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Economic Commission for Europe**Committee on Sustainable Energy****Group of Experts on Gas****Sixth session**

Geneva, 25-26 March 2019

Report of the Group of Experts on Gas**I. Introduction**

1. The sixth session of the Group of Experts was held on 25 and 26 March 2019.
2. This report summarizes the discussions of the Group of Experts at its sixth session. All the documents and presentations of the session are available on the United Nations Economic Commission for Europe (ECE) website¹.

II. Attendance

3. The session was attended by experts from the following United Nations Economic Commission for Europe (ECE) member States: Albania, Austria, Azerbaijan, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, France, Germany, Greece, Israel, Italy, Latvia, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom of Great Britain and Northern Ireland, and United States of America. A representative of the European Commission also participated.
4. Experts from Brazil, Colombia, Egypt, Ghana, Indonesia, Iraq, Kuwait, Mexico, Mongolia, Nigeria, Qatar, Saudi Arabia and Singapore participated under Article 11 of the Commission's Terms of Reference.
5. Representatives of the following international and non-governmental organizations participated: Agency for the Cooperation of Energy Regulators (ACER), Environmental Defense Fund (EDF), European Biogas Association (EBA), Eurogas, European Gas Research Group (GEGC), Gas Exporting Countries Forum (GECF), Gas Infrastructure Europe (GIE), German Technical and Scientific Association for Gas and Water (DVGW Ev), Global Methane Initiative (GMI), International Association of Oil and Gas Producers (IOGP), International Gas Union (IGU), International Group of Liquefied Natural Gas Importers (GIIGNL), International Petroleum Industry Environmental Conservation (IPIECA), International Sustainable Energy Organization (ISEO), Marcogaz, NGVA Europe, Oil and Gas Climate Initiative (OGCI), Organization of Arab Petroleum Exporting Countries

¹ <http://tinyurl.com/y2bo5tcu>



(OAPEC), Slovak Oil and Gas Association, and Society of International Gas Tanker and Terminal Operators (SIGTTO).

6. The private sector and academia were also represented.

III. Adoption of the agenda (agenda item 1)

7. The provisional agenda as contained in ECE/ENERGY/GE.8/2019/1 was adopted without amendment.

IV. Opening remarks (agenda item 2)

8. In his opening remarks the Chair stressed the importance of the Group of Experts as an inclusive and neutral platform for governments, industry and civil society to meet and discuss sustainable and clean production, distribution, and consumption of gas in the ECE region in the context of commitments expressed through the United Nations 2030 Agenda for Sustainable Development. The Chair reviewed the current activities of the Group of Experts that focus on the role of gas in attaining the Sustainable Development Goals (SDGs), (developing best practices in managing methane emissions, improving urban air quality, synergies between gas, energy efficiency and renewable energy, sustainable and clean production, distribution, and consumption of gas, and emerging issues such as hydrogen and renewable gases).

9. His Excellency Mr. Abbas Al-Naqi, Secretary General of OAPEC, delivered a keynote address on the role of the Arab region in global gas markets and contribution to the SDGs. Natural gas has played an effective role in attaining SDG 7 and SDG 8 in the Arab region and has contributed to the formation of economic ties between the Arab region and Europe. OAPEC believes that gas is well positioned among other energy sources to play a broader role in the world's future energy system, due to its availability, higher efficiency and contribution to environmental objectives.

V. Elections of officers (agenda item 3)

10. In March 2018, the Group of Experts elected a new Bureau to serve for a term of two years from the close of the fifth session. The elected members were: Mr. Francisco de la Flor (Spain) as Chair and Mr. Hasan Abasov (Azerbaijan), Mr. Otel Huseynov (Azerbaijan), Mr. Boris Maksijan (Croatia), Mr. Uwe Wetzel (Germany), Mr. Torstein Indrebø (Norway), Mr. Lukasz Kropiewski (Poland), Mr. Alexander Karasevich (Russian Federation), Mr. Daniel Hooper (United States), and Mr. Rafael Jesus Huarte Lazaro (International Gas Union) as Vice-Chairs. In 2018, Mr. Hooper left the Bureau. The Group of Experts elected Mr. Dmitry Shvedov (Russian Federation) to join as a Vice-Chair.

