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Committee on Sustainable Energy

Group of Experts on Gas

Eighth session
Geneva, 25-26 March 2021

Report of the Group of Experts on Gas

I. Introduction

1. The eighth session of the Group of Experts was held on 25-26 March 2021.

2. This report summarizes the discussions of the Group of Experts at its eighth session. All the documents and presentations of the session are available on the United Nations Economic Commission for Europe (ECE) website[1].

II. Attendance

3. The session was attended by more than 100 experts from the following United Nations Economic Commission for Europe (ECE) member States: Albania, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, France, Georgia, Germany, Greece, Hungary, Italy, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, the Netherlands, North Macedonia, Norway, Poland, Portugal, Romania, Russian Federation, Serbia, Slovakia, Slovenia, Spain, Switzerland, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, United States of America, and Uzbekistan.

4. Experts from Australia, Brazil, Colombia, Egypt, Ghana, Indonesia, Mexico, Nigeria, Qatar, and Saudi Arabia participated under Article 11 of the Commission's Terms of Reference.

5. Representatives of the United Nations Economic and Social Commission for West Asia (UNEASCWA) and the United Nations Environment Programme (UNEP) attended. The European Union was represented. Representatives from the European Commission (EC) Directorate-General (D.G.) for Energy also participated.

6. Representatives of the following organizations participated: Energy Community, International Energy Agency (IEA) and International Renewable Energy Agency (IRENA).

7. The meeting also was attended by representatives of non-governmental organizations, academia and the private sector, as well as by independent experts.

[1] https://unece.org/sustainable-energy/events/eighth-session-group-experts-gas

III. Adoption of the agenda (agenda item 1)

8. The Expert Group adopted the agenda as circulated previously (ECE/ENERGY/GE.8/2021/1).

IV. Opening remarks and keynotes (agenda item 2)

9. In his opening remarks, the Chair introduced the sequence of events for the session. He reminded participants of the role of the Group of Experts as a platform for ECE member States to discuss sustainable and clean production, distribution, and consumption of gas in the ECE region. The primary mandate of the Group of Experts is to help ECE member States deliver on two key political commitments: (i) the 2030 Agenda for Sustainable Development, as outlined in the Sustainable Development Goals (SDGs), and (ii) the Paris Agreement on climate change.

10. Through its current work, the Group of Experts is engaged with reconciling the continuing use of fossil fuels and the urgent need to address climate change. The Chair observed that more could be done by expanding the Group's scope of work beyond natural gas into a broader domain of gases – that is, low carbon, decarbonized and renewable gases, including hydrogen – as vectors for energy transmission. In this regard, the Group of Experts could recommend to the Committee on Sustainable Energy to change the name of the Group to the Group of Experts on Gases.

11. The President of the International Gas Union (IGU) stressed that the issues being discussed at the eighth session – the role of gas in the post-COVID recovery, gas and the SDGs, best practices in methane management, decarbonization through synergies between gas and electricity, and low-carbon gases, including hydrogen – lie at the heart of the global debate about climate change and the role of energy. The energy debate is at a critical juncture, intense in recent years, but not much progress has been made in integrating the objectives of decarbonization, energy access and energy security. There may be an opportunity in the coming months to progress on these fronts with President Biden's Climate Summit, the G20 meeting under the Italian presidency and COP26 under UK leadership.

12. The UN report on National Determined Contributions covering 75 new Party Submissions showed that the combined impact of new commitments would result in a less than one per cent emission reduction by 2030, far short of the 45 per cent needed for a 1.5°C pathway. According to the IRENA report issued in March 2021, US$131 trillion must be invested to limit global warming to 1.5 °C by 2050. The International Gas Union (IGU) believes an achievable transition is one that delivers clean, secure and affordable energy, using electrons and natural gas and hydrogen molecules, and provides the necessary infrastructure to help individual countries meet the UN Sustainable Development and Paris Goals. IGU is of the view that decision-makers must accept that a clean, secure, and affordable energy future requires electrons, molecules, and infrastructure.

