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UNECE REGIONAL ADVISORY SERVICES PROGRAMME
IN THE FIELD OF ENERGY DURING 2001-2003

Prepared by the secretariat

I. INTRODUCTION

1. This report covers activities of the regional advisory services during the period from October 2001 to September 2003. The purpose of the Regional Advisory Programme on Energy is to provide advice and technical assistance, of an operational nature, to countries with economies in transition and, most notably, to the most disadvantaged of these. It also complements and reinforces the regular and extrabudgetary programmes in energy.

2. The forms and methods of operational activities undertaken vary according to the needs of the recipient countries and the sub-regions, but invariably involve a combination of the following: the preparation and implementation of specific programmes, both issue-oriented and sub-regional in nature; the preparation of project proposals for funding by international organizations and donor countries; the development and preparation of substantive studies with participating countries relating to policy issues and energy strategies; participation in the development and implementation of programmes for capacity and institutional building and training; the organization of workshops, seminars and other group meetings; consultative and advisory missions; and study tours.

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3. The programme on energy has one Regional Advisor dedicated to it. Over the last two years, the Regional Advisor has participated in the preparation of analyses on the energy situation, energy efficiency potential and prospects for CIS countries; assisted in the elaboration and preparation of plans and programmes to facilitate the implementation of energy policies and strategies; assisted in the planning and implementation of programmes for capacity and institutional building and in the provision of training on business planning, financial engineering, project development and sources of financing; provided advice and participated in workshops and seminars on the restructuring, rehabilitation and modernization of the energy sector in the CIS countries; and assisted in the preparation of project proposals for funding by the United Nations Development Programme (UNDP) and the Global Environment Facility (GEF).

4. In addition to funding from the Regional Advisory Services budget (section 21), activities are supported by extrabudgetary resources, notably from the Energy Efficiency 21 Project, UNDP, GEF, donor countries and countries with transitional economies as well as from the United Nations Development Account (section 33). Because of limited staff resources, activities continue to be focussed on a limited number of countries taking into account priority areas for development, government support as well as the availability of extrabudgetary financing.

5. Information related to projects and programmes initiated and carried out by the Regional Adviser on Energy and activities in which he participated actively are provided in the following paragraphs.

II. ENERGY EFFICIENCY AND ENERGY SUPPLY

6. A programme of Energy Efficiency Demonstration Zones in Belarus within the project "Energy Efficiency Investment Project Development for Climate Change Mitigation" was completed. Seven business plans for these Zones were elaborated through a training course (23 – 26 May 2001 and 9-11 October 2001). Implementation of this project has leveraged at present US \$6.5 million in investments with the World Bank and a US \$ 1 million grant from the Japanese Government (table 1).

**Energy Efficiency Investment Projects in Belarus
financed by the World Bank and other donors**

Project Title and Description	Investment (US Dollars)	Project Sponsors and Status of Project Finance
Borovljany Control Systems for District Heating Project: Installation of an automatic control system for the Borovljany demonstration zone boiler house at Lesnoy and end-use heat supply controls for 200 consumers.	774,000	Accepted for implementation by the World Bank Belarus Social Infrastructure Rehabilitation Project.
Lestnoy Reconstruction of Central Heat Unit of Boiler House: Installation of 90 automatic heat units and 6 central heat units; replacement of hot water pre-heaters; automation of selected controls.	590,000	Accepted for implementation by the World Bank Belarus Social Infrastructure Rehabilitation Project.
Vitebsk Control Systems for District Heating Project: Installation of an automatic control system for the Vitebsk demonstration zone boiler house at Juzhnaja and end-use heat supply controls for the 1,000 consumers it serves.	4.3 million	Accepted for implementation by the World Bank Belarus Social Infrastructure Rehabilitation Project.
Reconstruction of heat pipelines system in village Borovlyany: The present project provides for the replacement of all the existing heat pipeline system, which is in bad condition, with preinsulated pipelines that will lead to significant reduction of heat losses through insulation and reduction in the leakage of the heat transport medium. The energy saving is estimated to be 17% of total consumption.	1,000,000	Grant of the Japanese Government

7. Phase "B" of the project "Removing Barriers to Greenhouse Gas Emissions Mitigation through the Use of Wood Waste for Municipal Heating and Hot Water Supply in Belarus" was implemented. GEF provided US \$ 245,000 for the project realisation.

