

Economic Commission for Europe
Committee on Sustainable Energy

Group of Experts on Gas

Eighth session

Geneva, 25-26 March 2021

Item 11 of the provisional agenda

Adoption of Conclusions and Recommendations

Draft Conclusions and Recommendations
arising from the eighth session of the Group of Experts on Gas

Draft for discussion

Agenda item 3: Election of officers

1. The Group of Experts elected the following Vice-Chairs to serve from the close of the eighth session for two years: Mr. Amir Foster (Israel) and Mr. Saša Stojanović (Serbia).
2. The Group of Experts expressed its appreciation to the Bureau for its contribution to the deliverables of the 2020-2021 work plan.

Agenda item 4: Activities and priorities of the United Nations Economic Commission for Europe and its Executive Committee

3. 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).
4. 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) deep transformation of the energy system; and (b) reducing the environmental impact of energy.
5. 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.

6. In light of the above, 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.

Agenda item 5: Implementation of the current work plan (2020-2021)

7. 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

8. The Group of Experts noted that the changes in work and life patterns caused by COVID-19 put energy infrastructure under enormous stress and 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 of 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

9. The Group of Experts thanked the International Gas Union 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.

10. 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

11. 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, and to seek support of UN Member States for such a declaration. 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 such a Declaration and action that would follow should it be adopted.

(d) Decarbonization through synergies between gas and electricity

11. The Group of Experts acknowledged that the concept of gas(es) should be broader and include not only natural gas but also low carbon, decarbonized and renewables gases.

12. The Group of Experts recognized the critical role of gas(es) in decarbonizing the energy sector and achieving carbon neutrality by 2050. Technology development, together with economies of scale, will foster deployment of progressively decarbonized gases.

13. The Group of Experts concluded that existing and new gas infrastructure – transmission, distribution, underground storage, and facilities to manage liquefied gases – will be the backbone (core network) of a future low-carbon energy system that contributes cost-effectively to decarbonization.

15. The Group of Experts concluded that a future decarbonized energy system could represent an optimal combination of “electrons and molecules”, in which the electricity and gas sub-systems are progressively more interlinked, increasing the share of renewable energy, either as electricity or as gas.

16. The Group of Experts on Gas concluded that the gas industry and gas infrastructure, through energy system integration, would play a crucial role in the transition to a decarbonized economy.

17. The Group of Experts stressed the need to scale up projects on carbon capture and storage (CCS) in Europe. In this regard, the Group of Experts welcomed the December 2020 investment decision of the Norwegian parliament to fund “Longship”, a commercial scale CCS project. This project demonstrates how, through economies of scale, barriers to implementing future CCS projects in ECE member States can be reduced. The Group of Experts offered its assistance in disseminating the knowledge and technology needed for large-scale CCS projects.

(e) Hydrogen

18. The Group of Experts agreed that all technological and financial options for hydrogen production, transmission, storage and use should be considered agnostically and discussed from a level playing field perspective.

19. The Group of Experts concluded that retrofitting (blending) and repurposing existing natural gas infrastructure would accelerate the transition to a future hydrogen economy in a cost-effective way.

20. The Group of Experts agreed to offer its support to facilitate international and cross-sectoral collaboration to increase awareness and public acceptability of hydrogen and to accelerate the transition to a future hydrogen economy in the ECE region and beyond.

GEG-8/2021/INF.1

21. The Group of Experts welcomed the outcomes of the online workshop “Attaining Carbon Neutrality: The Role of Hydrogen”, held on 24 March 2021. In particular, the case study “Roadmap for production and use of hydrogen in Ukraine” presented at the workshop may serve as a model to other member States on how to develop pilot projects for production and use of hydrogen.

22. Following the twenty-ninth session of the Committee on Sustainable Energy at which the document “Hydrogen – an innovative solution to carbon neutrality” (ECE/ENERGY/2020/8) was presented, the Group of Experts stressed the importance of operationalizing the recommendations outlined in this document. The Group of Experts agreed that the most important among the recommendations are to:

(a) Agree a comprehensive and science-based terminology for renewable, decarbonized and low-carbon hydrogen and to use the agreed terminology to adapt national legal definitions and to provide a clear taxonomy to provide legal certainty and to foster collaboration and investment flows.