VI. Activities and priorities of ECE and its Executive Committee (agenda item 4)

11. The Director of the Sustainable Energy Division informed participants about a recent meeting in Qatar dedicated to methane emissions from the gas sector. Because of both methane and carbon dioxide emissions, a consensus reached in Qatar was that the sustainability credentials of natural gas are at risk if its environmental performance is not improved. The Director also informed the Group of Experts about the initiative to declare 2020 as the International Year of Methane.

12. The Director updated the Group of Experts on the recent activities of the Committee on Sustainable Energy and its efforts to deliver concrete results through cross-cutting activities involving all groups of experts. Such an approach is needed because the ECE region is not on track to meet its objectives under the 2030 Agenda from either an emissions or a development perspective.

13. The Group of Experts recognized that the project “Pathways to Sustainable Energy” represents a unique opportunity for the Group of Experts to contribute to a dialogue on a sustainable energy system of the future and the role of gas in it. The Group of Experts determined to provide key insights and messages for the planned policy and technology dialogues with the aim to:

- (a) shape the Group of Experts’ priority setting and network;
- (b) provide recommendations on the role of gas to be presented at the twenty-eighth session of the Committee on Sustainable Energy, 25-27 September 2019. This will involve participation in the Committee’s open-ended consultation on policy recommendations to be held on 16 May 2019 in Geneva.

14. With those aims in mind, the Group of Experts requested that its Bureau and key experts remain fully engaged in the Pathways to Sustainable Energy project and contribute to it.

15. The Group of Experts noted the ongoing strategic review of the ECE sustainable energy sub-programme and tasked the Bureau to contribute to this process and inform the Group of its outcomes.

VII. The role of gas in attaining the Sustainable Development Goals (agenda item 5)

16. The Group of Experts concluded that increasing the share of natural gas in the total primary energy supply by promoting supply of both pipeline gas and liquefied natural gas (LNG) and encouraging further penetration of natural gas into key end-use markets (notably transport and flexibility in power generation) could accelerate ECE member States’ efforts to attain the range of environmental, economic and social objectives, including job creation, as outlined in the 2030 Agenda.

17. The Group of Experts further noted that natural gas is particularly relevant to the objectives of SDG 7 to increase access to affordable, reliable, sustainable and modern energy for all, to accelerate the uptake of renewable energy, and to improve energy efficiency of the electricity and transport systems.

18. Welcoming the start of the project “Improving understanding of the ECE member States on the role of natural gas in achieving the 2030 Agenda for Sustainable Development and the Paris Agreement”, the Group of Experts recognised that this new project will complement the “Pathways to Sustainable Energy” project by focusing on gas-related aspects. In this regard, the Group of Experts noted that strategic options put forward by the project will allow ECE member States to consider using natural gas to:

- (a) displace competing higher carbon-intensity fuels;
- (b) recognise the importance of fully developing gas infrastructure to support the future energy system;
- (c) enable the uptake of intermittent renewables;
- (d) access new markets and improve air quality and mobility through small-scale LNG and compressed natural gas (CNG); and
- (e) contribute to decarbonisation and introduce renewable and decarbonised gases (including biomethane, hydrogen, and synthetic gases) to present and future energy systems.

19. The Group of Experts requested that it be kept informed of progress of the project “Improving understanding of the ECE member States on the role of natural gas in achieving the 2030 Agenda for Sustainable Development and the Paris Agreement.

20. The Group of Experts recognized that the energy landscape is a mix of “molecules” and “electrons” and that it is necessary to balance the sustainability and decarbonisation goals in the most cost-efficient manner.

VIII. Exploring synergies between gas, renewable energy and energy efficiency (agenda item 6)

21. The Group of Experts considered that the least-cost and fastest path to create the sustainable energy system of the future is by using energy efficiency first to reduce energy requirements then meet the remaining energy requirements through a combination of gas and renewable energy. The Group of Experts offered to collaborate with the Groups of Experts on Energy Efficiency, Cleaner Electricity Systems, and Renewable Energy in collecting and exchanging best practices (as for example the efficiency of transforming energy from one form to another, storing it, and then transmitting or distributing the energy).