8. During its implementation a project brief and a project document for financing phase "C" of this project were elaborated and submitted to the GEF Secretariat. On 17 October 2002, the CEO of the Global Environment Facility approved the project proposal and the National Executing Agency "State Committee for Energy Efficiency and Control" received US \$ 3,129,000 as a grant for realisation of the full size project. The total cost of the project is US \$ 8,936,000. The UNECE is a Cooperating Agency for the implementation of this project, which was started in September 2003.

9. Assistance was provided to implement a second phase of the project "Improvement of Energy Efficiency in Public Sector (schools and hospitals) of the Republic of Belarus". The project is being financed by the World Bank and will be correlated with the project "Removing Barriers to Greenhouse Gas Emissions Mitigation through the Use of Wood Waste for Municipal Heating and Hot Water Supply in Belarus". The project is financed through a loan of US \$ 22.4 million provided by the World Bank.
10. Phase "A" of the project "Removing Barriers to Implementation of Energy Efficiency Improvements in Belarus" was implemented in February 2003. Financial support in the amount of US \$ 27,000 was received from the SPPD fund of the UNDP Office in Minsk (Belarus).
11. Phase "A" of the project "Opportunities for Belarus to Join the Kyoto Protocol to the United Nations Framework Convention on Climate Change" was started in March 2003. Financial support for its realization in an amount of US \$ 30,000 was received from the SPPD fund of the UNDP Office in Minsk (Belarus).
12. A second phase of the joint Belarus/Russian project on obtaining additional electricity at the industrial large gas consumer enterprises, gas-proceeding enterprises, and thermal power plants due to utilisation of natural gas letdown pressures is under development. A business plan for installation of "TURBODETANDER" at the electrical and thermal power station N4 in the Republic of Belarus with a capacity of 2,500 KW is being worked out now.
13. A training course "Energy Efficiency in the Russian Health Care Sector – Project proposals" was prepared together with Russian experts. Two training sessions were conducted within the project "Energy Efficiency Investment Project Development for Climate Change Mitigation" in the Moscow Medical Academy in October 2001 and February 2002. Seven business plans for implementation of energy efficiency and saving measures were elaborated during this training course. The City of Moscow has approved a \$15 million project for financing investments in the Russian health care sector aimed at improving energy efficiency.
14. Implementation of the project "Wide utilisation of new energy efficient technology "FISONIC" in municipal heat and hot supply systems" was continued in the Energy Efficiency Demonstration Zone "Chuvashya" (Russian Federation) and the same project were started in the Republic of Belarus.
15. Mid term review of the project "Capacity Building to Reduce Key Barriers to Energy Efficiency in Russian Residential Building and Heat Supply (city of Vladimir)" implementation was done in May 2002. The mission report was submitted to the GEF secretariat. The project will be completed by the end year 2003.
16. The project document for phase "C" of the project "Low Cost Energy Saving Measures in Russian Educational Sector" was signed in July 2002. The Global Environmental Facility provided a grant of US \$ 1 million for implementation of this project. The project has financed low-cost measures to conserve energy, including sealing windows and doors, installing heat exchangers and thermostats, and other measures to be decided upon the energy audit. The planned building energy efficiency measures are typical low cost measures with an investment of approximately US\$ 50,000, or less, for a 5,000 to 6,000 m² building. The investment is expected

to bring about energy savings of 20 to 25% with a 3 to 6 years payback period. Local governments will contribute at least 50 % of the cost of repairs and retrofits (25 to 50 % in exceptional cases).

17. Three sessions of the training course within the project "Energy Efficiency Investment Project Development for Climate Change Mitigation" were organised together with the Alliance to Save Energy (USA) in Almaty (Kazakhstan) from February to October 2002. Eight business plans for energy efficiency in the Republic of Kazakhstan were elaborated. Five of these projects were included in a programme of social and economic development of the city of Almaty to be financed through a special Presidential Fund.

