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EXECUTIVE COMMITTEE

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Decision to request additional resources to support activities under the Sustainable energy subprogramme

EXCOM is invited to submit the draft decision contained in this background note to the seventieth session of the Commission for consideration under agenda item 7 “Other issues calling for decision by the Commission.”

(As per standing practice, the text will undergo technical editing before issuance to ensure alignment with UN editorial guidelines.)

I. Background

1. Energy is critical to supporting peace, cooperation, development, and quality of life in our region and beyond and to achieving the 2030 Agenda on Sustainable Development (2030 Agenda) and the Paris Agreement commitments. The United Nations Economic Commission for Europe (ECE) region is one of the largest producers and consumers of energy and has the most extensive trade flows for energy-related services. The region is key when it comes to energy and delivering a sustainable energy future for the world.
2. The Sustainable energy subprogramme was created in 1947 to ensure coal, gas, and electricity supplies in an east-west post-war context and has evolved over the past thirty years. The Committee has delivered, early on in the areas of energy security, subsidies and pricing, coal and gas and, more recently in supporting energy system transitions, reducing the environmental footprint of energy and managing resources sustainably.
3. The work of ECE on sustainable energy is designed to improve access to affordable and clean energy for all and help reduce greenhouse gas (GHG) emissions and the carbon footprint of the energy sector in the region in support of the 2030 Agenda and the Paris Agreement commitments. Under the auspices of the intergovernmental body, the Committee on Sustainable Energy (the Committee), the sustainable energy subprogramme supports international policy dialogue and cooperation among governments, energy industries and other stakeholders to foster sustainable energy development; develop and deploy ECE policy recommendations, norms, standards, guidelines and tools on energy-related issues; and provide capacity-building and assistance to member States, at their request, through training programmes, advisory services and technical cooperation projects. The focus areas of the subprogramme include energy security, energy system resilience, energy efficiency, renewable energy, cleaner electricity systems, coal mine methane, gas, hydrogen, and sustainable resource management and are supported by the work of the Committee's six subsidiary bodies.
4. The subprogramme has played a key role in accelerating and deepening the transition to sustainable energy in the ECE region, meeting and/or exceeding all of its goals to date. Since 2020, however, the ECE region has been facing an increasing number of crises that pose a significant challenge to the current energy system, exposing its vulnerabilities and potentially jeopardizing access to affordable energy in the near term and achievement of sustainability goals and climate change commitments in the longer term.
5. At its thirty-first session (21-23 September 2022), the Committee recognized that the sustainable energy subprogramme, through its work under the Committee and its six subsidiary bodies, is in a unique position to support the growing need to build more resilient and sustainable energy systems in the ECE region and modernize resource management systems in the region. The

Committee called on the subprogramme to prioritize and implement special activities that coordinate and promote efforts related to energy resilience across the ECE region. The Committee also called on ECE and non-ECE member States, international organizations, industry, and the regional commissions to implement the United Nations Resource Management System (UNRMS) principles and requirements as a matter of urgency and for the subprogramme to support the efforts.

6. The Committee specifically requested the following new activities that require adequate United Nations regular budget resources to support member States:
 - a. Provide an ECE Platform on Resilient Energy Systems for inclusive dialogue using existing resources and develop a budget and work plan for critical additional activities needed to support member States under the Platform;
 - b. Accelerate testing and implementation of UNRMS principles and requirements
 - c. Raise extrabudgetary funds and mobilize the expert communities required for various tasks, including the further completion of specific UNRMS modules and capacity-building;
 - d. Investigate existing classifications and specifications for hydrogen and develop, where appropriate, specifications for the application of UNFC and UNRMS to hydrogen projects and production technologies;
 - e. Develop pilot hydrogen resource management projects and case studies applying UNRMS principles.
7. Recalling that the regular budget support for the subprogramme, including staffing, has remained minimal and unchanged for the past many years, the Committee “decided to recommend to the Commission that it consider requesting the Economic and Social Council (ECOSOC) consider asking the Secretary-General to strengthen the secretariat’s role in supporting member States in building resilient energy systems and modernizing resource management systems, as well as outreach efforts.”
8. The ECE Executive Committee (EXCOM) is invited to submit the draft decision, presented in section IV below, to the Commission for consideration at its seventieth session in 2023.

II. Recent developments related to the Sustainable energy subprogramme provide new needs and opportunities

9. The COVID-19 pandemic, geopolitical crises in the region, supply chain disruptions, and climate change impacts have exacerbated the challenges of meeting the 2030 Agenda and climate change mitigation goals and highlighted the vulnerability of the ECE energy systems. The third policy brief of the UN Global Crisis Response Group on Food, Energy and Finance issued in August focused on the global impact of the energy crisis and found that "more people are now forecast to be pushed into food insecurity and extreme poverty by the end of 2022" and that "the world is in the grip of a major energy crisis." Climate models indicate that current national actions

and international climate targets set in the Paris Agreement and at COP26 fall short of delivering carbon neutrality and limiting global warming to 2 degrees Celsius. The gaps between commitments that countries have made and what is needed to achieve sustainable energy, however, remain substantial. It is imperative that long term climate and sustainability goals should not be compromised by a focus upon short-term energy challenges.

