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Committee on Sustainable Energy

Group of Experts on Gas

Third session

Geneva, 21-22 April 2016

Report of the Group of Experts on Gas

I. Introduction

1. The third session of the Group of Experts was held on 21-22 April 2016.¹
2. This report summarizes the discussions on the work of the Group of Experts at its third session. All the documents and presentations of the third session are available on the United Nations Economic Commission for Europe (ECE) website.

II. Attendance

3. The session was attended by more than 85 experts from the following United Nations Economic Commission for Europe (ECE) member States: Austria, Belgium, Bulgaria, Croatia, Denmark, France, Germany, Greece, Hungary, Latvia, Netherlands, Norway, Portugal, Romania, Russian Federation, Spain, Switzerland, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, and United States of America.
4. Experts from Brazil, Saudi Arabia, and Tunisia participated under article 11 of the Commission's Terms of Reference.
5. A representative of the United Nations Economic and Social Commission for Western Asia (ESCWA) participated.
6. Representatives of the following international and non-governmental organizations participated: Ecology League, Energy Community Secretariat (ECS), Eurasian Economic

¹ Official documents of the session are available at <http://documents.un.org/>. Unofficial room documents and presentations delivered at the meeting are available on the ECE website at: http://www.unece.org/index.php?id=41122#.



Commission (EEC), Eurogas, GASNAM, Greek Energy Forum, International Gas Union (IGU), Marcogaz, Natural Gas Vehicles Association Europe (NGVA Europe), NGV Global, NGV System Italia, Organization of Arab Petroleum Exporting Countries (OAPEC), and Society of International Gas Tanker and Terminal Operators (SIGTTO).

7. The private sector and academia were also represented.

III. Adoption of the agenda (agenda item 1)

8. The provisional agenda as contained in ECE/ENERGY/GE.8/2016/1 was adopted without amendment.

IV. Elections of officers (agenda item 2)

9. The Group of Experts elected a new Bureau to serve from the close of the meeting for a period of two years.

10. The Bureau comprises: Mr. Francisco P. de la Flor Garcia (Spain) as Chair, and, Mr. Boris Maksijan (Croatia), Mr. Torstein Indrebø (Norway), Mr. Alexander Karasevich (Russian Federation), and Mr. Tamás Kőrösi (Hungary) as Vice-Chairs.

11. The ECE secretariat highlighted that the process of electing the Bureau can include nomination of non-governmental candidates and nominations by other than ECE member States but that in all cases nominations are vetted by the existing Bureau prior to the elections.

V. Opening session: Role of gas in meeting the United Nations Sustainable Development Goals and the climate goals set at the Conference of the Parties, twenty-first session (COP 21) (agenda item 3)

12. The session opened with an address by the Chair outlining the ongoing work of the Group of Experts on its Work Plan for 2014-2015 and its four concrete tasks. Carrying out these tasks is important as each of them represents incremental contributions to the overall purpose of the Group of Experts: to provide a forum for multi-stakeholder dialogue on ways to promote the sustainable and clean production, distribution, and consumption of gas in the ECE region.

13. The Chair drew attention to the draft set of conclusions and recommendations circulated prior to the meeting, noting that this was the method of working that the Group of Experts adopted at its second session and that it is in line with the Guidelines on Procedures and Practices for ECE Bodies that were adopted by ECE at its sixty-fifth session in April 2013. He emphasized that the draft conclusions and recommendations were not intended in any way to prejudice the discussions but rather to provide a draft text to facilitate discussions. The Group of Experts agreed to consider and approve conclusions as the agenda items were discussed rather than considering them *en bloc* at the end of the meeting.

14. The Deputy Executive Secretary of ECE welcomed the participants as key stakeholders from the gas industry. He stated that this industry is essential for the world's sustainable energy future. He noted that the transition to a sustainable energy system requires improvement of energy efficiency from source to use, minimization of environmental impacts, reduction of energy and carbon intensities, and correction of energy market failures. Enhanced integration of the energy markets of the ECE region under an

efficient framework would significantly improve the essential technical, social, economic, and environmental contribution that energy must make. This scale of change requires increased emphasis on “systems thinking” where all technologies are included — no one technology will solve all the problems the world’s energy sector is facing. He highlighted the importance of the twenty-first Conference of the Parties (COP 21) to the United Nations Framework Convention on Climate Change (UNFCCC) meeting in Paris in 2015 and the recently adopted Sustainable Development Goals. Gas will play an important part and it is up to gas industry stakeholders to define both a short- and long-term pathway to define its role.

