Institute (WCI), World Petroleum Congress (WPC), Interstate Economic Committee of the Economic Union of the Commonwealth of Independent States (CIS), CIS Interstate Euro-Asia Coal and Metal Community, CIS Electric Power Council, International Committee for Coal and Organic Petrology (ICCP), European Solid Fuels Association (CECSO), World Petroleum Congress and Society of Petroleum Engineers (WPC/SPE).

II. OPENING OF THE SESSION

4. The acting Executive Secretary opened the session by recalling key economic and political developments during the last year, emphasising important changes in the energy field. He pointed out that the recent UNECE Ministerial Declaration on the World Summit for Sustainable Development and the results of the UNFCCC Conference of Parties (COP7) in Marrakesh (Morocco) both showed the importance of sustainable energy development in the UNECE region. The Director of the Sustainable Energy Division welcomed delegations noting that the present session was guided by the Statement from the High-Level Forum on Sustainable Energy in a Competitive Market adopted by the Committee at its tenth session in November 2000. He explained that three issues of greatest concern to member States would be considered in depth during the session: energy security and liberalisation, energy pricing reforms and energy indicators which can be used to measure progress towards actually achieving a sustainable energy economy in the region.

III. ADOPTION OF THE AGENDA (Agenda item 1)

Documentation: ECE/ENERGY/46

5. The agenda was adopted.

IV. BUREAU OF THE MEETING (Agenda item 2)

6. The elected officers were as follows: Chairman: Mr. Henri Blanc (France); Vice-Chairmen: Mr. Bruo Zluwa (Austria); Mr. Boris Varnavskiy (Russian Federation), Ms. Emine Aybar (Turkey), Mr. Trace Cerepnalkovski (The former Yugoslav Republic of Macedonia) and Mr. Miles Greenbaum (United States of America).

V. MATTERS ARISING FROM THE FIFTY-SIXTH SESSION OF THE COMMISSION RELATED TO ENERGY ACTIVITIES (Agenda item 3)

Documentation: E/2001/37; E/ECE/1387; ENERGY/2001/1

7. The Director of the Sustainable Energy Division informed the Committee of matters arising from the fifty-sixth session of the Commission of concern to the Committee, noting that coordination of UNECE activities had been enhanced through the formation of a Steering Committee comprising the Bureau of the Commission, the Chairmen of the Principal Subsidiary Bodies and the Division Directors. The UNECE Steering Committee had reviewed inter-sectoral cooperation and technical assistance activities pursued under the PSB programmes of work and had found a significant scope for such cooperation between the Committee on Sustainable Energy, the Committee on Environmental Policy and to some extent also with the Inland Transport Committee and the Timber Committee. He stated that over sixty per cent of the resources available to the Committee on Sustainable Energy were from extra-budgetary sources that were largely geared to technical assistance activities. He noted that despite these resources, the lack of regular budget staff in the Sustainable Energy Division was the main constraint to maintaining an appropriate and generally acceptable implementation rate for the Committee's projects. The Division Director

looked forward to the careful attention of the UNECE Steering Committee in supporting the Committee on Sustainable Energy its inter-sectoral cooperation and programme of work.

VI. NORMATIVE ACTIVITIES IN SUPPORT OF SUSTAINABLE ENERGY DEVELOPMENT AND USE (Agenda item 4)

- (a) United Nations International Framework Classification for Reserves/Resources (UNFC):
Solid Fuels and Mineral Commodities

Documentation: ENERGY/2001/10, ENERGY/2001/11, ENERGY/2001/12. Note: all United Nations documents for the Committee on Sustainable Energy are available in English, French and Russian on the UNECE Internet website www.unece.org/energy .

8. The Committee was informed about the progress of the United Nations International Framework Classification for Reserves and Resources (UNFC) by Mr. Dietmar Kelter, Chairman of the UN Task Force on the Practical Implementation of the UNFC. He noted that since 1997 in accordance with ECOSOC Decision 1997/226, the Classification had been successfully implemented in more than 60 countries worldwide. A number of countries, particularly in Asia, had developed their national classifications (India, China, Indonesia, Malaysia, Philippines) by applying the UNFC three-dimensional criteria. The trial period for implementation of the UNFC to solid fuels and mineral commodities demonstrated that there were no serious difficulties faced by countries in applying the UNFC in practice.