22. It was recognized during the discussion that the triangle “gas-renewable-energy efficiency” is key to achieving a sustainable energy future.

23. Mr. Vladimir Budinsky, Vice-Chair of the Group of Experts on Cleaner Electricity Systems, supported the idea to interconnect all groups of experts that deal with energy, and especially with electricity. Such closer cooperation would better enable ECE member States to achieve SDG 7.

IX. Promoting sustainable and clean production, distribution, and consumption of gas (agenda item 7)

24. The Group of Experts welcomed an increased number of gas discoveries and recently completed or planned pipelines and LNG installations that will improve gas supply and energy security in Europe significantly. The Group of Experts recommended to ECE member States to consider exploring innovative policy approaches to harness the new supplies economically, sustainably and equitably with an aim to:

(a) increase energy security, availability and affordability through diversification of sources, routes and suppliers;

(b) reduce environmental impacts and the carbon footprint of the energy sector;

(c) improve overall economic performance and competitiveness of the economy;

(d) catalyse job creation and foster social development, inclusiveness and innovation; and

(e) optimise production and use of domestic resources, including applying innovative methods of production to unconventional sources.

X. Joint Meeting of ECE and the Oil and Gas Subcommittee of the Global Methane Initiative (agenda item 8)

25. The Global Methane Initiative’s (GMI’s) Oil and Gas Subcommittee held its annual in-person meeting in cooperation with ECE as part of the sixth session of the ECE Group of Experts on Gas. The GMI Administrative Support Group announced the 2019 Global Methane Challenge, an opportunity for countries and companies to showcase the efforts they are undertaking to reduce methane emissions from sectors including oil and gas operations. Several GMI partner countries, including Canada, Colombia, Ghana, Turkey, and the United States, presented actions they are undertaking to reduce methane emissions from oil and gas operations. GMI partners and project network members identified a number of barriers to implementation of oil and gas methane mitigation projects in their countries, including regulatory, economic and technical barriers, and discussed possible strategies to overcome these barriers.

26. The Group of Experts welcomed continued engagement of the Global Methane Initiative and its Oil and Gas Subcommittee in its methane management work and recommended that this collaboration continue and expand.

27. After being updated on the draft text of the “Best Practice Guidelines for Methane Management in the Oil and Gas Sector” (main deliverable of the extrabudgetary project:

“Methane Management in Extractive Industries” funded by the United States Environmental Protection Agency), the Group of Experts invited ECE member States, gas companies, gas industry associations, academia, and other stakeholders to:

- (a) provide comments on the draft document by 31 May 2019;
- (b) contribute case studies on best practices for measurement, reporting, verification, and reduction of methane emissions from the gas value chain.

XI. Item 9: The role of gas in improving urban and indoor air quality (agenda item 9)

28. The Group of Experts took note of the recent alarming reports on the worsening air quality and increased pollution in urban areas of some ECE member States. The Group of Experts concluded that replacing more polluting fuels with gas, especially in sectors such as electricity generation, heating and, as much as possible, transportation is an effective way to address the issue of air pollution. An increased share of gas in the energy mix would significantly and immediately reduce concentrations of airborne pollutants (nitrogen oxides, carbon monoxide, methane, volatile organic compounds, sulphur dioxide, and particulate matter) that have adverse effects on human health and the environment.

29. With the above in mind, the Group of Experts requested that its Bureau explore possible next steps for how, in collaboration with the relevant partners such as IGU and the World Health Organization (WHO), to support affected member States in addressing air quality concerns via fuel switching to natural gas.

30. The Group of Experts reiterated its recommendation to member States to consider policy measures that would restrict the use of kerosene, other solid fuels or traditional fuels for cooking, and replace them with gas. These measures would mitigate indoor air pollution and help achieve the SDGs related to poverty, gender equality, and good health and well-being.

XII. Emerging issues (agenda item 10)

31. The Group of Experts noted that the existing gas infrastructure can deliver high storage and transmission capacity in a very efficient and cost-effective way. Therefore, the Group of Experts recommended that ECE member States consider leveraging the gas infrastructure as a point of departure in the energy transition. The Group of Experts should consider the possibility of establishing a Task Force to explore possible recommendations on leveraging gas infrastructure to achieve energy transition.

