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Programme of work, biennial evaluation, strategic framework

Biennial evaluation report for 2010–2011 (Sub-programme 5: Sustainable Energy)

Note by the secretariat

Summary

This note is prepared pursuant to the decision of the Commission (document E/2004/37-E/ECE/1416), requesting Sectoral Committees to conduct biennial performance evaluations of their work programmes.

The note provides the 2010–2011 biennial performance evaluation report for the programme of work of the United Nations Economic Commission for Europe (UNECE) Sustainable Energy Subprogramme. The evaluation follows the 2010–2011 biennial evaluation plan (document ECE/ENERGY/2010/6), which was endorsed by the Committee at its nineteenth session of 2010 and is provided in a restructured format in the annex to this note for ease of reference.

The biennial performance evaluation report establishes links between the expected accomplishments (EA) and indicators of achievement (IA) of the 2010–2011 Strategic Framework, and divides the Committee's areas of work in four clusters.

The Committee is invited to endorse the biennial evaluation report.

Cluster 1: Sustainable Energy strategies for the twenty-first century

Expected accomplishment

1. Progress towards sustainable energy development, in particular cleaner energy production, energy security and diversification of energy sources

Indicators of achievement:

(i) Percentage of survey respondents indicating that they have undertaken concrete actions or policy changes as a result of a dialogue between governments, industry and the financial sector

Performance measures:

2006–2007: 55 per cent

2008–2009: 60 per cent

Target 2010–2011: 65 per cent

Achieved: 70 per cent

(ii) Percentage of survey respondents indicating that they find UNECE information, technical and policy-oriented reports on sustainable energy issues very useful

Performance measures:

2006–2007: 46 per cent

2008–2009: 60 per cent

Target 2010–2011: 65 per cent

Achieved: 86 per cent

Statement of accomplishments

2. During this biennium, the Committee on Sustainable Energy provided a policy forum on affordable and sustainable energy for 35 countries, and 17 intergovernmental and non-governmental organizations. It also explored how energy and climate policies and investments could enable a sustainable energy future, in particular in the UNECE region.
3. Annual surveys indicated that more than 72 per cent of respondents benefitted from policy dialogue and found the analyses and material produced by the Committee "useful" and 'very useful' for decision making. Over 80 per cent of those respondents indicated to be decision-makers or advisers to decision-makers.
4. During the last two sessions of the Committee on Sustainable Energy (24–26 November 2010; 16–18 November 2011), a paper-based questionnaire showed that 68% and 72% respectively among participants indicated to be a decision-maker or adviser to decision-maker and due to their position they can be considered as having an influence in concrete policy changes.
5. The overwhelming majority of the respondents (86%) to the paper-based questionnaires (Committee on Sustainable Energy session, 24–26 November 2010 and 16–18 November 2011) found the discussions either useful or very useful. None of the participants to the questionnaire considered it non-useful.

Lessons learned

6. The important lesson learned was that the discussion promoted by the Committee has brought out the salient points that must be understood to activate the public and private sectors to act at the scale needed to deal with the energy challenges. The Committee is mainly concentrated on needed framework conditions for investment in primary energy resources, and policies to ensure efficient mid- and downstream energy markets.

Cluster 2: Rational use of energy efficiency and conservation**Expected accomplishment**

7. Progress in addressing energy conservation and efficiency issues across the UNECE region, especially those leading to a reduction in energy-related environmental impacts, including progress in the formation of energy efficiency markets in economies in transition

Indicators of achievement:

(i) Increased number of energy efficiency investment projects developed under the UNECE Energy Efficiency 21 (EE21) Programme that have been approved for financing in the countries with economies in transition

Performance measures :

2006–2007: no projects

2008–2009: 14 projects

Target 2010–2011: 16 projects

Achieved: 25 projects

Statement of accomplishments

8. Under the "Financing Energy Efficiency and Renewable Energy Investments for Climate Change Mitigation" (FEEI) project of the EE21 Programme the subprogramme conducted a regional analysis to identify needed policy reforms to promote energy efficiency and renewable energy investments, established a network of national institutions participating in the project and local experts, and laid foundation for a dedicated public-private partnership investment fund. UNECE also held conferences and expert workshops in Kazakhstan, the former Yugoslav Republic of Macedonia, the Russian Federation, Tajikistan and Ukraine to share best practices and lessons learned on enhancing national policies and legislation. These events helped to overcome earlier identified institutional and financial barriers and led to the development of projects on energy efficiency and renewable energy in several countries.

9. A preliminary pipeline of 300 project proposals has been identified by the Investment Fund Designer of the FEEI project for consideration as the investment fund will be established.