9. Some countries had accepted the UNFC as a positive tool and adopted it as a national standard. Other countries, especially in Africa, still lagged behind due to lack of financial support but also recognized the advantages of the Classification. In the ECE region, the UNFC was widely recognised while more needed to be done to promote it in Latin America. The classification was to serve as an input to the World Summit on Sustainable Development to be held in Johannesburg (South Africa) 2-11 September 2002. Mr. Kelter noted that the Guidelines adopted by the last Task Force meeting (ENERGY/2001/10 and 11) would undoubtedly be helpful in the further implementation of the UNFC. The Task Force advised the Committee that the implementation trial period had been successfully completed.

10. The Committee:

- (i) Adopted the report of the Task Force on UNFC meeting, welcomed the widespread implementation of UNFC and its presentation to the World Summit on Sustainable Development;
- (ii) Expressed its satisfaction with the valuable contribution of the UNFC Task Force members to the promotion of implementing, developing and finalising the basic supplementary documents of UNFC and organising several regional seminars worldwide from 1997 to 2001;
- (iii) Welcomed the completion of the trial period of implementation and recommended that further assistance from ECE for implementation of UNFC should be provided within the

new project on Harmonizing Definitions for Reserve/Resource Classification of Energy Commodities - Petroleum, Natural Gas, Coal and Uranium;

- (iv) Requested the secretariat to publish the final version of the Guidelines (Documents ENERGY/2001/10 and 11) in all official UN languages, to make it compatible with the Classification);
- (b) Definitions for Reserve/Resource Classification of Energy Commodities - Petroleum, Natural Gas, Coal and Uranium

Documentation: ENERGY/2000/8; and ENERGY/AC.4/2001/2

11. The Chairman of the UN Task Force on the Practical Implementation of the UNFC, Mr. Dietmar Kelter, the Chairman of the Committee and the secretariat introduced the conclusions and recommendations of the Inter-Agency Task Force meeting held in June 2001. The mandate of this meeting had been to discuss the prospects for harmonizing the terms and terminologies of different energy reserves/resources, including petroleum, natural gas, coal and uranium. This had to be accomplished in cooperation with other international institutions working in this field: the International Atomic Energy Agency (IAEA), World Energy (WEC), Council of Mining and Metallurgical Institutions (CMMI), World Petroleum Congress/Society of Petroleum Engineers (WPC/SPE).

12. The Inter-Agency Task Force concluded that accurate and uniform definitions were available now for all fossil fuels (petroleum, natural gas, coal and uranium) although they differed so greatly that their harmonization into a uniform scheme seemed neither realistic nor acceptable to all parties concerned. Task Force participants recommended that a more practical approach would be to harmonize the definitions by applying the Codification Tool of the UNFC. Representatives of several countries reported that they had already tried to accommodate other energy commodities into the Codification System of UNFC and had found no major obstacles to doing so. However, it was acknowledged that this approach would require careful preparation to establish draft definitions, with a view to properly distributing the inventories of oil, natural gas and uranium commodities within the UN Codification System. This exercise would obviously require a multi-disciplinary approach.

13. The Committee:

- (i) Decided to establish formally an Ad Hoc Group of Experts on Harmonization of Energy Reserves/Resources, to apply the Codification System of the UNFC with the existing commodities definitions;
- (ii) Recommended that the secretariat provide support for consultants to assist in preparing the methodology distributing different commodity inventories within the UN Codification System;
- (iii) Recommended that the Ad Hoc Group should include equally experts from petroleum, natural gas, coal and uranium communities and institutions. The secretariat should formally

request the Organisation of Petroleum Exporting Countries (OPEC), World Petroleum Congress (WPC), World Energy Council (WEC), Nuclear Energy Agency (OECD/NEA), International Atomic Energy Agency (IAEA), Council of Mining and Metallurgical Institutions (CMMI) and World Energy Council (WEC) to nominate representatives to this Group;

- (iv) Recommended that the secretariat provide fully serviced conference facilities including simultaneous interpretation to the activities of this Group, bearing in mind the international character and linguistic complexity of the issue.

(c) Energy Efficiency Standards and Labels

14. The representative of Italy, Mrs. Milena Presutto, described the activities of the Joint UNECE/European Commission SAVE Programme project on energy efficiency standards and labels for selected domestic appliances and lighting implemented 1994-1997 as SACHA1 and 1998-2000 as SACHA2. She noted that the final report of the SACHA2 project was very comprehensive and would therefore be issued as an e-Book on a CD-ROM. The cooperation between the UNECE and the European Commission established under these two projects was to be extended in the framework of Energy Efficiency 21 for the dissemination of experience in energy efficiency policy reforms between European Union member countries and central European countries in a pre-accession phase to the European Union.

