

**Economic and Social Council**

Distr.: General
20 April 2017

Original: English

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

Geneva, 27 and 28 March 2017

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

1. The fourth session of the Group of Experts was held on 27 and 28 March 2017¹.
2. This report summarizes the discussions of the Group of Experts at its fourth session. All the documents and presentations of the fourth session are available on the United Nations Economic Commission for Europe (ECE) website.

II. Attendance

3. The session was attended by experts from the following United Nations Economic Commission for Europe (ECE) member States: Austria, Belgium, Bulgaria, Canada, Croatia, Czechia, Denmark, France, Germany, Hungary, Israel, Italy, Kazakhstan, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, Serbia, Slovenia, Spain, Sweden, Switzerland, Tajikistan, Turkmenistan, Ukraine, United Kingdom of Great Britain and Northern Ireland and the United States of America. A representative of the European Commission also participated.
4. Experts from Brazil, Cameroon, Iraq, Kuwait, Lebanon, Nigeria, Qatar, Singapore, and Tunisia participated under Article 11 of the Commission's Terms of Reference.
5. Representatives of the United Nations Economic and Social Commission for Western Asia (ESCWA) and the United Nations Environment Programme also participated.

¹ Official documents of the session are available at <http://documents.un.org/>. Unofficial room documents and presentations delivered at the meeting are available on the ECE website at: http://www.unece.org/index.php?id=43277#.



6. Representatives of the following international and non-governmental organizations participated: Energy Charter Secretariat, European Biogas Association, Gas Exporting Countries Forum (GECF), International Energy Agency (IEA), International Gas Union (IGU), Marcogaz, Natural Gas Vehicles Association Europe (NGVA Europe), Organization for Security and Co-operation in Europe (OSCE), Organization of Arab Petroleum Exporting Countries (OAPEC), and Society of International Gas Tanker and Terminal Operators (SIGTTO).

7. The private sector and academia were also represented.

III. Adoption of the agenda (agenda item 1)

8. The provisional agenda as contained in ECE/ENERGY/GE.8/2017/1 was adopted without amendment.

IV. Opening remarks (agenda item 2)

9. The Chair outlined the ongoing work of the Group of Experts on its work plan for 2014–2017. He stressed that the overall purpose of the Group of Experts is to provide a forum for multi-stakeholder dialogue on ways to promote sustainable and clean production, distribution, and consumption of gas in the ECE region.

10. His Excellency Mr. Abbas Al-Naqi, Secretary General of OAPEC, delivered a keynote address on the importance of natural gas in providing mutual economic benefits and economic links between the Arab region and Europe.

11. The Director of the Sustainable Energy Division pointed out that the work of the Group of Experts could be looked at from both climate and development perspectives as energy is the golden thread that connects all 17 Sustainable Development Goals. The Director introduced the session's programme and its featured item, a workshop entitled "Methane emissions: a challenge to the sustainability credentials of gas". He considered that recommendations and conclusions emerging from the discussions could be used as building blocks for Best Practice Guidance in Managing Methane Emissions in the Gas Value Chain, one of the deliverables of the work plan of the Group of Experts. The Director also stressed the importance of discussing and agreeing on the Group of Experts' work plan for 2018–2019. He drew attention to the draft conclusions and recommendations that had been circulated prior to the meeting.

V. Elections of officers (agenda item 3)

12. In 2016, the Group of Experts elected a new Bureau to serve from the close of the meeting for a period of two years. The Bureau comprises: Mr. Francisco P. de la Flor Garcia (Spain) as Chair, and, Mr. Boris Makšijan (Croatia), Mr. Torstein Indrebø (Norway), Mr. Alexander Karasevich (Russian Federation), and Mr. Tamás Kőrösi (Hungary) as Vice-Chairs. Following nomination by the United States and the International Gas Union (IGU), the Group of Experts elected Mr. Daniel Hooper of the United States and Mr. Rafael Jesus Huarte Lazaro of IGU to join the Bureau for a period of two years.

VI. Round table on gas supply, transit and demand (agenda item 4)

13. The round table presented the gas supply, transit and demand outlook in Europe and its impact on upstream, mid-stream and downstream investments. The discussion, covering both pipeline and liquefied natural gas, outlined near-term transit risks and suggested possible solutions.

VII. Methane emissions: a challenge to the sustainability credentials of gas (agenda item 5)

14. The Group of Experts concluded that the results of the survey on methane emissions conducted by the secretariat identified some of the critical gaps in information on methane emissions. It noted that best practice guidelines and methods to manage and reduce methane emissions are being developed with consideration to existing guidelines and methods, and recommended that this work be continued in the 2018–2019 work plan.

15. Thanking companies and organizations that presented case studies at the session, the Group of Experts invited ECE member States, gas companies, and the gas industry associations to continue their contributions.

16. The Group of Experts recommended that future work on reducing methane emissions should be carried out in close collaboration with the International Gas Union and its relevant Committees and Task Forces, as well as with other international mechanisms, companies, organizations and associations, and invited all interested parties to join this effort.

17. The Group of Experts on Gas acknowledged the potential environmental and economic benefits of methane mitigation along the gas value chain and recognized the contribution it could make to attaining the Sustainable Development Goals.

18. The Group of Experts highlighted the importance of and practical need for steps to be undertaken to update and refine the data in National Inventories, so that they reflect more accurately the volumes of methane emissions attributable to the gas sector.