10. FEEI project is a multi-donor project executed by UNECE in 12 South-Eastern European and Eastern European and Central Asian countries. According to the project document with one of the supporting institutions (UNEP/GEF) a mid-term evaluation took place in 2011. A mid-term review of the project was conducted by an independent external consultant. The overall rating of the project is "moderately satisfactory". A précis of the main conclusions of the review regarding project achievements and performance follows:

- The project implemented the planned activities, produced the planned outputs in two of its three components, and most of the planned outputs of the third component.
- The “energy policy and regulatory framework component” has produced an excellent policy overview over the Renewable Energy and Energy Efficiency (RE&EE) situation in the 12 FEEI countries and gives policy recommendations for each country. The Astana International Energy Efficiency Forum of 2010 was a success and is now a regular annual event. In addition, visits of policy experts giving individual policy advice were undertaken in several countries. Their work is of good quality.
- The “capacity building and project pipeline component” has created a FEEI website with links to national FEEI websites. The list of projects submitted by the NPIs/NCs to the project management unit includes 200 project proposals. However, uncertainty about whether and when the Fund will be created has partly undermined the impact of the capacity building and project preparation efforts. Some of the best finance and business consultants are keeping a low wait-and-see profile.
- The activities and outputs of the “Equity and Mezzanine Fund component” were expected to have been completed within a year after the start of the Fund Designer contract. A number of details need clarification, including how UNECE will manage its financial support to project preparation. A Lead Investor/Fund Manager willing to put up 10 percent of the total €250 million finance has been identified: NBGI Private Equity (NBGI PE). The Fund Designer has not yet begun the placement agent activity of soliciting investor interest for the Fund based on an Investment Prospect.

11. Self-evaluation of the FEEI project had been conducted for the period of 2010-2011. The purpose of this self-evaluation was to assess the success of the Project in achieving the objectives of member States and other stakeholders on financing of energy efficiency (EE) and renewable energy (RE) projects and to identify concrete actions for improvement. Upon completion of the self-evaluation period a substantive report had been prepared. The conclusions and recommendations of this report are based on conclusions and recommendations of the mid-term review conducted in the framework of the project in 2011.

Lessons learned

12. The positive experience from the EE21 Programme in the UNECE region can also be shared and promoted in other regions of the world through the Global Energy Efficiency project (GEE21), in cooperation with the other UN Regional Commissions. The analysis contained in UNECE publication “Financing Global Climate Change Mitigation” allowed for preliminary conclusions on the importance of raising awareness and disseminating skills necessary for its delivery, the crucial role of policy reforms to create enabling institutional environment where energy efficiency improvements can be realized, measured and priced, and the necessity of a global carbon regime that provides strong incentives for lower energy consumption levels and makes the appropriate knowledge, technology and financing available to all countries.

Cluster 3: Normative activities in the energy field including labelling and classification systems and related legal and policy framework

Expected accomplishment

13. Further extension and implementation of UNECE recommendations/guidelines and instruments for sustainable energy development, in particular the extension and implementation of the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources 2009 (UNFC-2009).

Indicators of achievement:

(i) Increased number of professional organizations and international standard-setting organizations supporting the further development and implementation of UNFC-2009, including as a basis for financial reporting standards for extractive activities

Performance measures:

2006–2007: 7 new organizations

2008–2009: 4 new organizations

Target 2010–2011: 5 new organizations

Achieved: 8 new organizations

(ii) Increased number of countries expressing intent to apply UNFC-2009 in their fossil energy and uranium resources management

Performance measures:

2006–2007: 18 countries

2008–2009: 8 countries

Target 2010–2011: 10 countries

Achieved: 12 countries

Statement of accomplishments

14. The increasing number of both ECE and non-UNECE Member States that attended the annual meetings of the Expert Group on Resource Classification and the national and international workshops on the Framework Classification is an indication of the growing interest in applying or mapping to UNFC-2009. During the biennium, 12 countries indicated an interest in applying or mapping to the Framework Classification and eight professional organizations and international standard-setting organizations supported its further development and implementation.

15. Significant progress was made towards harmonization of UNFC-2009 at both the first session of the Expert Group (28–30 April 2010, Geneva) and the second session (6–8 April 2011, Geneva). The 2010 meeting was attended by representatives of 17 UNECE member countries and seven non-UNECE member countries and the 2011 meeting by 16 UNECE member countries and nine non-UNECE member countries. The meetings were also attended by representatives from the United Nations system, Specialized Agencies, and a wide range of international organizations and non-governmental organizations, including the International Atomic Energy Agency (IAEA), the International Energy Agency (IEA), the European Commission and Eurostat.