18. The Global Environment Facility provided assistance to Kazakh experts for implementing phase "B" of the project "Removing Barriers to Energy Efficiency in Municipal Heat and Hot Water Supply" which was completed in December 2002. A project brief for a full size project (phase "C") was submitted to the GEF secretariat. An agreement was reached with the mayor of the city of Almaty that US \$ 1 million will be provided by Almaty's government for the creation of a Municipal Energy Service Company which will be responsible for implementation of the full size project.

19. A project document for the full size project "Climate Change Mitigation in Ukraine through Energy Efficiency in Municipal District Heating (Pilot Project in the city of Rivne)" was signed by the UNDP Resident Representative in Ukraine and Chairman of the State Committee for Energy Conservation in July 2002. Unfortunately, since then no real progress has been achieved in its implementation.

II. COOPERATION WITH SUB-REGIONAL ORGANISATIONS

Commonwealth of Independent States - CIS

Project "Energy Efficiency and Energy Security in CIS"

20. The first phase of the project "Energy Efficiency and Security in CIS" was implemented during 1999-2001. As a result of the first phase, a study "Energy Conservation as a Factor in Increasing the Energy Security in the member States of the Commonwealth of Independent States" was elaborated by the Ad hoc Expert Group. The study was the first official document that analysed the energy efficiency potential and energy policies of CIS in a comprehensive and collaborative approach by sub-region and individual member countries of the group. It was published as an official document of the United Nations and evoked interest among different national and international organisations.

21. The second phase of the project, started in October 2001, it was designed to pursue the following objectives:

- Contribute to the implementation of the recommendations of the study "Energy Conservation as a Factor in Increasing the Energy Security of the CIS Member States". These recommendations call for CIS Member States and the Commonwealth bodies to strengthen their cooperation aimed at shifting their

economies to an energy saving pattern of development and, hence, at improving their energy security;

- Undertake an analysis of the relationship between energy efficiency and the environment and their influence on energy security of the CIS member countries;
- Provide assistance towards establishing liberal and competitive markets for energy resources, energy conservation equipment and services. These market formation activities need to foster consumer choice and promote improvements in the end-use applications of energy.

22. During the second phase of the project implementation, three sub-regional Workshops were held in order to assist local authorities in creating the framework for implementing relevant policy reforms recommended in the study. The first was conducted in Minsk (Belarus) in October 2001 and the second in Kiev (Ukraine) in October 2002.

23. Implementing a recommendation from the first phase of the project, an agreement on cooperation between the CIS Countries in the area of energy efficiency and energy saving was elaborated. This agreement was signed by the Heads of the ten CIS Governments in October 2002 in Chisinau (Republic of Moldova).

24. The Group of Experts appointed by Mr. Yarov, Chairman of the Executive Committee and CIS Executive Secretary, has been working on elaborating a CIS Intergovernmental Programme for implementation of the signed Agreement on cooperation between the CIS Countries in the area of energy efficiency and energy saving. A first draft of this programme was discussed at the third sub-regional Workshop for Central Asian countries with participation of experts from Belarus, Russia, and Ukraine. The Workshop was held from 8 to 10 July 2003 in Bishkek, Kyrgyzstan. It was decided that the second draft of the Intergovernmental Programme elaborated during this Workshop should be sent to all CIS Governments for their consideration.

25. The project is now at the final stage of its implementation. It will be completed in December 2003. The results achieved during the project implementation will be discussed in November 2003 at the UNECE Committee on Sustainable Energy.

III. SUB-REGIONAL PROGRAMMES

Special Programme for Economies of Central Asia-SPECA

26. The objective of the project on “The Rational and Efficient Use of Energy and Water Resources in Central Asia”, carried out under the auspices of SPECA is to foster cooperation on energy and water resources among the countries in central Asia - Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. A more rational and effective use of energy and water resources would significantly ease energy and water supply problems and reduce environmental problems in the region.