15. Two keynote interventions were delivered and a panel discussion was held under the title “The Sustainable Credentials of Gas”. The speakers and panellists highlighted that a narrative for the role of gas in sustainable energy systems is lacking and, despite the many positive attributes of gas, there is significant criticism of its ongoing use in the energy sector. Better defining how gas can play a role in addressing near-term issues such as reducing negative air quality and other environmental impacts while planning for a low carbon future consistent with a 2°C or 1.5°C target is essential. Elements of such a narrative include, but are not limited, to the management of methane throughout the gas value chain, the use of bio-methane and carbon capture and storage (CCS) enabling the potential of negative emission systems.

16. The Group of Experts concluded that there is a need to articulate a clear and consistent narrative on the role and value of gas in sustainable energy systems. The current narrative does not express the contribution that gas makes across the economic, environmental and social pillars of sustainability. Creating a stronger sustainability narrative can help to underpin the role of gas in countries’ energy policies in attainment of the Sustainable Development Goals and the climate agreement reached at COP 21.

17. The Group of Experts recommended that the conclusions and recommendations of the opening session be integrated into respective task force efforts and that stakeholder consultations be carried out to support implementation of the Group of Experts’ Work Plan.

18. The Group of Experts recommended that a one-day workshop and stakeholder consultations be organized as part of the fourth session.

VI. Activities and priorities of the United Nations Economic Commission for Europe and its Committee on Sustainable Energy (agenda item 4)

19. In response to the request made by the Committee on Sustainable Energy at its 24th session in November 2015 for the relevant ECE expert groups to prepare a report on methane management in extractive industries, the Group of Experts on Gas agreed to support preparation of this report with the support of the secretariat.

20. The Group of Experts took note of the project under the Committee on Sustainable Energy on Pathways to Sustainable Energy.

21. The Group of Experts concluded that gas plays an important role in sustainable energy systems and was supportive of the project.

22. The Group of Experts recommended that increased engagement by gas stakeholders could better articulate the role of gas in the context of this project.

VII. Recent developments and medium- and long-term prospects and policies in the gas industry — country updates and activities of international organisations (agenda item 5)

23. Representatives of ECE member States and gas stakeholders presented developments in the gas industry in 2015. The presentations are posted on the ECE natural gas website.²

VIII. Overview of the Group of Experts on Gas' topical initiatives (agenda item 6)

24. The Chair highlighted the activities of the four task forces noting that these would be discussed in subsequent sessions.

IX. Best practice guidance in reducing gas leaks along the gas value chain (agenda item 7)

25. The Group of Experts noted the report by the secretariat on the outcomes of the Global Methane Forum held in Washington, D.C., United States, 28-30 March 2016, and on the meeting of the task force developing the best practice guidance.

26. The Group of Experts recommended increasing collaboration with the Global Methane Initiative and the Climate and Clean Air Coalition on topics related to dealing with methane emissions along the gas value chain.

27. The Group of Experts endorsed aligning the work of the Task Force on Reducing Gas Leaks in the Gas Value Chain with the broader activities of the Committee on Sustainable Energy on managing methane in extractive industries.

28. The Group of Experts agreed with the initial steps on developing best practices for monitoring and recording methane emissions: (a) prepare and eventually conduct a survey on the topic; (b) conduct outreach activities to ensure engagement and ownership of key actors on the process and the objectives; (c) prepare a road-map setting out objectives, deadlines, and resources; (d) review the activities of various groups active in the area of managing methane emissions in the gas system; and (e) prepare an initial draft of a principles-based best practice document on approaches to monitoring, recording, and reporting methane emissions.

X. Best practice guidance on the role of natural gas in increasing the uptake of renewable energy (agenda item 8)

29. The Group of Experts noted the report of the secretariat on the progress of this task force and recommended that it enhance its collaboration with the ECE Group of Experts on Renewable Energy.

30. The Group of Experts recommended additional efforts be made to understand renewable industry and stakeholder needs and determine and articulate the role of gas to develop joint targets and objectives to the benefit of both industries. This outreach can be

² <http://www.unece.org/index.php?id=41122#/>.

carried out in line with the overarching goal to develop best practices for current and future energy systems in line with the Group of Experts' Work Plan.