15. The Committee:

- (i) Took note of the important progress achieved, under the auspices of the Energy Efficiency 21 Project, in the joint UN ECE/European Commission SAVE Programme SACHA 2 Project;
- (ii) Expressed appreciation for the support of the European Commission SAVE Programme Committee for the SACHA 2 Project and for the leadership and assistance of experts from Italy and Germany;
- (iii) Welcomed the positive cooperation between the UN ECE and the European Commission SAVE Programme under the SACHA projects and considered that this would serve as a model for such collaboration in the future under the European Commission FFP Energy E-GRIDS Project;
- (iv) Welcomed the publication by the UNECE of the final report of the SACHA 2 Project 'East-West Energy Efficiency Standards and Labels' as an e-Book which includes the large data bases of the project as a CD-ROM supplement to the report.

VII. REFORMING ENERGY PRICES FOR SUSTAINABLE ENERGY DEVELOPMENT (Agenda item 5)

Documentation: ENERGY/2001/6

16. This item was introduced with a series of presentations on: The Evolution of Energy Prices in Hungary, Mr. Laszlo Molnar (Hungary); Energy Subsidy Reform: Results of an IEA/UNEP Study, Mr. Mark Radka (UNEP); External Costs of Energy – from Quantification to Internalisation, Mr. Wolfram Krewitt (Germany); Starting to Internalise External Costs in the European Union, Mr. Domenico Rossetti di Valdalbero (European Commission); and Enhancing the Environment by Reforming Energy Prices, Mr. Martin Klotz (Czech Republic). Most of the PowerPoint presentations delivered under this agenda item can be viewed on the UNECE Internet website www.unece.org/energy.

17. The secretariat introduced a discussion paper on Reforming Energy Prices for Sustainable Development (ENERGY/2001/6) for two main purposes: (a) to provide a context for an exchange of views by delegates on energy pricing, subsidization and the internalisation of environmental externalities in order to promote sustainable energy development; and (b) to consider a programme of work and follow up steps for the proposed Intergovernmental Task Force.

18. The issues of energy pricing, subsidization and the internalisation of externalities are highly relevant to UNECE member States, those with economies in transition and western countries. However, priorities and approaches invariably differ between the two groups of countries. Energy pricing is a pressing issue for governments with economies in transition where energy prices have remained below market levels and where prices do not reflect the costs of energy production. For western countries, internalisation of environmental costs and subsidization are most important. International cooperation through the Committee could assist member States from both groups to promote the convergence of their long term policy concerns and related measures.

19. The Committee:

- (i) Expressed appreciation for the secretariat background paper Reforming Energy Prices for Sustainable Energy Development (ENERGY/2001/6) and the Terms of Reference;
- (ii) Took note of the decision taken by the ECE Committee on Environmental Policy to create a Task Force including experts from environmental policy making;
- (iii) Welcomed the establishment of a Task Force (2002-2005) on Environment and Energy, together with the Committee on Environmental Policy, convened to produce Non-legally Binding Guidelines for decision-makers on reforming energy prices to support sustainable energy development;
- (iv) Invited interested ECE member States to designate their representatives to the Task Force by 31 December 2001;
- (v) Recommended that the secretariat organise, as soon as possible, a consultative meeting to

establish the final programme of the Task Force and if deemed necessary, to designate a country-coordinator for each of the three areas of work programme;

- (vi) Invited interested UNECE member States to provide logistic support to the activities of the Task Force during its mandate;
- (vii) Invited participating UNECE countries to provide support directly in cash or 'in-kind' to the activities of the Task Force;
- (viii) Requested the secretariat to seek extra-budgetary resources required for consultancy assistance and other advisory services related to the mandate of the Task Force;
- (ix) Invited other international organisations, such as the United Nations Environment Programme (UNEP), Organisation for Economic Cooperation and Development (OECD), International Energy Agency (IEA/OECD), International Atomic Energy Agency (IAEA), and the World Health Organisation (WHO) to nominate experts to the Task Force.