27. The project's main objectives are to: (a) develop regional solutions to common priority problems related to energy and water resources; (b) promote region-wide economic and technical cooperation among the participating countries and their integration into the world economy; (c) strengthen the institutional capacity with respect to energy and water management of States and their public administrations; and (d) electronically link energy and water agencies in the region to enhance information transfers regarding policy reforms, financing and energy and water management issues. The project is also aimed at assisting the participating States to meet their international environmental and energy treaty obligations under UNECE, UNFCCC and the Energy Charter.

28. The project is coordinated by a Working Group of officials from the central Asian Republics, responsible for energy and water matters. The programme of work is carried out by Groups of Experts from the region, with the help of consultants. The Regional Advisors for Energy and for the Environment have responsibility, within the UNECE, for its implementation and for monitoring its progress.

29. Activities under this project are funded by the UN Development Account that allocated US \$ 1.75 million to the project with the approval of the United Nations General Assembly. The UNECE is the Executing Agency for the project and manages and disburses the funds. ESCAP participates as an Associated Agency. The project will be completed in December 2003.

30. The project has been implemented since 1 June 2000. During its implementation within the reported period the following results have been achieved:

- The 7th session of the SPECA Project Working Group PWG-Energo and two workshops – one on energy issues and one on water resources issues – were organized (27-29 November 2002). They have contributed to working out common approaches to solving regional cooperation problems in the respective areas.
- A Study Tour for national energy experts of participating countries, in order to acquaint them with the implementation of modern energy and energy efficiency policies, was organised in November 2001.
- The 8th session of PWG-Energo took place from 11 to 13 February 2002 in Bishkek, Kyrgyzstan. Progress in the preparation of the regional Strategy of rational and efficient use of energy and water resources was discussed and the guidance given for further direction in the formulation of the Strategy.
- The 9th Session of the PWG "Energo" was held from 10 to 12 July 2002 in Bishkek, Kyrgyzstan. 49 participants attended the PWG Session including delegations of Kazakhstan, Kyrgyzstan, Tajikistan as well as observers from Uzbekistan. The session approved the fourth version of the Concept of a Strategy on Rational and Efficient Use of Energy and Water Resources in Central Asia.
- A Workshop on a Regulatory Framework for Energy and Water Conservation was conducted from 5 to 7 June 2002 in Bishkek (Kyrgyzstan).

- An International Training Course for Energy Managers from Countries in Western and Central Asia was organized from 4 to 14 June 2002, in Ankara (Turkey).
- The Concept of the strategy on Rational and Efficient Use of Energy and Water Resources in Central Asia was agreed upon and approved at the 10th session of Project Working Group of SPECA PWG-Energo from 26 to 28 November 2002. The first version of the Strategy on Rational and Efficient Use of Energy and Water Resources in Central Asia and the Programme of Work on the Strategy was reviewed at the session.
- A Study Tour was organised in the Netherlands, Germany, Spain and Portugal, from 6 to 20 October 2002. The main goal of the Study Tour was to provide assistance to the participating countries, namely Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, in establishing business relations, experience exchange and networking with leading companies and organizations in the area of water use in Europe. This trip gave an opportunity to potential investors to get acquainted with water economy issues of the region.
- An Ad Hoc meeting of national experts and international consultants was held from 5 to 6 March 2003 in Bishkek (Kyrgyzstan). The third draft of the Strategy on Rational and Efficient Use of Energy and Water Resources in Central Asia was elaborated and agreed upon at this meeting.
- The 11th Session of the PWG “Energo” was held from 9 to 11 April 2003 in Bishkek, Kyrgyzstan. The fourth draft of the Strategy was agreed upon and approved at the session. The official delegation of Uzbekistan participated at 11th session of the Project Working Group of SPECA PWG “Energo” for the first time since the project was implemented.
- A Concept on Creation of a Local Information Network for the Leading Organizations for Energy and Water Issues in Central Asia countries was realized. Two training workshops on how distributed information-analytical systems can be used on a full scale were held in Bishkek (Kyrgyzstan). The first workshop was held from 26 to 28 March 2003 and the second one from 23 to 25 April 2003.
- A regional information network consisting of eight national information-analytical centres for water and energy resources monitoring and optimum utilization (two for each country) was created. It links electronically energy and water agencies in the region to enhance information transfers regarding policy reforms, financing and energy and water management issues.
- Two training programmes on project development, financial engineering and business planning, comprising three training sessions for each programme, were implemented from February 2002 to April 2003. Twenty-one business plans of energy and water efficiency projects were elaborated. Two projects are now being implemented.
- The 12th Session of the PWG “Energo” was held from 8 to 10 July 2003 in Bishkek, Kyrgyzstan. The sixth draft of the Strategy on Rational and Efficient Use of Energy