16. The current version of the Classification was approved at the end of 2009 (UNFC-2009). This version is much simpler, generic and user-friendly. To ensure coherent and

consistent application of the system, the Specifications Task Force of the Expert Group started work during the biennium on development of generic and commodity-specific specifications. A unique survey of stakeholders (Governments, private sector, international energy planners and those involved in financial reporting) was completed which served to successfully identify their needs for specifications. Owners of other classification systems were encouraged to map their system against UNFC-2009 with the assistance of the Bureau of the Expert Group. Case studies and pilot projects were also undertaken to facilitate development of best practice guidelines for the application of UNFC-2009.

17. One of the key challenges facing the Expert Group on Resource Classification is to develop both the generic and commodity-specific specifications for UNFC-2009 in collaboration and cooperation with the wide array of stakeholders whose needs UNFC-2009 has been designed to meet to the extent possible. Accommodating the differing needs of the stakeholders and the significant time it can take to receive feedback from all constituencies are challenges to progress. The further development and promotion of UNFC-2009 is also posed an additional challenge in that the work relies on very limited regular budget resources and is therefore dependent on the significant voluntary in-kind contributions of Governments, private companies and individual experts which are not guaranteed.

18. During the biennium, UNFC-2009 was issued as an UNECE Energy Series publication in all languages of the United Nations and disseminated in hard copy and electronically. To build capacity on the application of the Framework Classification and its benefits, national workshops were organized in Poland and Turkey and an international workshop was held in the United Kingdom. Presentations on UNFC-2009 were also delivered at conferences globally throughout 2010 and 2011. Pertinent material relating to UNFC-2009 and the Expert Group is available on the UNECE website at: <http://www.unece.org/energy/se/reserves.html>.

Lessons learned

19. A collaborative and inclusive approach is essential to ensure that the views and needs of UNFC-2009 stakeholders are taken into account to the extent that this is possible. Whilst this approach is time-consuming it serves to largely guarantee that the stakeholders remain engaged in this crucial development phase. Testing, case studies and pilot projects allow potential users to understand how the system is applied in practice as well as its benefits and they also highlight areas for improvement. Delivery of presentations on UNFC-2009 by members of the Expert Group and the secretariat at global conferences, combined with national, regional and international technical workshops serve to build capacity and raise awareness on the Framework Classification in a relatively cost-effective manner.

Cluster 4: Energy infrastructure, including electric power and gas network

Expected Accomplishment

20. Progress in implementation of projects in support of sustainable energy development

Indicators of achievement

- (i) Increased volume of diesel fuel replaced by natural gas in commercial vehicles on the Blue Corridor Project road transport itinerary across Europe

Performance measures:

2006–2007: 96,000 tons

2008–2009: 320,000 tons

Target 2010–2011: 350,000 tons

Achieved: 360,000 tons

Statement of accomplishments

21. UNECE organized several meetings during the biennium that brought together representatives of local authorities, institutions and private gas companies to explore the implementation of the approaches developed under the ECE Blue Corridor project study, which offers several liquefied natural gas refuelling possibilities for heavy vehicles with full guarantee of fuel availability. In 2009 approximately 80,000 compressed natural gas vehicles circulated along the Blue Corridor serviced by 800 filling stations. Volume of diesel fuel replaced by natural gas in commercial vehicles on the Blue Corridor project road transport itinerary across Europe was estimated to be 180,000 tons in 2010-2011. The work has also raised public awareness of the potential of reducing greenhouse gas emissions and environmental pollution.

Lessons learned

22. It is important to work on raising public awareness on compressed natural gas (CNG) as an environmentally sound fuel solution, and it is therefore significant for UNECE to further strengthen the cooperation with interested partner organizations for the Blue Corridor Project. Current forecast by the German Statistics Office shows the volume of good traffic to and in Germany to double between 2010 and 2050, which would lead to the use environmentally friendly fuels such as CNG.

Annex: Updated biennial evaluation plan for the biennium 2010–2011 of the subprogramme on Sustainable Energy