10. At its thirty-first session, the Committee acknowledged the urgent need to bolster energy systems resiliency through increased implementation of energy efficiency measures immediately, underpinning the importance of integrating efficiency strategies to bolster the durability and flexibility of energy systems, improving the systems' ability to absorb shocks and recover, taking advantage of advancements in applicable digital solutions and reducing the demand for energy to perform the same task or achieve the same outcome.
11. The REN21 ECE Renewable Energy Status Report 2022, prepared jointly by REN21 and the subprogramme and released in September 2022, provides a comprehensive overview of the current status of renewable energy and energy efficiency trends in Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Kazakhstan, Kosovo, the Kyrgyz Republic, Republic of Moldova, Montenegro, North Macedonia, the Russian Federation, Serbia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. The report found that the combined public and private investments in renewables across the focus countries are insufficient, with 2018 renewable energy investments in the region at 7.2 billion dollars, similar to investment levels almost ten years earlier. This figure represents only some 2.2% of the global total and approximately 13% of the renewable energy investment in the European Union in 2018 (USD 55 billion). Investment by member States needs to expand significantly to attain the 2030 Agenda and the Paris Agreement and achieve resilient energy systems.
12. At the same time, the demand for natural resources for sustainable development has grown exponentially due to various factors, including rising population, increasing urbanisation and aspirations for a better quality of life. The subprogramme has been developing and broadening the scope of application of the United Nations Framework Classification for Resources (UNFC) and, in 2017, started the development of the United Nations Resource Management System (UNRMS) to support Member States to manage their natural resources sustainably, including progressing towards a circular economy. At the request of member States, UNFC and UNRMS development have followed a strategic path:
 - i. UNFC was first developed for the classification of solid fuels and mineral commodities (ECOSOC Decision 2004/233);
 - ii. In 2009, UNFC was extended to petroleum resource management;
 - iii. In 2016, Renewable Energy Classification and Geological Storage (e.g., CO₂ capture and storage) were incorporated into the system;

- iv. In 2017, competency guidelines to ensure financial reporting were incorporated and work to develop UNRMS started;
 - v. In 2018, anthropogenic (secondary) resources were incorporated into the system;
 - vi. In 2019, the UNFC principles were updated and optimized for all resources (ECOSOC Decision 2021/250);
 - vii. In 2020, work to apply UNFC to groundwater resources was started;
 - viii. In 2021, guidance on social and environmental considerations was added;
 - ix. In 2022, additional guidelines to make UNFC applicable for financial reporting, including updated competency guidance, were developed. The final draft of UNRMS: Principles and requirements was developed;
 - x. In 2023, incorporation of hydrogen resource management into UNFC is planned as well as development of various tools required for the application of UNRMS.
13. Over the last five years, the demand from Member States for technical and policy support to deploy UNFC has grown significantly, such that the demand outpaces the subprogramme's capacity to respond and provide the requested support. Similarly, over the past five years, Member States have requested development of UNRMS by the subprogramme to provide support for innovation, value addition and integrated management of resources to meet the challenges of sustainability and climate change mitigation and adaptation. This has placed additional strain on the subprogramme.
 14. At its thirty-first session, the Committee noted the critical importance of building resilient energy systems in the ECE region, including sustainable resource management of critical raw materials (CRMs) and the development of sustainable value chains of CRMs, and progress toward a more circular economy in realizing the 2030 Agenda and the Paris Agreement commitments.
 15. The Committee noted that ECE member States are starting to prioritize building resilient energy systems and implementation of sustainable resource management tools, including the implementation of UNFC and UNRMS for social, environmental and economic performance improvements in natural resource management, including through the International Centres of Excellence on Sustainable Resource Management and International Centres of Excellence on Coal Mine Methane and supporting proper management of coal mine methane and abandoned mine methane (ECOSOC Decisions 2011/222 and 2021/249).
 16. Based on the discussion and noting the vulnerabilities of the existing energy systems in the ECE region, the Committee agreed to prioritize and implement special activities that coordinate and promote efforts related to energy resilience across the ECE region, providing an ECE Platform on Resilient

Energy Systems for inclusive dialogue. The Committee requested the Bureau of the Committee, in cooperation with the secretariat, to develop a work plan and budget for the special activities to be organized under the Platform, and to post these to the website.

III. The Sustainable energy subprogramme: current situation and additional resource needs

16. The Sustainable energy subprogramme, through its work under the Committee, provides a unique, important and inclusive platform for international technical dialogue, fosters cooperation among governments, energy industries and other stakeholders to foster sustainable energy development; develops and deploys ECE policy recommendations, norms, standards, guidelines and tools on energy-related issues; and provides capacity-building and assistance to member States through training programmes, advisory services and technical cooperation projects.
17. The Sustainable energy subprogramme is located within the Sustainable Energy Division of ECE.
 - In the early 2000s, one Regular Budget (RB) professional staff was assigned to support the work on resource classification and management fulltime. Since 2014, the work on resource classification and management has been assigned to one P-5 level staff (who manages the Energy Industry Section, acts as Secretary of the ECE Expert Group on Resource Management and Secretary of the Group of Experts on Coal Mine Methane and Just Transition and performs the functions of Deputy Director of the Division).
 - The RB professional staff at the P-5 level contributes 0.5 of staff time to work on resource classification and management and provide the function of Secretary of the ECE Expert Group on Resource Management.
 - No staff have ever been assigned to support member States on building resilient energy systems.
 - The exponential demand and the corresponding increase of ECE's Sustainable energy subprogramme workload is an additional challenge in terms of resources.