VIII. IMPLICATIONS OF MARKET LIBERALIZATION FOR ENERGY SECURITY (Agenda Item 6)

Documentation: ENERGY/2001/7

20. This item was introduced with a presentation by the Director, Sustainable Energy Division on the secretariat background paper (ENERGY/2001/7). This was followed by a series of presentations on: US Energy Security and Market Reforms: Recent Experience in California, Mr. Thomas Sacco (United States); Implications of Market Liberalisation for Energy Security, Mr. Matti Supponen (European Commission); Energy Efficiency and Energy Security in the CIS, Mr. Victor Dobrokhotoy (Russian Federation); World Energy Market Challenges: the Ethical Dimension, Mr. Jean-Romain Frisch, (World Energy Council); and Energy Security in the Russian Federation, Mr. Boris Varnavskiy (Russian Federation). Most of the PowerPoint presentations delivered under this agenda item can be viewed on the UNECE Internet website

www.unece.org/energy.

21. The Committee:

- (i) Took note with appreciation of the presentations and discussion on the concerns of member countries regarding energy security;
- (ii) Recognized the growing importance of strengthening measures and policies to improve energy security, particularly in the light of new and emerging market developments and the risks posed by terrorism;

- (iii) Welcomed the need to re-examine energy policies on coal, nuclear power, indigenous energy production, new and renewable energies and environmental measures in the light of the growing concern about energy security;
- (iv) Expressed appreciation for the United Nations publication of the study 'Energy Efficiency and Energy Security in the CIS' (ECE/ENERGY/44) in English and Russian;
- (v) Requested the secretariat to consider organizing a seminar on energy security concerns of ECE countries with the participation of all relevant stakeholders.

IX. INDICATORS FOR SUSTAINABLE ENERGY DEVELOPMENT

(Agenda item 7)

Documentation: ENERGY/2001/8

22. The Committee received presentations on this agenda item on: Indicators for Sustainable Energy Development, Mr. Ivan Vera, Mr. Gareguine Aslanian (IAEA); Indicators for Sustainable Energy Development, Mr. Anil Markandya (World Bank); Eurostat Indicators for Sustainable Energy Development, Mr. Domenico Rossetti di Valdalbero (European Commission), Indicators for Sustainable Energy Development: a Tool for Policy Assessment, Mr. Carmen Difiglio (IEA/OECD) and Agenda 21 and Indicators for Sustainable Development, Ms. Kathleen Abdalla (UN/DESA). Most of the PowerPoint presentations delivered under this agenda item can be viewed on the UNECE Internet website www.unece.org/energy.

23. A presentation was given by the secretariat on the background paper Indicators of Sustainable Energy Development: A Collaborative Project (ENERGY/2001/8) which described the process of developing the indicators with the partner international institutions in relation to the three priorities of the Committee: reforming energy pricing policies, energy security and energy efficiency. The presentation covered the complementary nature of the work methods used by the participating international organisations in this activity and potential for follow up action.

24. The Committee:

- (i) Expressed appreciation for the background paper (ENERGY/2001/6) prepared by the International Atomic Energy Agency (IAEA) and for the presentations delivered during the session;
- (ii) Welcomed the progress made in developing indicators and the multi-disciplinary work methods and collaborative approach adopted by the international organisations participating in the project;
- (iii) Noted with satisfaction that the close cooperation established on this project helped to eliminate and overlapping or duplication of effort among participating institutions;
- (iv) Noted that indicators may not be equally applicable to situations and that each application must be carefully evaluated on a case-by-case basis;

- (v) Recommended that the secretariat explore modalities to continue cooperation on this project and to develop its activities with the partner international organisations including: the International Atomic Energy Agency (IAEA), United Nations Department of Economic and Social Affairs (UN/DESA), International Energy Agency (IEA/OECD); World Bank (IBRD), European Commission (EC), Nuclear Energy Agency (NEA/OECD), United Nations Educational, Cultural and Scientific Organization (UNESCO) and interested ECE member States;
- (vi) Requested the secretariat to report on progress achieved during its twelfth session in November 2002.

X. REVIEW OF ACTIVITIES OF SUBSIDIARY BODIES

(Agenda item 8)

- (a) Steering Committee of the Energy Efficiency 21 Project

Documentation: ENERGY/WP.4/2001/2

25. The secretariat introduced this agenda item with a summary of recent developments of the Energy Efficiency 21 Project and its sub-regional projects: the UNF/UNFIP Energy Efficiency Investments for Climate Change Mitigation project (ECE-CIS-99-043) and the Regional Network for the Efficient Use of Energy and Water Resources (RENEUER).