and Water Resources in Central Asia was approved and accepted at the session. It was decided to send this draft to the Governments of project participating countries for their approval. The PWG “EnergO” also decided to hold an “International Conference on international cooperation problems of rational and efficient use of energy and water resources in Central Asia”, is to be held on 3-4 November in Bishkek (Kyrgyzstan).

IV. AD HOC REQUESTS BY A SINGLE COUNTRY ON SPECIFIC TOPICS

Workshops

31. Two workshops were organised as part of activities under Goal One of the UN project on the “Rational and efficient use of energy and water resources in Central Asia” in Bishkek (Kyrgyzstan) in November 2001. The workshops on Energy resources and on Water resources contributed to a better understanding of national positions on the issues of regional cooperation in these areas. The third draft of the diagnostic documents, as decided during the previous workshops, were thoroughly discussed. It was agreed to take into account the comments and recommendations and prepare final versions of the two papers (on water and on energy issues) for consideration at the 8th session of PRG “EnergO” and at the session of the Regional Advisory Committee of SPECA, 13-14 February 2002. It was agreed that the final texts should provide a basis for developing a concept of the regional strategy for rational and efficient use of energy and water resources in the region.

32. The workshop on identifying key barriers to wide scale utilization of wood and wood waste based heat and hot water supply in Belarus (including high implementation costs and energy price distortions) and to estimate the extent that these barriers hamper the cost-effective implementation of biomass based district heating in Belarus was held in Minsk on 6 November 2001.

33. Within the project “Removing Barriers to Implementation of Energy Efficiency Improvements in Belarus” a Workshop on different financial mechanisms for implementing small and medium sized energy efficiency projects was held on 10 October 2002 in Minsk (Belarus).

34. The first International Workshop within the project “Opportunities for Belarus to Join the Kyoto Protocol to the United Nations Framework Convention on Climate Change” on legal and normative procedures needed to be introduced and/or adopted in case of accession to the Kyoto Protocol was held on 22 May 2003 in Minsk (Belarus).

Advisory missions

35. At the request of Governments and to implement a number of projects the Regional Adviser on Energy carried out missions to the following countries: Belarus, Denmark, France, Kazakhstan, Kyrgyzstan, Norway, Russian Federation, Ukraine and Uzbekistan. Direct advice was provided in assisting national experts to prepare plans, programmes and projects, to facilitate implementation of their energy strategy, capacity and institution building, and training. Special

attention was given to energy efficiency and conservation problems of economies in transition: creation of Energy and Water Efficiency Demonstration Zones and development of financial mechanisms for attracting foreign investors to realise energy efficiency projects in these member states. Advisory services were provided on interconnection of electricity and for technology cooperation in the field of energy with particular emphasis on environmentally clean technologies. See Part II for specific examples of the results of the missions.

Project formulation

36. A project brief and four drafts of the project document for financing phase “C” of the full-scale project “Removing Barriers to Greenhouse Gas Emissions Mitigation through the Use of Wood Waste for Municipal Heating and Hot Water Supply in Belarus” were elaborated and submitted to GEF Secretariat. As noted above, GEF provided US \$ 3,129,000 as a grant for realisation of the full- scale project. The total cost of the project is US \$ 8,936,000. The Economic Commission for Europe is a Cooperating Agency for its implementation.

37. A project proposal "Removing Barriers to Implementation of Energy Efficiency Improvements in Belarus" was submitted and US \$ 27,000 was received from the SPPD fund of the UNDP Office in Minsk (Belarus) for its realisation. A project brief and a first draft of the project document for Global Environment Facility (GEF) PDFB resources were elaborated and submitted to the GEF Secretariat. They are now under consideration

38. A project proposal “Opportunities for Belarus to Join the Kyoto Protocol to the United Nations Framework Convention on Climate Change” was submitted and US \$ 30,000 was received from the SPPD fund of the UNDP Office in Minsk (Belarus). The project is now being implemented.