| <i>Expected accomplishments and indicators of achievement of the Strategic Framework 2010-2011</i> | <i>Title of the cluster of activities</i> | <i>Expected accomplishments and indicators of achievement of the Biennial Evaluation 2010-2011</i> |
|---|---|---|
| EA (a) Progress towards sustainable energy development, in particular cleaner energy production, energy security and diversification of energy sources | 1. Sustainable energy strategies for the twenty-first century | EA 1. Progress towards sustainable energy development, in particular cleaner energy production, energy security and diversification of energy sources |
| IA (a) (i) Percentage of participants survey respondents indicating they have undertaken concrete actions and policy changes as a result of a dialogue between Governments, industry and the financial sector | | IA 1. (i) Percentage of survey respondents indicating they have undertaken concrete actions and policy changes as a result of a dialogue between Governments, industry and the financial sector |
| <i>Performance measures:</i> | | <i>Performance measures:</i> |
| 2006–2007: 55 per cent Estimate 2008–2009: 60 per cent Target 2010–2011: 65 per cent | | 2006–2007: 55 per cent Estimate 2008–2009: 60 per cent Target 2010–2011: 65 per cent |
| IA (a) (ii) Percentage of survey respondents indicating that they find UNECE information, technical and policy-oriented reports on sustainable energy issues very useful | | IA 1. (ii) Percentage of survey respondents indicating that they find UNECE information, technical and policy-oriented reports on sustainable energy issues very useful |
| <i>Performance measures:</i> | | <i>Performance measures:</i> |
| 2006–2007: 46 per cent Estimate 2008–2009: 60 per cent Target 2010–2011: 65 per cent | | 2006–2007: 46 per cent Estimate 2008–2009: 60 per cent Target 2010–2011: 65 per cent |
| EA(b) Progress in addressing energy conservation and efficiency issues across the UNECE region, especially those leading to a reduction in energy-related environmental impacts, including progress in the formation of energy efficiency markets in economies in transition | 2. Rational use of energy efficiency and conservation | EA 2. Progress in addressing energy conservation and efficiency issues across the UNECE region, especially those leading to a reduction in energy-related environmental impacts, including progress in the formation of energy efficiency markets in economies in transition |
| IA (b) Increased number of energy efficiency investment projects developed under the UNECE Energy Efficiency 21 Project that have been approved for financing in the countries with economies in transition | | IA 2. (i) Increased number of energy efficiency investment projects developed under the UNECE Energy Efficiency 21 Project that have been approved for financing in the countries with economies in transition |
| <i>Performance measures :</i> | | <i>Performance measures :</i> |
| 2006–2007: no projects Estimate 2008–2009: 14 projects Target 2010–2011: 16 projects | | 2006–2007: no projects Estimate 2008–2009: 14 projects Target 2010–2011: 16 projects |
| EA (c) Further extension and implementation of ECE recommendations/ guidelines and instruments for sustainable energy development, in particular the extension and implementation of the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources | 3. Normative activities in the energy field including labelling and classification systems and related legal and policy framework | EA3. Further extension and implementation of UNECE recommendations/ guidelines and instruments for sustainable energy development, in particular the extension and implementation of the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources |

| <i>Expected accomplishments and indicators of achievement of the Strategic Framework 2010-2011</i> | <i>Title of the cluster of activities</i> | <i>Expected accomplishments and indicators of achievement of the Biennial Evaluation 2010-2011</i> |
|---|---|---|
| <p>IA (c) (i) Increased number of professional organizations and international standard-setting organizations supporting the further development and implementation of the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources, including as a basis for financial reporting standards for extractive activities</p> | | <p>IA 3 (i) Increased number of professional organizations and international standard-setting organizations supporting the further development and implementation of the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources, including as a basis for financial reporting standards for extractive activities</p> |
| <p><i>Performance measures :</i></p> | | <p><i>Performance measures :</i></p> |
| <p>2006–2007: 7 new organizations Estimate 2008–2009: 4 new organizations Target 2010–2011: 5 new organizations</p> | | <p>2006–2007: 7 new organizations Estimate 2008–2009: 4 new organizations Target 2010–2011: 5 new organizations</p> |
| <p>IA (c) (ii) Increased number of countries expressing intent to apply the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources in their fossil energy and uranium resources management</p> | | <p>IA3. (ii) Increased number of countries expressing intent to apply the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources in their fossil energy and uranium resources management</p> |
| <p><i>Performance measures:</i></p> | | <p><i>Performance measures:</i></p> |
| <p>2006–2007: 18 countries Estimate 2008–2009: 8 countries Target 2010–2011: 10 countries</p> | | <p>2006–2007: 18 countries Estimate 2008–2009: 8 countries Target 2010–2011: 10 countries</p> |
| <p>EA (d) Progress in implementation of projects in support of sustainable energy development</p> | <p>4. Energy infrastructure, including electric power and gas network</p> | <p>EA 4. Progress in implementation of projects in support of sustainable energy development</p> |
| <p>IA 4. (d) Increased volume of diesel fuel replaced by natural gas in commercial vehicles on the Blue Corridor Project road transport itinerary across Europe</p> | | <p>IA 4. (i) Increased volume of diesel fuel replaced by natural gas in commercial vehicles on the Blue Corridor Project road transport itinerary across Europe</p> |
| <p><i>Performance measures:</i></p> | | <p><i>Performance measures:</i></p> |
| <p>2006–2007: 96,000 tons 2008–2009: 320,000 tons Target 2010–2011: 350,000 tons</p> | | <p>2006–2007: 96,000 tons 2008–2009: 320,000 tons Target 2010–2011: 350,000 tons</p> |