26. The representative of the United Nations Framework Convention on Climate Change (UNFCCC), Ms. Katia Simeonova, presented the most recent developments on the implementation modalities of the Kyoto Protocol from the recently concluded negotiations at the seventh Conference of Parties (COP7) held on 29 October to 9 November 2001 in Marrakesh (Morocco).

27. The Vice Chairman of the Committee, Mr. Miles Greenbaum, described the first UNECE/US Department of Energy (DOE) International Conference on Hybrid Power Systems held on 24-25 May 2001 in Newport Beach, California (United States). He noted that the first conference was a significant success and a second meeting was being organised to take place on 16-17 April 2002 in Charlotte, North Carolina (United States). He distributed copies of the conference proceedings as a CD-ROM to the Committee.

28. The Committee:

- (i) Noted with satisfaction that the Energy Efficiency 21 Project described in the Project Plan for 2000-2003 provided UNECE member States with an appropriate region-wide strategy to address commitments undertaken within the framework of the UNFCCC;
- (ii) Expressed appreciation to the secretariat of the UNFCCC for maintaining close cooperation with the Energy Efficiency 21 Project activities noting the complementary character of this collaboration;

- (iii) Welcomed with appreciation the support of the US Department of Energy and the outcome of the first UNECE/DOE International Hybrid Power Systems Conference while encouraging interested delegations to take part actively in the forthcoming conference in 2002;
- (iv) Expressed appreciation to the National Coordinators from economies in transition and supporting institutions for their willingness to provide financing, co-financing or in kind contributions for the project and to the UN/ECE secretariat for project management and assistance to member States in the implementation of the project;
- (v) Welcomed in particular the support and participation of the: Government of France, Government of Norway, Government of Italy and European Commission SAVE Programme, United States Department of Energy and the USAID and Alliance to Save Energy MUNEE Project;
- (vi) Welcomed the participation of the International Energy Agency (IEA/OECD) Climate Technology Initiative in the Energy Efficiency 21 Project, and the coordination between the two organisations that this represented;
- (vii) Recommended that the Bureau and the secretariat continue its discussions with supporting institutions on the nature and extent of their contributions to the Project;
- (viii) Welcomed the new version of the RENEUER project concept proposal (ENERGY/WP.4/2001/5) revised to include the efficient use of water resources;
- (ix) Requested the Energy Efficiency 21 Bureau and the secretariat to discuss support for the RENEUER project, to prepare a final project document following those discussions and report on progress to the Committee on Sustainable Energy in November 2002.
- (b) Working Party on Gas, related Ad Hoc Groups of Experts and Gas Centre

Documentation: ENERGY/WP.3/2001/2, ENERGY/WP.3/GE.1/2001/2 and ENERGY/WP.3/GE.5/2001/2

29. The secretariat presented the recent developments of the Working Party on Gas, its Ad Hoc Groups of Experts and the Gas Centre. The Committee:

- (i) Took note with appreciation of the work undertaken by the Working Party on Gas and the Gas Centre;
- (ii) Expressed satisfaction with the new orientation and programme of work of the Gas Centre established during 2000;
- (iii) Encouraged gas companies to contribute to the Trust Fund of the Gas Centre.

(c) Ad Hoc Group of Experts on Coal and Thermal Power

Documentation: ENERGY/GE.1/2001/1; ENERGY/GE.1/2001/3; ENERGY/GE.1/2001/4; and ENERGY/GE.1/2000/2

30. The Committee took note of the information and endorsed the programme of work of the Ad Hoc Group of Experts on Coal and Thermal Power.

(d) Ad Hoc Group of Experts on Extension of European Electricity Interconnection

Documentation: ENERGY/GE.2/2001/1; and ENERGY/GE.2/2000/2

31. The Committee took note with appreciation of the progress made and endorsed the activities of its Ad Hoc Group of Experts on Extension of European Electricity Interconnection.

**XI. REGIONAL ADVISORY SERVICES, INCLUDING SUB-REGIONAL
ACTIVITIES, IN THE FIELD OF ENERGY** (Agenda item 9)

Documentation: ENERGY/2001/13

(a) Regional advisory activities

32. The Committee received a report from the Regional Adviser on Energy on the wide range of activities pursued under this programme during 2000-2001 as an introduction to presentations from high level officials from Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan on a study tour organised under the SPECA project.