39. A project proposal “Improving energy efficiency of municipal heat and hot water supply systems in the city of Tbilisi” was elaborated and submitted to the Italian Government for its consideration. The total cost of the project is 280,000 Euros.

Training programme

40. Four information seminars on “Developing and Financing Energy Efficiency Investment Projects in the Municipal Sector for Climate Change Mitigation” were organised together with the NGO “ARENA-ECO”, Ukraine. Over 180 representatives of the central and local authorities, managers and specialists from district heating, municipal lighting companies and health care institutions participated in the seminars held in the cities of Kiev (17 October 2001), Yalta (22 October 2001), Dniprodzerzhynsk (6 November 2001) and Rivne (27 November 2001). During the seminars participants discussed project goal and tasks, energy efficiency measures in the communal sector, general issues related to preparation of the climate change mitigation investment projects, role of the local authorities in climate change mitigation, energy efficiency problems in the municipal facilities, energy efficiency demonstration zones, GHG emission reductions through energy efficiency improvement, etc. Managers and representatives of the central and local executive authorities, qualified specialists and experts gave lectures and presentations. As a result of the seminars, Ukrainian society was informed on

the contribution of the municipal facilities to GHG emissions and climate change and ways of solving the problem.

41. Training programmes were held in the framework of other projects (See Parts II and III).

Conferences, forums, meetings and training

42. Within the framework of the 3rd International Trade Fair for Energy Saving Technology (Energy Saving 2003), an International Conference on Investment Attraction for Energy Efficiency Projects in Russia: Problems and Decisions” was organized by the Russian Ministry of Energy and held in Moscow on 12-15 March 2002. A report “UNECE Experience in Realizing Investment Programmes in CIS countries” was presented at the International Conference.

43. The International Forum “Energy and Sustainable Development” was organised in Omsk (Russian Federation) from 10 to 11 June 2002. A report “Sustainable Energy Development in the UNECE Programme of Work” was presented and concrete sustainable energy projects that could be realised with assistance of UNECE in the region were proposed.

44. The International Conference on topical problems of energy efficiency and business opportunities in Russia was organized by the Russian Ministry of Energy from 12 to 14 March 2003 in Moscow. A presentation “UNECE Energy Efficiency projects and the possibility of this organization to attract international investment in Russian energy efficiency programmes” was given at the Conference.

45. The International Seminar “Energy Efficiency: the way from Aarhus to Kiev” was organized by the Energy Charter secretariat together with the State Committee of Ukraine for Energy Conservation on 20 May 2003 in Kiev (Ukraine). A presentation “Role of Energy Efficiency for Energy Security and Sustainable Development in the European Region” was given at the Seminar.

V. PROBLEMS, EVALUATION AND FUTURE WORK ORIENTATION:

Problems

46. The Development of energy systems is one of the major priorities for most of the economies in transition and it is not possible to satisfy all requests of the Governments of these countries. Because of limited staff resources, activities continue to have to be focussed on a limited number of countries taking into account priority areas for development, government support as well as the availability of extrabudgetary financing.

Evaluation

47. A number of projects were developed with GEF funding, such as “Removing Barriers to Greenhouse Gas Emissions Mitigation through the Use of Wood Waste for Municipal Heating

and Hot Water Supply in Belarus” (US \$ 245,000 for project realisation (phase B) and US \$ 3,129,000 for project implementation (phase C).

48. Capacity building is one of the major tasks of the project “Rational and efficient use of energy and water resources in Central Asia”. All events organised within this project have a direct link to this task. Twenty-three different events (Project Working Group sessions, seminars, workshops, training courses and study tours) were developed and conducted for national experts and country officials. More than 400 local experts participated in these events. Two Energy and Water Efficiency Demonstration Zones in the cities of Bishkek and Almaty were set up.