18. In addition to a maximum of 0.5 of RB staff at P-5 level, since September 2020 the ECE secretariat has one extrabudgetary post at P-4 level fully dedicated to servicing the technical work to develop UNFC and UNRMS and since July 2021 another extrabudgetary post at P-3 level fully dedicated to implementation of UNFC in EU countries. Both extrabudgetary posts are only until mid-July 2023.
19. Given the range and complexity of the activities requiring adequate leadership, guidance and technical expertise as well as growing needs of the ECE member States on building resilient energy systems and intense demand for support on sustainable resource management, the RB resources available to manage the delivery of expected outputs under the subprogramme are not adequate.
20. The Committee, at its thirty-first session, considered the above challenges faced by the ECE secretariat deriving from the lack of appropriate staff resources to handle the implementation of the programme of work of the Sustainable energy subprogramme. It discussed the need for adequate United Nations regular budget resources, in particular to ensure that the ECE part of the secretariat was headed by a fully dedicated P-4 staff, and was informed of the relevant budgetary implications (approximately \$250,000 per annum, including general operating expenses). Based on such discussion, the Committee “decided to recommend to the Commission that it consider requesting the Economic and Social Council (ECOSOC) consider asking the Secretary-General to strengthen the secretariat’s role in supporting Member States in building resilient energy systems and modernizing resource management systems, as well as outreach efforts.” (ECE/ENERGY/143, paras 40, 41 and 67).
21. A note detailing the programme budget implications of the abovementioned draft ECE decision, will be presented during the meeting of the Executive Committee.
22. Without adequate regular budget resources, the ECE secretariat will not be able to deliver on meeting the growing demand from Member States for technical and policy support to:
- build resilient, sustainable and efficient energy systems that provide energy security, and affordable access to all while making an optimal contribution to a country’s social, economic, and environmental development
 - manage their natural resources sustainable, including through deployment of UNFC, and development and deployment of UNRMS.

IV. Proposed draft decision for consideration by the seventieth Commission

Decision to request additional resources to support activities under the Sustainable energy subprogramme

The Economic Commission for Europe,

Considering a number of ECOSOC Decisions concerning the sustainable energy subprogramme (United Nations International Framework Classification for Energy Reserves/Resources: Solid Fuels and Mineral Commodities (1997/226), United Nations Framework Classification for Fossil Energy and Mineral Resources (2004/233), Best Practice Guidance for Effective Methane Drainage and Use in Coal Mines (2011/222), Best Practice Guidance for Effective Methane Recovery and Use from Abandoned Coal Mines (2021/249), Updated United Nations Framework Classification for Resources (2021/250)),

Noting at its 70th session the critical importance of building resilient energy systems in the ECE region, including sustainable resource management of critical raw materials (CRMs) and the development of sustainable value chains of CRMs, and progress toward a more circular economy in realizing the 2030 Agenda for Sustainable Development and the Paris Agreement targets,

Further noting that ECE member States are starting to prioritize building resilient energy systems and implementation of sustainable resource management tools, including the implementation of UNFC and UNRMS for social, environmental and economic performance improvements in natural resource management, including through the International Centres of Excellence on Sustainable Resource Management and the International Centres of Excellence on Coal Mine Methane and supporting proper management of coal mine methane and abandoned mine methane,

Recalling that the regular budget support for the subprogramme, including staffing, has remained minimal and unchanged for the past many years,

1. *Decides* to propose that the Economic and Social Council consider requesting that the Secretary-General strengthen the ECE Secretariat's role in supporting member States in building resilient energy systems and modernizing resource management systems;

2. *Decides* to transmit to the Economic and Social Council at its session of 2023 a draft resolution on this issue for consideration and possible adoption.

Draft ECOSOC resolution on the implementation of decision to request additional resources to support activities under the ECE Sustainable energy subprogramme

The Economic and Social Council,

Noting the adoption by the 70th session Economic Commission for Europe (Geneva, 18-19 April 2023) of decision xxx on the implementation of the decision to request additional resources to support activities under the Sustainable energy subprogramme, in particular, building resilient energy systems and modernizing resource management systems, as well as outreach efforts.

Endorses the decision of the Economic Commission for Europe to request additional resources from the Secretary-General to support activities under the Sustainable energy subprogramme, in particular, building resilient energy systems and modernizing resource management systems, as well as outreach efforts.

Next steps

The UNECE Executive Committee (EXCOM) is invited to submit the above draft decision for consideration by the Commission at its seventieth session (Geneva, 18-19 April 2023).