33. The Committee took note and welcomed with appreciation the Regional Advisory services provided to the Energy Efficiency 21 Project and the project on Energy Efficiency and Energy Security in the CIS.

(b) Project on rational use of energy and water resources in Central Asia under the auspices of SPECA

34. The Committee:

(i) Took note and welcomed with appreciation the Regional Advisory services provided to the SPECA project 'The Efficient Use of Energy and Water Resources in Central Asia';

(ii) Welcomed with satisfaction the active participation of the high level delegations from Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan in the Committee session.

(c) Current projects under Southeast European Cooperative Initiative (SECI) related to the Interconnection of sub-regional electric power networks

Documentation: ENERGY/2001/14

35. The representative of The former Yugoslav Republic of Macedonia reported to the Committee on developments of the US Agency for International Development (USAID) Southeast Europe Regional Electricity Market Initiative. He described recent activities of the USAID supported SECI Project Group on the Development of the Interconnection of Electric Power Systems of SECI Countries for the Better Integration of the European System.

36. The Committee took note with appreciation of the work done in the above mentioned SECI project and expressed a wish to be kept informed of relevant progress.

XII. ECE PROGRAMME OF WORK IN THE FIELD OF ENERGY

(Agenda item 10)

(a) Energy activities arising from decisions of the Commission; inter-sectoral, gender mainstreaming and global processes

37. The Committee noted with satisfaction that the recent decisions of the Commission and the emphasis of the new UNECE Steering Committee were reflected in the Committee's programme of work under relevant work programme elements.

(b) Programme of work including the work programme of subsidiary bodies

Documentation: ENERGY/2001/2; ENERGY/GE.1/2000/ 2; ENERGY/GE.2/2000/2; and ENERGY/WP.3/2001/4

38. The Committee reviewed its programme of work including that of its subsidiary bodies on the basis of a note prepared by the secretariat.

39. The Committee adopted its programme of work including that of its subsidiary bodies as reproduced in Annex I.

(c) Calendar of meetings

Documentation: ENERGY/2001/3

40. The Committee approved the calendar of meetings as set out in Annex II.

XIII. COOPERATION AND COORDINATION WITH OTHER BODIES

(Agenda item 11)

Documentation: ENERGY/2001/4, ENERGY/2001/5

41. The Committee reviewed its coordination and cooperation with other Principal Subsidiary Bodies of the Commission as well as with other intergovernmental and non-governmental organizations and the business community on the basis of the documentation prepared by the secretariat.

XIV. OTHER BUSINESS

(Agenda item 12)

42. The conference proceedings of the first UNECE/US Department of Energy (DOE) International Conference on Hybrid Power Systems held in on 24-25 May 2001 in Newport Beach, California (United States) are available as a CD-ROM on request from the secretariat. The final report of the European Commission SAVE Programme/Energy Efficiency 21 SACHA 2 Project issued as the UN ECE publication 'East-West Energy Efficiency Standards and Labels', an e-Book which includes the large data bases of the project as a CD-ROM supplement to the report will be sent to all participants of the eleventh session of the Committee.

XV. ADOPTION OF THE REPORT

(Agenda item 13)

43 The Committee agreed that the meeting report be drafted in consultation with members of the Bureau and approved by the Bureau and then circulated to countries.

ANNEX I

PROGRAMME OF WORK 2002-2003

OVERVIEW & PROGRAMME ACTIVITIES

Related programme elements and implementing bodies

(C: Committee; WP.G: Working Party on Gas; EE 21: Steering Committee of the Energy Efficiency 21 Project; GE.C: Ad Hoc Group of Experts on Coal and Thermal Power; GE.E: Ad Hoc Group of Experts on Extension of European Electricity Interconnections; G.C: Gas Centre)

1. NORMATIVE ACTIVITIES IN THE ENERGY FIELD INCLUDING LABELLING AND CLASSIFICATION SYSTEMS AND RELATED LEGAL AND POLICY FRAMEWORK

Work to be undertaken: To develop and implement norms and standards, and to harmonize legislation, regulations and policies in the field of energy in order to promote sustainable energy development, such as:

- S development and implementation of the United Nations International Framework Classification for Reserves/Resources: Solid Fuels and Mineral Commodities (C);
- S harmonization of terminology for Reserve/Resource Classification of Energy Commodities - Petroleum, Natural Gas, Coal and Uranium (C);
- S development of energy efficiency standards and labelling systems (C, EE 21);
- S preparation and publication of study on energy efficiency standards and labels in seven countries with economies in transition (EE 21);
- S provision of technical assistance to countries with economies in transition in the regulatory and policy fields (C).

