

MEETING OF THE EXTENDED BUREAU OF THE COMMITTEE ON SUSTAINABLE ENERGY

Geneva, 9 December 2004

One of the more specific programs on energy in the Economic Commission for Europe is the technical cooperation programme “promotion and development of a market-based gas industry in economies in transition”, in short “the Gas Centre”.

The background for founding the Gas Centre was that the gas industry and gas markets in economies in transition in ECE countries already had a vital role in the market-oriented transition process of these economies. The high environmental appeal of natural gas, the size and the overall of the gas industry in the region made it reasonable to expect that a market-based transition would be complicated and difficult, with unavoidable political implications. The ECE Secretariat made an analysis in the beginning of the nineties, which showed a need for practical and expert advice, training, transfer of know-how and cooperation. The expected liberalisation of the market and the privatisation of gas companies in Western Europe were regarded as additional reasons for international cooperation, especially on the company level, under the umbrella of the ECE Working Party on Gas. The Gas Centre has been successful during the past 10 years and it is expected to stay successful. The membership level is stable. The companies fund the activities of the Gas Centre fully.

Our programme for the coming years will be based on three Task Force programmes. One on the implementation of the EU gas directives. One on transportation and tariffs and one on a current topic. At the moment we study together with our member companies the present structure of the gas industry and gas market and also we try to describe the main trends.

Based on the results, of an assessment procedure of the Gas Centre working programme next year during which we will ask the member companies

on their preferences, a new current topic for this third task force will be selected. Of course, the other activities of the Gas Centre will also be reviewed. I expect the present programme to be maintained largely, which includes our database activities. The database is being restructured and modernised at the moment by our new database manager, Mr. Alain Tournebise.

Part of the future yearly programme will also be our Executive Board and Bureau meetings. It gives the membership and the Head of the IREED Division, Mr. George Kowalski, the opportunity to discuss the overall programme, the budget and the contributions by the companies and to decide on them. New activities can be developed, new topics can be discussed or studied. Next year we are planning to organise together with the Secretariat of the Working Party on Gas a workshop in Georgia on the integrity and maintenance of the Georgian gas distribution grid.

A considerable part of the mentioned meetings will be organised together with one of our member companies and will be hosted by them. We expect to focus next year during our High-Level meeting on the technical developments in Russian gas production.

During our other meetings we will try to anticipate on further legislation in Brussels, to develop a view on the future gas market and company structure and to exchange detailed information on Third Party Access systems and the related tariff systems.

Special attention will be given to the developments on security of natural gas supply as well as the position of regulators and ministries with regard to national gas regulation and legislation.