

Annex 6: Terms of Reference

I. Purpose

This evaluation will address the public/private nature of the Gas Centre. The Gas Centre was established in order for private companies operating under competitive market conditions to be able to assist companies that had always operated in planned economies manage the transition. It was unique as a gathering of commercial companies operating under a UN umbrella. Member States decided to bring the current activities of the Gas Centre to an end, and its mandate ceased as of the end of 2015. They are now considering a successor to the Gas Centre, the Gas Industry Advisory Board, and this evaluation is intended to provide guidance based on the experience of the Gas Centre on how the interaction between a commercial industry as a whole and the UN could be designed to enhance industry engagement and support for the coming energy transition while ensuring the proper functioning of intergovernmental bodies. This assessment will require a review of how the Gas Centre functioned and whether or not its operations worked as an effective partnership between commercial companies and governments to achieve the objectives that had been set.

II. Scope

The Gas Centre was established in 1992 to draw on the capabilities of gas companies with experience in market economies to help gas companies emerging from planned economies cope with the transition. By the late 1990's this objective had been achieved, and the Gas Centre evolved into a dialogue among its membership on topics of importance for gas markets. The framework for this programme was an agreement among the member companies of the Gas Centre to fund a small secretariat in UNECE to support its activities.

What will be included in this review are the issues of oversight, governance, and procedures of the Gas Centre. In particular, the review will explore how the activities of a body such as the Gas Centre, or more appropriately its successor, could be aligned with the activities of the UN in the area of energy.

In terms of geographical scope of the review, it is consistent with the original mandate of the Gas Centre, focused on the countries that were in transition from planned economies in the early 1990s, and its activities beyond 2000 that explored broader, global gas market issues.

In terms of organizational contribution, this program was established and functioned under the UNECE. The evaluation should cover the entire period from establishment of the Gas Centre in 1994 to the conclusion of its mandate at end-2015.

The stakeholders in the Gas Centre at the outset were the entire natural gas industry of the UNECE region. After 2000 the membership reduced to roughly equal rates of participation of eastern and western companies with a total membership of 20 companies.

The key limitations for the Gas Centre from 2009 were its financial stability and its staffing. Although the membership remained broadly intact, certain events in 2009 and 2010 rendered its financing precarious and reduced the secretariat staffing. From 2013, incumbent staff were dismissed by UN headquarters, thereby undermining relations with key member companies of the Gas Centre and reducing the effectiveness of the secretariat.

III. Background

In 1994 the United Nations Economic Commission for Europe, the UNECE, which comprises 56 member countries in North America, Europe, the Caucasus, and central Asia, launched a technical cooperation programme to assist governments and gas companies in Central and Eastern Europe in their efforts to create more decentralized and market-based gas industries (the Gas Centre).

These tasks were achieved by the late 1990's, and thereafter the Gas Centre undertook new tasks at the behest of its membership as gas markets evolved and as new rules and regulations emerged. During the course of 2013 the UNECE member States renewed the mandate of the Gas Centre for two years, asking that it reinforce its role as a platform for engagement between governments and industry.

The UNECE Gas Centre provided its members with an open, neutral and transparent platform for dialogue among its members for exchange of views and discussion of topical issues related to gas and for exchange with governments. The topics for the dialogue were decided by the membership based on members' needs in an evolving market and regulatory environment.

The energy activities of UNECE were reconfigured by member States in 2013 explicitly to help them attain the objectives of Sustainable Energy for All and the other energy-related sustainable development goals. Throughout the UN it is recognized that transforming the energy system to sustainable outcomes cannot be achieved without extensive public private engagement of the sort that the Gas Centre represents. Done right, a revised Gas Centre could serve as a model for industry/government engagement to establish the right framework conditions for industry to accelerate the transformation.

The UNECE has many activities underway on all sources of energy and maintains close relations with both the industries that develop, transform, and deliver them and relevant international organizations. A reinvented Gas Centre could therefore provide

an avenue to engage the interests of the gas industry with the other professional groupings and international organizations on broader, UN-level energy market policy and regulatory developments and best practices, standards, or other normative instruments.

The role of natural gas in the global energy mix is growing both as a share of the total, but also as a vehicle for accelerating the reduction in the carbon intensity of the sector. Natural gas technology offers the flexibility that the future energy system will require, it can provide network support services cost-effectively, it has lower carbon intensity than other fossil fuels in both power and transportation, and it can complement the growing share of renewables in the energy mix. Natural gas is a vital ingredient in the energy system of the future. For all of these reasons, a facilitated engagement between the intergovernmental bodies, the Committee on Sustainable Energy and its Group of Experts on Gas, and an industry body such as the Gas Centre, could contribute to policies, standards, and regulations being developed in a sound manner.

Globalization of the gas market and emerging challenges are imperatives for a new Gas Industry Advisory Board (GIAB, the provisional name for the successor to the UNECE Gas Centre) to enlarge its scope of activities, methods of work and area of interests and to serve as a platform for transparent dialogue among major players of the gas industry and governments representatives. The Board would maintain the Gas Centre's historic role for East-West dialogue.