VIII. Activities and priorities of the United Nations Economic Commission for Europe and its Committee on Sustainable Energy (agenda item 6)

19. Noting the proposal to upgrade the Group of Experts into a Working Party, the Group of Experts requested the secretariat to analyse the implications of such an upgrade. The Group of Experts requested the secretariat to prepare a concept note with more information for its next session.

20. The Group of Experts concluded that it should participate in the Eighth International Forum on Energy for Sustainable Development and the Ministerial Meeting that will be held from 11-14 June 2017 in Astana, Kazakhstan. The Group of Experts requested that the Bureau in cooperation with the secretariat organize an ECE workshop with relevant partners on the role of gas in supporting attainment of the Sustainable Development Goals.

IX. Best practice guidance on the role of natural gas in increasing the uptake of renewable energy (agenda item 7)

21. Noting that uptake of renewable energy will increase and that best practice policies, technology and business models thereon are not yet fully developed, the Group of Experts recommended that its future work on the interaction between the gas and renewable energy sectors be carried out in close collaboration with the Group of Experts on Renewable Energy and the Group of Experts on Cleaner Electricity Production from Fossil Fuels. The Group of Experts regards gas and gas infrastructure as complementary to renewable energy and believes that both are needed to attain the Sustainable Development Goals, particularly for improving urban air quality and reducing smog.

X. Best practice guidance for liquefied natural gas (agenda item 8)

22. The Group of Experts took note of the recently published report “Market Trends in Liquefied Natural Gas” (ECE/ENERGY/101 and ECE Energy Series No 48), as well as the best practices and recommendations presented at the meeting, including on small scale Liquefied Natural Gas (LNG) and gas quality, and expressed its appreciation to the Task Force and other experts who prepared the report.

XI. Removing barriers to the use of natural gas as a transportation fuel (agenda item 9)

23. The Group of Experts thanked DNV GL for drafting recommendations on removing barriers to the use of natural gas in maritime transport, and recommended they be added to the previously developed recommendations on the use of gas as a fuel for land-based transport and the case studies presented at the meeting. The Group of Experts concluded that the work on removing barriers to the use of natural gas as a transportation fuel as included in the 2014–2017 work plan had been completed successfully.

XII. Recent developments and medium- and long-term prospects and policies in the gas industry – country updates and activities of international organizations (agenda item 10)

24. Representatives of member States and international organizations and associations presented developments in their respective countries and organizations.

XIII. Renewal of mandate and work plans for 2014–2017 and 2018–2019 (agenda item 11)

Documentation: GEG-3/2017/INF.2 – Unofficial room document: Draft work plan of the Group of Experts on Gas for 2018–2019 dated 13 March 2017

25. The Group of Experts agreed to consider and modify the draft work plan for 2018–2019 through written procedure as described in paragraphs 26 and 27, and to submit the agreed plan to the Committee on Sustainable Energy for endorsement and to the Executive Committee for subsequent approval. The Group of Experts authorized the Bureau to consider the range of activities discussed by the Group of Experts to ensure coherence in the work plan and to submit it on time.

26. The Group of Experts agreed to work by written procedure during inter-sessional periods for topics that are time sensitive.

27. In such a written procedure, approval of documents, including work plans and documents that require endorsement by the Committee on Sustainable Energy, should conform to the following procedure:

(a) A “task force”, supported by the secretariat, should prepare a draft document. During the preparation, the Bureau should be involved in periodic review and consultation;

(b) The draft will be subject to a minimum 21-day comment period by the Group of Experts. Not submitting comments during this period is considered as tacit approval. Comments submitted to the secretariat should be considered for possible inclusion and the draft modified as appropriate. Reasons for not acting on specific comments should be documented;

(c) Once comments have been considered, the Bureau should review the revised draft for approval. Any significant changes in the revised draft should be highlighted to the Group of Experts for consideration as per step 27 (b);

(d) The final draft should be submitted to the Committee on Sustainable Energy for endorsement.

28. The Group of Experts concluded that successful implementation of the work plan for 2018–2019 would require active involvement of ‘champions’ who would take responsibility for specific activities.

29. Noting that significant progress had been made in delivering on the 2014–2017 work plan and that there are significant issues that still require attention, the Group of Experts decided to request from the Committee on Sustainable Energy that its mandate be extended for four years.

XIV. Preparations for the fifth session (agenda item 12)

30. The Group of Experts recommended that the substantive portion of the fifth session should emerge from the Group’s 2018–2019 work plan. A number of the proposed themes included: the role of gas in improving urban air quality, natural gas conversions, the transformative nature of LNG markets, and the role of gas in climate change mitigation.

31. The fifth session of the Group of Experts will be held in March 2018 in Geneva.

XV. Other business (agenda item 13)

32. The Committee on Sustainable Energy requested at its twenty-fifth session that “the Group of Experts on Gas at its fourth session explore the establishment of a gas industry advisory board to support attainment of the Sustainable Development Goals and the Paris Climate Agreement and submit its recommendation to the Committee at its twenty-sixth session”. The Group of Experts took note that the ECE Executive Committee is weighing all options for enhancing dialogue between the gas industry and ECE member States, including the possibility for the Group of Experts on Gas to become the platform for the dialogue. The Group of Experts requested the secretariat to provide a concept note that explains possible options and how they may affect the Group of Experts on Gas.

XVI. Adoption of conclusions and recommendations (agenda item 14)

Documentation: GEG-3/2017/INF.1 – Unofficial room document: Draft Conclusions and Recommendations arising from the Group of Experts on Gas dated 15 March 2017

33. The conclusions and recommendations were adopted and are included under the relevant agenda items highlighted in this report.

XVII. Adoption of the report and close of the meeting (agenda item 15)

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