XI. Best practice guidance for liquefied natural gas (agenda item 9)

Documentation: GEG-3/2016/INF.2 — Draft of Market Trends in Liquefied Natural Gas (LNG) dated 19 April 2016

31. The Group of Experts recommended publishing the report Market Trends in Liquefied Natural Gas (LNG) following a three-week period during which the Group of Experts can provide final comments. The Group of Experts recommended that work continue on developing best practice guidance for LNG as outlined in the Work Plan.

32. The Group of Experts recommended reviewing and subsequently publishing the policy paper on best practices for small scale LNG and Gas Quality.

XII. Removing barriers to the use of natural gas as a transportation fuel (agenda item 10)

Documentation: GEG-3/2016/INF.3 — Draft of Removing barriers to the use of natural gas as a transportation fuel dated 20 April 2016

33. The Group of Experts expressed support for the draft report Removing barriers to the use of natural gas as a transportation fuel as posted on the UNECE website. The report offers a good starting point to continue the efforts as laid out in the Work Plan.

34. The Group of Experts recommended reviewing and subsequently publishing the report on removing barriers to the use of natural gas as a transportation fuel and noted that work continues on delivering on the activities as outlined in the Work Plan. The review proposed includes consultation with other relevant ECE bodies.

35. The Group of Experts recommended increasing collaboration of this task force with the Task Force on Best Practice Guidance in Reducing Gas Leaks in the Gas Value Chain.

36. The Group of Experts recommended the consideration of a work item to develop best practice guidance to enable cross-border movement of LNG vehicles in the ECE region. Inputs for such efforts should include the "Blue Corridor 2020" initiative.

XIII. Work Plan for 2014–2015 and for 2016–2017 (agenda item 11)

Documentation: ECE/ENERGY/GE.8/2014/2

37. The Group of Experts concluded that it had made progress in delivering on the concrete activities of both its mandate and Work Plan for 2014-2015.

38. The Group of Experts concluded that whilst the 2014-2015 Work Plan is not yet fully implemented, the deliverables remain relevant to development of the gas sector in the ECE region.

39. The Group of Experts recommended extending the existing Work Plan for 2014-2015 until the end of its mandate on 31 December 2017 and that this request be submitted to the Committee on Sustainable Energy for endorsement and to the Executive Committee for subsequent approval.

40. The Bureau will propose new time lines for task forces within three weeks following the third session. The revised Work Plan will be circulated to the Group of Experts for a comment period of three weeks before being submitted for endorsement and approval.

41. The Group of Experts agreed to submit potential ideas for the post-2017 Work Plan to the ECE secretariat. The Group of Experts recommended the Bureau to discuss and present potential ideas for future work at the fourth session.

42. The Group of Experts recommended changing the name of the task force on Best Practice Guidance in Reducing Gas Leaks in the Gas Value Chain to the task force on Best Practice Guidance in Managing Methane Emissions in the Gas Value Chain.

XIV. Preparations for the fourth session (agenda item 12)

43. The Group of Experts expressed an interest in hearing from member States on their respective industry developments at its fourth session.

44. The fourth session of the Group of Experts is tentatively scheduled to be held on 4-5 April 2017 in Geneva.

XV. Other business (agenda item 13)

45. The Group of Experts requested the Committee on Sustainable Energy that its annual sessions be supported by parliamentary documents and reports as needed in relation to the implementation of the 2016-2017 Work Plan. The Group of Experts recommended to the Committee on Sustainable Energy that the secretariat be invited to continue supporting its work by, inter alia, the following: organizing planned Work Plan activities, preparing formal documentation required for the development, approval, implementation and reporting of Work Plan activities, including the translation of official documents in the three official ECE languages (English, French, Russian) to service the Group of Experts meetings.

46. The topic of shale gas and its impact on the gas industry was highlighted as an area of interest for consideration by the Group of Experts. The Group of Experts also highlighted an interest in gas markets and related topics.

XVI. Adoption of conclusions and recommendations (agenda item 14)

Documentation: GEG-3/2016/INF.1 — Unofficial room document: Draft Conclusions and Recommendations arising from the Group of Experts on Gas dated 5 April 2016

47. The conclusions and recommendations were adopted and are included under the relevant agenda items highlighted in this report.

XVII. Adoption of the report and close of the meeting (agenda item 15)

48. The report of the meeting was adopted, including the conclusions and recommendations, subject to any necessary editing and formatting.