49. Within the second phase of the project “Energy Efficiency and Security in CIS” an agreement on cooperation between the CIS Countries in the area of energy efficiency and energy saving was elaborated and the agreement signed by the Heads of the ten CIS Governments on 7 October 2002 in Chisinau (Republic of Moldova).

50. Activities undertaken within the project “Energy Efficiency Investment Project Development for Climate Change Mitigation” helped to promote Energy Efficiency Investment Zones as enabling environments to develop the reforms, skills and capacities needed for investment projects that meet the criteria of the UNFCCC Kyoto Protocol and Joint Implementation. In addition, the project helped to secure financing for a number of projects developed under the auspices of this programme.

51. An evaluation of the Regional Advisory Programme was conducted by a team of auditors from UN Headquarters during August-September 2002.

Future work orientation

52. The Regional Adviser on Energy will continue to respond to the specific needs and priorities of countries in transition in such strategic areas of sustainable energy development as: the rational and efficient use of energy; analysis of new developments affecting energy demand and supply in the short and medium-term; pricing policy and security of supply; restructuring of the energy sector; energy infrastructure including interconnection of electric power and natural gas networks; normative activities in the energy field; and renewable sources of energy. In all these areas, assistance will be provided in identifying the needs for further developing the energy sectors of economies in transition, assisting national experts to prepare plans, programmes and projects to facilitate the implementation of their energy strategies, and providing assistance in capacity and institution building. Special emphasis will be given to energy efficiency investment and demonstration zones, training on project financing and management, small and medium sized company start-up including energy services companies and their participation in the realisation of Energy Investment Demonstration Zones, networking and information exchange, energy efficiency standards, and development of business contacts.

53. Primary attention will be given to cooperation with sub-regional organisations such as CIS and to the implementation of energy projects in sub-regional programmes, such as SPECA and SECI.

54. The Regional Adviser will continue his cooperation with UN agencies and international organisations, in particular with the UNDP, World Bank, EBRD, CIS Executive Committee and other regional and sub-regional organisations as well as the Commission of the European Union.

55. With regard to specific projects, which are being realised now and will be implemented in the future, the following examples can be noted:

- 2003-2006 phase of the “Energy Efficiency 21 Project” ;
- “ Rational and Efficient Use of Energy and Water Resources in Central Asia” ;
- Phase 2 of the project “Energy Efficiency and Energy Security in CIS” ;
- “Capacity Building for Air Quality Management and the Application of Clean Coal Combustion Technologies in Central Asia”;
- “Regional Network for the Efficient Use of Energy Resources in South-east Europe” (RENEUR) ;
- “Reducing Barriers to Greenhouse Gas Emissions Mitigation through the Use of Wood Residues for Municipal Heat and Hot Water Supply in Belarus”, phase “C”;
- “Improvement of Energy Efficiency in Public Sector (Schools and Hospitals) of the Republic of Belarus” ;
- Phase 2 of the joint Belarus/Russian Project on obtaining additional electricity at large industrial gas consuming enterprises, gas-processing enterprises, and thermal power plants from the utilisation of natural gas let-down pressure for the production of cryogenic products: nitrogen, oxygen, and argon ;
- "Removing Barriers to Implementation of Energy Efficiency Improvements in Belarus", phase “B” ;
- “Opportunities for Belarus to Join the Kyoto Protocol to the United Nations Framework Convention on Climate Change”, phase “A”;
- “Removing Barriers to Energy Efficiency in Municipal Heat and Hot Water Supply in Kazakhstan, phase “C” ;
- “Low Cost Energy Saving Measures in Russian Educational Sector”, phase “C”.
- “Wide utilisation of new energy efficient technology “FISONIC” in municipal heat and hot supply systems” ;
- “Climate Change Mitigation in Ukraine through Energy Efficiency in Municipal District Heating (Pilot Project in the city of Rivne)”, phase “C”;
- Identification of projects for possible Activities Implemented Jointly (AIJ-projects) between economies in transition and developed countries in order to facilitate the implementation of the provisions of the Kyoto Protocol ;
- “Improving energy efficiency of municipal heat and hot water supply systems in the city of Tbilisi”.