IV. Issues

The primary issue the evaluation will seek to answer relates to oversight and governance, both in terms of ensuring proper coordination of activities with the parent intergovernmental body and in terms of ensuring proper oversight of the sources and uses of funds

The Gas Centre no longer exists inasmuch as its mandate has been achieved. As member States are considering establishing a successor to the Gas Centre, it is important to assess the Gas Centre as a possible model for how its successor might be structured. The results of the assessment might inform other collaborations between industry and the UN inasmuch as attainment of the sustainable development goals is considered to depend absolutely on industry and private sector engagement. In this regard the assessment can affect the entire organization's approach to collaboration. In order to achieve the objectives, it is important to assess the effectiveness, efficiency, relevance, and sustainability of a Gas Centre-like structure.

The Gas Centre was a unique structure within the UN system. As a consequence, the evaluation must reflect the unique objectives, structure, and functions of the Gas

Centre. If one or more successors to the Gas Centre are to be established, it is essential that the key lessons learned from the Gas Centre be embraced in any new construct.

The evaluation will seek to report on the effectiveness, sustainability, efficiency and relevance of the project. Key questions that the evaluation seeks to answer include:

Effectiveness

1. To what extent was the objective of the project achieved?
2. How did the programme improve the ability of companies emerging from planned economies to function in competitive market economies?
3. To what extent were the expected accomplishments of the programme achieved? In particular:
 - 3.1. How did the project contribute to enhancing the capabilities of participating companies?
 - 3.2. Following 2000, to what extent did the programme contribute to better understanding of gas market issues among participating companies?
4. To what extent did the planned activities contribute to achieving the objective and the expected accomplishments? How did the four annual events organised under the Gas Centre's auspices contribute to the capacity of participating companies?
5. What were the main challenges/obstacles to achieving the expected results?
6. Was there an effective alignment between the activities of the Gas Centre and the activities of the Working Party on Gas (and both its predecessors and successors)?
7. Was there effective oversight of the operations of the Gas Centre by the intergovernmental processes?
8. For both 6 and 7, what specific items could be strengthened or improved?

Sustainability

9. Could the results be further sustained? In particular:
 - 9.1. To what extent will the benefits of the programme continue after completion and without overburdening recipient stakeholders?
 - 9.2. How is the stakeholders' engagement likely to continue? In case, how will the capacity built to ensure that institutions will take over and sustain the benefits?
 - 9.3. To what extent do the partners and beneficiaries 'own' the outcomes of the work?
 - 9.4. What were the major factors that influence the achievement or non-achievement of sustainability of the programme?

Efficiency

10. Were the resources sufficient for achieving the results? Were the results commensurate with the resources?

11. Were the results achieved on time?

12. Were all activities organized efficiently and on time?

Relevance

13. To what extent did the programme respond to the priorities and needs of the beneficiary countries? How relevant was it to the target groups' needs and priorities?

14. How relevant was the programme for the UNECE region needs and priorities?

15. What is the relevance of the programme for the work of UNECE?

16. To what extent are the objectives of the programme still valid? How can the programme be replicated in other contexts?

17. To what extent are the activities and outputs of the programme consistent with and relevant to the overall objective and expected accomplishments?

18. To what extent are the activities and outputs of the programme consistent with and relevant to the intended impacts and effects?

V. Methodology

The evaluation will be carried out based on a survey using a questionnaire, followed by targeted interviews to further elaborate the findings of the survey. A desk review of existing documents will also be undertaken.

Desk review

The evaluator will review

- The documented history of the Gas Centre through a desk review of documents and records;
- Reports of relevant meetings;
- Other relevant UNECE documents.
- Documents such as recent OIOS reviews that are relevant for this evaluation

Questionnaire

A tailored questionnaire will be disseminated amongst stakeholders:

- Representatives of member States participating in the work of the Sustainable Energy Committee and the Working Party on Gas;
- Past and current members of the Gas Centre;
- Other key stakeholders like the International Gas Union.

Interviews

A series of interviews with relevant stakeholders will be conducted to further explore responses from the questionnaires. The interviews will take place by phone or Skype. The views of the relevant UNECE Secretariat staff in the Sustainable Energy Division will be sought.

VI. Evaluation Schedule

Develop a timetable for the following phases of the self-evaluation:

- A. Preliminary research: Oct/Nov
- B. Data Collection: Oct/Nov
- C. Data Analysis: Nov/Dec
- D. Draft Report: end-December
- E. Final Report: end-January

VII. Resources

What staff will be involved in undertaking the evaluation? Are there any other resources required?

An external evaluation consultant identified through the UNECE evaluation roster will be hired and receive support from the UNECE programme manager (the Director of the Sustainable Energy Division in this case). The UNECE Programme Management Unit will provide guidance on the process for the preparation of the evaluation.

VIII. Intended Use/Next Steps

How are the findings of the self-evaluation expected to be used? What procedures/arrangements will be established to consider the results of the self-evaluation and to formulate an action plan?

The findings of this self-evaluation are intended to serve two purposes:

1. Provide immediate input to the design of the successor body, the Gas Industry Advisory Board, to provide a sound footing for its oversight and governance practices; and
2. Provide insights into the best configuration of public private partnerships in the UN context to enhance attainment of Agenda 2030.

IX. Criteria for Evaluators

The evaluator should have:

- Good knowledge and experience of evaluation, project management, gas/energy related issues
- Demonstrated methodological knowledge of evaluations, including quantitative and qualitative data collection and analysis for end-of-cycle project evaluations
- Proficiency of written and spoken English