Work methods: To be carried out at annual sessions of the Committee and through Ad Hoc Groups of Experts, Task Forces, conferences, seminars, workshops, special studies and through the Regional Advisory Services.

2. OPENING AND LIBERALIZATION OF ENERGY MARKETS; PRICING POLICIES AND SUPPLY SECURITY

Work to be undertaken: To assess the major developments and new trends in the restructuring and liberalization of energy markets, inherent challenges and opportunities associated with the opening up of energy markets and to address issues related to the implementation of the regulatory, trading and technical aspects of market liberalization, such as:

- S assessment, monitoring and exchange of experiences regarding the implementation of the EU Gas Directive in EU member states and, in particular, its extension to other ECE countries (G.C);
- S dialogue with private sector on the implementation of market liberalization principles and practices (C, G.C);
- S preparation and publication of study on energy efficiency and energy security in the CIS (C, EE 21);
- S exchange of views as well as policy-related studies on implications of market liberalization for government objectives, such as, energy security and protection of the environment (C);
- S assessment of prospects for coal and coal-based electricity in liberalized energy markets (C, GE.C);
- S technical advisory missions relating to regulatory matters, industry restructuring and market liberalization (C, G.C).

Work methods: Exchange of information and experiences among member countries at annual sessions of the Committee and its subsidiary bodies, and through Task Forces, seminars, workshops, technical missions and Regional Advisory Services, including preparation of analyses.

3. SUSTAINABLE ENERGY STRATEGIES FOR THE TWENTY-FIRST CENTURY

Work to be undertaken: To promote the development and implementation of strategies and policies to facilitate the transition to a more sustainable energy future and to contribute a regional perspective to global events where issues related to energy sustainability are addressed, such as:

- S development of guidelines for reforming energy prices for sustainable energy development (C);
- S review of sustainable energy indicators for monitoring performance (C);
- S regional input to the work and activities of the Commission on Sustainable Development (C);
- S dialogue with the private sector and non-governmental organizations to facilitate transition to sustainable energy future (C);
- S dissemination of information and provision of technical assistance to countries with economies in transition in the field of renewable energy (C);
- S participation in international efforts to develop bench marking systems for industrial

processes to promote environmentally benign best practices, notably in countries with economies in transition (C).

Work methods: Through exchanges of experiences at the annual session of the Committee and through Ad Hoc Groups of Experts, Task Forces, conferences, seminars, workshops, special studies and through the Regional Advisory Services.

4. RATIONAL USE OF ENERGY, EFFICIENCY AND CONSERVATION

Work to be undertaken: To harmonize and develop guidelines and strategies to enhance energy efficiency and conservation, and to develop projects to reduce the energy efficiency gap between actual practice and best technologies, and among ECE countries, in particular between the formerly centrally planned economies and the market economies, such as:

- S development of guidelines for improving energy conservation and efficiency, in particular, in countries with economies in transition (C, EE 21);
- S networking and information exchange, including through world wide web (EE 21);
- S development and implementation of energy efficiency demonstration zones in economies in transition (EE 21);
- S institutional capacity building and training activities in business planning, financial engineering and project development (EE 21);
- S assistance in securing financing for energy efficiency projects (EE 21);
- S rational use of energy and water resources in Central Asia under the auspices of the Special Programme for Economies of Central Asia - SPECA (C, EE21);
- S exchange of views and technical information on the efficiency of gas equipment and appliances (WP.G).

Work methods: Implemented through national participating institutions, private sector companies, international financial institutions, commercial banks, international organizations, other multi- and bilateral technical assistance programmes, Ad Hoc Groups of Experts and Regional Advisory Services, as well as through meetings, training sessions, workshops, seminars and special studies.

5. ENERGY INFRASTRUCTURE INCLUDING INTERCONNECTION OF ELECTRIC POWER AND GAS NETWORKS

Work to be undertaken: To encourage the modernization, extension and transboundary interconnection of the energy infrastructure of member countries in order to promote energy trade, economic efficiency and the fuller integration of energy systems in the ECE region, such as:

- S annual reviews of the situation and prospects for European interconnections in the

fields of electric power and natural gas (C, WP.G, GE.E);

- S technical assistance and support to develop a regional electricity market and better integration of the electricity networks of countries in Southeast Europe under the auspices of the Southeastern European Cooperative Initiative - SECI (GE.E);
- S updates of studies on Underground Gas Storage, Gas Grids and Map of Natural Gas Reserves (WP.G);
- S assessment of the feasibility of developing an international programme to establish a transboundary corridor in the ECE region for freight traffic by natural gas vehicles - NGVs, the ABlue Corridor@ (WP.G).