32. The Group of Experts stressed that it is critical for member States to enhance policy support for gas technology development, demonstration, and deployment, in order to accelerate innovation into carbon reducing technologies, including but not limited to Carbon Capture, Utilisation and Storage (CCUS), renewable gases, and hydrogen. The Group of Experts requested that the Bureau, in collaboration with relevant ECE expert bodies and other stakeholders dealing with energy technology and innovation funding explore possible concrete steps that would accelerate development and deployment of renewable and carbon-minimizing gas technologies.

33. The Group of Experts on Gas supported the initiative to analyse whether, in the light of the latest scientific results, the existing regulations might be updated in order to improve the potential for hydrogen to help decarbonize the economy.

XIII. Update on implementation of the work plan for 2018–2019 (agenda item 11)

34. After having been updated on the progress in implementation of the work plan for 2018–2019, the Group of Experts concluded that it is on track to carry out all planned activities.

XIV. Work plan for 2020–2021 (agenda item 12)

35. The Group of Experts recommended to continue its work on:
- (a) Clarifying the role of gas in attaining SDGs;
 - (b) Developing and disseminating best practice guidance for methane management in the gas sector;
 - (c) Promoting sustainable production, distribution, and consumption of gas and LNG in the ECE region;
 - (d) Raising awareness of the role of gas in improving air quality;
 - (e) Ensuring efficient synergies between renewable energy and natural gas.
36. The Group of Experts also recommended to include several additional activities, pending available resources:
- (a) Enabling a role for renewable and decarbonized gases in the future energy system;
 - (b) Exploring the use of gas infrastructure to enable the transition to a low emission economy;
 - (c) Deploying smart gas grids to maximise efficiency of energy transmission and usage;
 - (d) Exploring the need for Best Practice Guidance for LNG to enhance liquidity in global gas markets and the contribution of gas to achievement of the 2030 Agenda;
 - (e) Enhancing liquidity in traded gas markets to accelerate emergence of a global gas market;
 - (f) Removing barriers to the use of gas in transportation;
 - (g) Preparing best practice guidance for environmentally-sound development of unconventional gas;
 - (h) Removing obstacles to development of economic carbon capture, transport and storage;
 - (i) Exploring the role of gas in sectoral integration and decarbonization of the economy;
 - (j) Enabling a clear role for gas in the transition of electricity systems.

37. Noting that its draft work plan for 2020–2021 needs to be submitted to the Committee on Sustainable Energy at its twenty-eighth session, the Group of Experts requested the secretariat to conduct a survey on activities for inclusion in the 2020–2021 work plan and to engage a wide expert community in the consultation process. Based on the activities discussed during the meeting and the feedback received from the survey, the Group of Experts requested the Bureau to develop the draft work plan.

XV. Update on activities in ECE member States, gas industry and organizations (agenda item 13)

38. Representatives of ECE member States, the gas industry, and international governmental and non-governmental organizations presented developments in their respective organizations. A number of these presentations were submitted electronically and are posted on the ECE website².

² <https://www.unece.org/energy/welcome/areas-of-work/natural-gas/meetings-and-events/group-of-experts-on-gas/group-of-experts-on-gas/2019/6th-session-group-of-experts-on-gas/docs.html>

XVI. Preparations for the seventh session of the Group of Experts on Gas (agenda item 14)

39. The Group of Experts took note of the possibility that the Economic and Social Council of the United Nations might declare 2020 as the International Year of Methane. The Group of Experts stands ready to support activities that would raise awareness of the importance of methane management.

40. In the light of the above, the seventh session of the Group of Experts will be held in March 2020 in Geneva, possibly the same week as the Group of Experts on Coal Mine Methane, and the Oil and Gas and Coal Subcommittees of the Global Methane Initiative. Relevant experts from the Group of Experts on Renewable Energy and on Energy Efficiency will also be invited to participate.

XVII. Adoption of the report and close of the meeting (agenda item 17)

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