(b) Develop tradeable Guarantees of Origin for Hydrogen (GOH) to decouple physical and commercial flows and thereby accelerate hydrogen deployment. The Group of Experts offered its assistance to member States in developing GOH or similar mechanisms.

(c) Accelerate deployment of electrolyzers. The Group of Experts offered its assistance to member States in this regard.

(d) Support technical neutrality in the efforts to scale up and develop robust value chains.

(f) Sustainable production and consumption of gas and liquefied natural gas (LNG)

23. The Group of Experts welcomed the General Assembly Resolution A/RES/75/22, adopted on 21 December 2020 that, inter alia, “recognizes the key role that natural gas currently plays in many countries and its potential to expand significantly over the coming decades to meet demand in some countries as well as in new sectors, such as the transportation sector, supporting transitions towards lower-emission energy systems, and calls upon Governments to enhance energy security through the sharing of best practices and knowledge for the security of gas supply and demand.”

24. In the light of the above, the Group of Experts welcomed the increased number of recently completed pipelines and LNG installations that will improve gas supply and energy security in Europe significantly, particularly in South-east Europe.

25. The Group of Experts recommended to ECE member States to consider exploring innovative policy approaches that would harness new supplies of LNG sustainably, decarbonize society, and improve competitiveness of the economy during the post-COVID recovery.

26. The Group of Experts concluded that new gas projects would catalyse job creation and foster just transition, social development, inclusiveness and innovation.

(g) Update on gas in transport project

27. The Group of Experts welcomed the progress in implementation of the extrabudgetary project funded by the Russian Federation “Improving capacities of the ECE member States to decarbonize the transport sector”, including the inaugural workshop held in December 2020. The Group of Experts noted that the project will enhance the capacity of ECE member States to develop infrastructure to harness the benefits of natural gas in transportation as a viable low-carbon alternative fuelling option and to improve air quality.

28. The Group of Experts noted with appreciation the project’s key recommendations. In this regard, the Group of Experts invited ECE member States to consider introducing a comprehensive programme for development of a natural gas vehicle (NGV) market in different segments of the transport sector, such as private cars, buses, heavy trucks, construction and communal machinery, agricultural and quarry machinery, railway transport, and water transport.

29. The Group of Experts concluded that technical regulations for NGVs require harmonization between ECE member States. The regulatory harmonization could include creation of a unified interstate register of cylinders to control their circulation in countries and simplification of procedures for the final consumer when crossing borders.

30. The Group of Experts welcomed the project proposal under development “Decarbonizing transport – a life cycle analysis” that would explore, from an energy perspective, different paths to a future decarbonized and sustainable transport system. The Group of Experts committed to participate in this ECE cross-divisional effort.

Agenda item 6: Presentation of results and recommendations of the project “Pathways to Sustainable Energy”

31. The Group of Experts took note of the Committee’s recommendations to continue cooperating closely with the Group of Experts on Renewable Energy and the Group of Experts on Cleaner Electricity Systems on synergies between renewable energy and gas and to assess the role of decarbonized gases, including hydrogen, across ECE subregions (ECE/ENERGY/123 and ECE/ENERGY/2020/2).

32. The Group of Experts noted with appreciation the progress made in implementation of the project “Enhancing understanding of the implications and opportunities of moving to carbon neutrality in the UNECE region across the power and energy intensive industries by 2050” (“Carbon Neutrality”) and agreed that the Group will continue to cooperate closely with other group of experts on this important topic and provide its technical support to further implementation of the project.

Agenda item 7: Emerging issues and work plan for 2022-2023

33. The Group of Experts agreed to its draft work plan for 2022-2023, as presented in GEG-8/2021/INF.2, and requested the secretariat to submit it to the thirtieth session of the Committee on Sustainable Energy for approval. The Group of Experts invited ECE member States to support this ambitious work plan with additional extrabudgetary and in-kind resources where

possible, which would extend the scope and deepen the impact of the activities included in the draft work plan.

34. Noting that its mandate expires on 31 December 2021, the Group of Experts agreed to recommend to the Committee that its mandate be renewed for a further two years to 31 December 2023.

Agenda item 9: Preparations for the ninth session of the Group of Experts on Gas.

35. The Group of Experts recommended the following topics for the substantive portion of its ninth session: [to be decided at the meeting].

36. The Group of Experts recommended that the ninth session of the Group of Experts be held on 24 and 25 March 2022 in Geneva.

12. Adoption of the report and close of the meeting.

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