13. The Secretary-General of the Gas Exporting Countries Forum (GECF) discussed long-term global economic prospects and projected gas markets up to 2050. According to newly available projections, global GDP will be 7 per cent, or USD 13 trillion, lower in 2050 than was forecast in 2019 (equivalent to the size of China's current economy in absolute terms) because of COVID-19. At the same time, the share of ECE in the global economic output would decrease to 40 per cent from 52 percent in 2020. Other projections shared by the Secretary-General of GECF included: natural gas will remain a destination fuel, indispensable in the transition to a low carbon economy; in 2050, global gas trade will reach 2,000 billion cubic metres (bcm) per year ; liquefied natural gas (LNG) will overtake pipeline gas helped, in part, by the introduction of green LNG; and natural gas will become the leader in the global energy mix by 2050, as its share will increase from 23 per cent today to 28 per cent in 2050.

14. The representative of the Ministry of Energy and Mining of Serbia informed the participants about the development of Serbia's National Energy and Climate Plans under Recommendation 2018/01/MC of the Energy Community. In line with this recommendation, the Republic of Serbia was obliged to develop and adopt these Plans for the period 2021 -

2030, including the projections to 2050, to ensure consistency with long-term relevant policy objectives at the levels of the European Union (EU), the United Nations Framework Convention on Climate Change (UNFCCC) and the Energy Community. The new Law on Energy will define the obligation to develop Integrated National Energy and Climate Plans, and thus a part of the "Governance" regulation has been transposed into the legislation of Serbia. This document will define national targets for decarbonization in terms of greenhouse gas emissions and energy from renewable sources, energy efficiency, energy security, the internal energy market and research, innovation and competitiveness.

15. Regarding natural gas, Serbia is a highly import-dependent country. In 2019, 84 per cent of total gas demand was imported. Having in mind EU policy in the field of energy and climate, the role of gas in the energy transition of Serbia will be considered in the process of decarbonizing the economy. Projects in the Energy Community framework would include Serbia-Bulgaria, Serbia-Northern Macedonia and Serbia-Croatia gas interconnections.

16. The Deputy Executive Secretary of ECE informed participants about the principal commitments in sustainable energy: the 2030 Agenda for Sustainable Development and the Paris Agreement on climate change both of which set the world on a path to carbon neutrality by 2050. Achieving the 2030 Agenda and delivering on the commitments of the Paris Climate Agreement is possible through integrated solutions that do not sacrifice one for the other. The work of the Group of Experts, and that of the Committee on Sustainable Energy, lies at the intersection of the two commitments and is key to achieving them both timely, economically and equitably. He observed that, in his view, the most important theme of the meeting is hydrogen as a key to achieving carbon neutrality, especially in the hard-to-abate sectors. He underlined the need to look in an agnostic, open and neutral way, at all options for producing, transporting or using hydrogen. ECE provides a platform for such work.

V. Elections of officers (agenda item 3)

17. The current Bureau, elected in September 2020 to serve from the close of the seventh session for two years, comprises: Mr. Francisco de la Flor (Spain) as Chair and Mr Florian Marko (Austria), Mr. Loghman Damirli (Azerbaijan), Mr. Boris Maksijan (Croatia), Mr. Uwe Wetzel (Germany), Mr. Torstein Indrebø (Norway), Mr. Dmitriy Shvedov, (Russian Federation), Ms. Denise Mulholland (United States) and Mr. Luis Bertran (International Gas Union) as Vice-Chairs.

18. Two nominations, to serve from the close of the eighth session for two years, were received: Mr. Amir Foster (Israel) and Mr. Saša Stojanović (Serbia). The Group of Experts elected Mr. Foster and Mr. Stojanovic as Vice-Chairs of the Bureau for a period of two years from the close of the eighth session to the close of the tenth session.

19. The Group of Experts on Gas expressed its appreciation to the Bureau for its contribution to the deliverables of its 2020-2021 work plan.

