



UNECE Working Party on Gas

Progress report

Chairman:

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Main lines of activities of UNECE Working Party on Gas:

- Assessment of gas market development in the UNECE region
- Monitoring of the permanently changing situation in gas sphere
- Exchange of information and experience among the experts of UNECE member-states
- Discussion and coordination of policies in gas sphere
- Elaboration of favourable proposals for natural gas consumers



Questions discussed during the 19th Session of the Working Party on Gas, 20-21 January 2009

- Underground gas storage in the UNECE region
- Current state and prospects of liquefied natural gas in the UNECE region
- Impact of the liberalization of the natural gas markets on gas demand and prices
- Issues arising in connection with the seventeenth session of the Committee on Sustainable Energy related to the Working Party on Gas
- Review of the activities of other subsidiary bodies of the Committee on Sustainable Energy and Ad Hoc Group of Experts on the Supply and Use of Gas
- Current developments, medium-term and long-term prospects and policies in gas industry, including gas trade
- Overview of the activities of other international organizations in the field of gas
- Future activities of the Working Party on Gas



Working Party on Gas

Studies are carried out on three topics of high priority:

1. Current state and prospects of liquefied natural gas in the UNECE region
 2. Underground gas storage
 3. Impact of the liberalization of the natural gas markets on gas demand and prices in the UNECE member-states: gas saving to reduce natural gas demand and enhance energy security
- 12 expert groups meetings were organized in the year of 2009



The following Studies are carried out in the framework of the Working Party on Gas:

«Current state and prospects of liquefied natural gas in the UNECE region»

Goals:

- forecasting of LNG utilization in the UNECE region
- analysis of LNG competitiveness
- assessment of financial demands, costs and economic characteristics of value chain in LNG sector
- determining future demands for capacities and investments
- identification of obstacles for implementing possibilities of future timely rendering desired and financially affordable services
- Development of approaches to solving contractual and regulatory problems

Heads of chapters: representatives of OJSC Gazprom, Russian Federation; Shell, the Netherlands; Eurogas, Belgium; Benjamin Schlesinger & Associates, USA; Stream-Repsol, Enagas, Gas Natural, Ministries of industry, tourism and trade, Spain; StatoilHydro, the Netherlands; Distrigas – GDF SUEZ, France

Meetings: Madrid (25/09/2008 and 24/11/2008), Cairo (19-20/10/2009). Progress report on the Study is planned at the meeting in Madrid on 03/12/2009

Deadlines: the Study shall be completed in 2009.



The following Studies are carried out in the framework of the Working Party on Gas:

«Underground gas storage»

Goals:

- determining the main trends in the sector for the purpose of increasing the noticeability of future demands for capacities and investments, as well as problems of regulatory control, costs and operation
- identification of regions where problems may arise, which might hamper implementation of the possibilities existing in the sector with regard to continuing the timely provision of desired services at affordable prices
- assistance in taking conscious investment solutions by the gas companies with regard to underground gas storage facilities, which grant apparent benefits to the end users of natural gas

Heads of chapters: representatives of OJSC Gazprom, Russian Federation; Romgas, Romania; IGU; GDF SUEZ, France; Ministry of Energy of Hungary; GasTerra, the Netherlands; DONG, Denmark.

Meetings: during 2008/2009, 8 meetings were held in Geneva and 1 meeting in Prague

Deadlines: the Study shall be completed in 2010



The following Studies are carried out in the framework of the Working Party on Gas:

«Impact of the liberalization of the natural gas markets on gas demand and prices in the UNECE region: gas saving to reduce natural gas demand and enhance energy security»

Goals:

- Analysis of the current situation and prospects of energy market development
- Determining the links between free market, market prices, stable supplies and efficient energy use
- Finding the mechanisms for improving energy markets functioning

Heads of chapters: representatives of GDF SUEZ, France; Gasunie, the Netherlands; Organization for Security and Cooperation in Europe (OSCE)

Meetings: Moscow (26-27/03/2009 and 14/11/2009)

Deadlines: the research shall be completed in January 2010



Participation of experts of the Working Party on Gas and of UNECE «Energy efficiency-21» program in the International Forum «Week of efficient gas distribution and utilization», Moscow, 13-16 October, 2009 .

- **Main topics of the Conference «Efficient gas distribution and utilization», which was organized within the framework of the International forum**
 - The national gasification project of the Russian Federation regions: results and prospects
 - Advanced global experience of gas distribution networks functioning (regulatory and legislative base, integrated management approaches, technologies and equipment)
 - Implementation of energy-saving potential in the Russian Federation and CIS countries in the context of energy security of Europe
 - Prospects of utilization of renewable energy sources in Russia
- **42 reports in 3 sessions were presented:**
 - Development and operation of gas distribution networks in the Russian Federation regions
 - Prospects of utilization of renewable energy sources
 - Energy efficiency and energy-saving
- **Over 300 participants:** representatives of federal and regional authorities, CEOs and experts of the Russian and foreign gas and energy companies, NGO's, scientists and specialists
- **Practical recommendations** developed by international and Russian experts based on the conclusions of the Conference will be delivered to the Russian Federation federal and regional authorities



Lines of activities of the Working Party on Gas for the years 2010-1012

- Analysis of economic reforms and structural reorganization in Central and Eastern Europe and their consequences and importance for gas markets and gas industry in the UNECE region
- Review of changes in gas industry, including trade and integration/expansion of gas networks
- Assessment of natural gas resources, including methods for geological and geophysical prospecting of natural gas fields
- Studying the situation in the sphere of gas-transport systems, storage and rational use of gas



Proposal of a New Study for 2010-2012

«International Energy Code: View of experts in the field of natural gas»

Main goal – development of the general principles for the global natural gas market based on judicial symmetry of each aspect of cooperation between natural gas consumer-states and supply-states

Main tasks:

- Assessment of the current situation in the UNECE region natural gas markets
- Studying the regional natural gas markets principles of functioning
- Identification of common features and principal differences in their functioning
- Analysis of the trend of natural gas market gradual transformation into the global market
- Coordination of compromise solutions for efficient cooperation in the field of natural gas and achievement of mutual benefits from such cooperation

Heads: representatives of the leading energy companies of the UNECE region, related ministries and institutions

Deadlines: the research is planned for 2010-2012



Thank you for you attention!