Work methods: Exchange of information and views during annual sessions of the Committee, coordination of activities and joint meetings with sub-regional organizations, and through Ad Hoc Groups of Experts composed of representatives of interested governments, companies and other international organizations as well as through seminars and workshops, including special studies.

6. COAL AND THERMAL POWER GENERATION IN THE CONTEXT OF SUSTAINABLE ENERGY DEVELOPMENT

Work to be undertaken: To provide an overview of the policies and programmes carried out in member states for achieving environmental protection and sustainable development in the coal and thermal power sectors and to promote technical cooperation among member states in applying clean coal technologies and practices throughout the coal-energy chain, such as:

- S periodic assessments of the prospects and outlook for coal and thermal power (C, GE.C);
- S periodic gathering of information and analysis on coal industry restructuring, particularly in countries with economies in transition (C, GE.C);
- S assessment of the opportunities for coal in a competitive energy market (C, GE.C);
- S dissemination of information on the rehabilitation of coal mining sites and more environmentally friendly coal preparation and upgrading processes (GE.C);
- S evaluation, promotion and dissemination of information on agreed policies and cooperation on clean coal combustion in small and medium sized boilers (GE.C);
- S dissemination of information on improving the thermal efficiency of large coal-fired power plants and the reduction of environmentally harmful emissions, particularly for the benefit of countries with transitional economies (GE.C).

Work methods: Exchange of information and views at the annual session of the Committee and through the Ad Hoc Group of Experts on Coal and Thermal Power, seminars, workshops and

study tours; and through the preparation of studies, as well as presentation of case studies on successful projects.

ANNEX II

CALENDER OF MEETINGS OF THE COMMITTEE ON SUSTAINABLE ENERGY AND ITS IMPLEMENTING BODIES IN 2002

COMMITTEE ON SUSTAINABLE ENERGY

- S Committee on Sustainable Energy, twelfth session, 20-21 November, Geneva
- S Ad Hoc Group of Experts on Coal and Thermal Power, fifth session, 18-19 November, Geneva
- S Ad Hoc Group of Experts on Extension of European Electricity Interconnections, fifth session, 22 November, Geneva
- S Ad Hoc Group of Experts on Harmonization of Energy Resources Terminology, 12-13 June, Geneva
- S Task Force on the Application of UN Framework Classification for Reserves/Resources, 19-20 November, Geneva
- S Task Force on Environment and Energy (reforming energy prices), Czech Republic (date and place to be determined)

STEERING COMMITTEE OF THE ENERGY EFFICIENCY 21 PROJECT

- S Steering Committee on Energy Efficiency 21, 24-26 June, Geneva
- S Ad Hoc Group of Experts on Energy Efficiency Investments for Climate Change Mitigation, 25-26 March, Geneva
- S Ad Hoc Group of Experts on Energy Efficiency Investments for Climate Change Mitigation, 23-24 September, Geneva

WORKING PARTY ON GAS

- S Working Party on Gas, twelfth session, 22-23 January, Geneva
- S Advisory Board of Gas Centre, 21 January, Geneva
- S Ad Hoc Group of Experts on Supply and Use of Gas, 24 January, Geneva
- S Ad Hoc Group of Experts on Natural Gas Resources, 14 June, Geneva

- S Seventh High-level meeting of the Gas Centre, second half of April, Budapest, Hungary
- S Task Force on the implementation of the EU Gas Directive (two meetings, dates and places to be determined)
- S Task Force on Transport and Tariffs of Gas (GATE 2010) (two meetings, dates and places to be determined)
- S Gas Centre Database Committee meetings (two meetings, dates and places to be determined)

SYMPOSIA, WORKSHOPS AND STUDY TOURS

- S Workshop on Opportunities for Coal in a Competitive Energy Market, 27-29 May, Budapest, Hungary
- S Workshop on Clean Coal Combustion in Small and Medium Sized Boilers, September, Brasov, Romania
- S Workshop on Regulatory, Industry Restructuring and Market Liberalization, (date and place to be determined), Yugoslavia