VI. Activities and priorities of the United Nations Economic Commission for Europe and its Executive Committee (agenda item 4)

20. The Director of the Sustainable Energy Division updated the Group of Experts on the outcomes of the twenty-ninth session of the Committee on Sustainable Energy, the Group of Expert's parent body, and on the preparations for the thirtieth session of the Committee, 22-24 September 2021. He informed the Group of Experts on preparations for the sixty-ninth session of the Economic Commission for Europe, 20-21 April 2021, in which the Committee will play an active role. The Commission is the Committee's parent body.

21. The Group of Experts noted the decision of the Committee on Sustainable Energy at its twenty-ninth session to request the Economic Commission for Europe at its sixty-ninth session to consider a decision on near-term acceleration of the 2030 Agenda for Sustainable Development through action on gases and buildings (ECE/ENERGY/133, paragraph 7).

22. Noting that the ECE region is falling short of its commitments and objectives on sustainable energy, the Group of Experts concluded that its key contribution to achieving these objectives could be in two areas: (a) transition to sustainable energy; and (b) reducing the environmental impact of energy.

23. The Group of Experts actively participated in the preparation of the draft strategic review of the ECE sustainable energy subprogramme (ECE/ENERGY/2020/12) initiated at the twenty-ninth session of the Committee. The Group of Experts noted that its catalytic role in reconciling the reality of fossil fuels' enduring share of the energy mix with the need to address climate change would be further strengthened if the scope of its work were to be expanded beyond natural gas into the domain of gases as vectors of energy transmission, including notably hydrogen and bio-gases. The Group of Experts requested the Bureau in cooperation with the secretariat to submit a proposal to change the name of the Group to the Group of Experts on Gases to the thirtieth session of the Committee.

24. The Group of Experts noted that its work on gases, including biogas/biomethane, bio-LNG and hydrogen, creates momentum to facilitate attainment of the environmental, social and economic goals of the 2030 Agenda for Sustainable Development. Interactions among governments and the private sector are key to achieving these objectives. The Group of Experts offered to provide a platform for such interaction.

VII. Implementation of the current work plan (2020-2021) (agenda item 5)

25. The Group of Experts noted with appreciation the work of the Bureau and the secretariat to manage and direct the Group's activities between annual sessions despite human and financial resource constraints and the unprecedented situation caused by the COVID-19 pandemic.

A. Gas-powered post-COVID-19 recovery as a step towards a decarbonized world

26. The Group of Experts noted that changes in work and life patterns caused by COVID-19 put energy infrastructure under enormous stress and that energy markets experienced significant volatility. At the same time, the health crisis opened opportunities for accelerating the energy transition, including by blurring the line between consumers and suppliers of energy. The Group of Experts agreed to offer its assistance to member States in defining optimal paths for recovery from the current pandemic. Optimal paths towards a decarbonized world could be country-specific, minimizing overall emissions and increasing efficiency of energy use. Gas infrastructure will play an important role in this transition.

B. Role of gas in attaining the Sustainable Development Goals: air quality

27. The Group of Experts thanked IGU for presenting case studies on the role of gas in improving urban air quality. The Group of Experts invited ECE member States to share experiences in improving air quality and offered its expertise to all interested countries and cities.

28. To meet tightening air standards in many countries and reduce pollution levels, the Group of Experts concluded that the key success factors will be:

(a) Improved access to natural gas supply;

(b) Improved monitoring and remediation of methane losses;

(c) Upgrade of bus fleets with natural gas-powered buses;

(d) Cleaning marine transport by developing LNG bunkering in city harbours;

(c) Best practices in methane management in the gas sector.

29. The Group of Experts reiterated its strong support for declaration by the UN General Assembly of an International Decade for Methane Management. The Group of Experts agreed to liaise with the Global Methane Initiative (GMI) and other key stakeholders to seek the support of UN Member States to secure such a declaration and to collaborate on other efforts to mitigate methane. The Group of Experts recommended to set up a Task Force, together with the Group of Experts on Coal Mine Methane, GMI and other interested organizations and companies, to accelerate progress on adoption of a declaration and action that would follow should it be adopted.