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COMMITTEE ON SUSTAINABLE ENERGY

Ad Hoc Group of Experts on Coal in Sustainable Development
Sixth session, 17-18 November 2003

REPORT

I. ATTENDANCE

1. The sixth session of the Ad Hoc Group of Experts on Coal in Sustainable Development was held on 17 and 18 November 2003 and attended by representatives from the following UNECE member countries: Albania, Belgium, Bulgaria, Czech Republic, Denmark, France, Germany, Hungary, Italy, Kazakhstan, Kyrgyzstan, Poland, Romania, Russian Federation, Serbia and Montenegro, Slovakia, Slovenia, Spain, Tajikistan, Turkey, Ukraine, United Kingdom and United States of America.
2. The following governmental and non-governmental organizations were also represented: ASSOCARBONI (also representing EURISCOAL), CIS Interstate Euro-Asian Coal and Metal Community, European Association for Coal and Lignite (EURACOAL), European Action for Mining Communities (EUR-AKOM), International Energy Agency (IEA), World Coal Institute (WCI) and World Energy Council (WEC).

II. ADOPTION OF THE AGENDA (Agenda Item 1)

3. The provisional agenda, as contained in document ENERGY/GE.1/2003/2, was adopted without any changes. However, in order to accommodate the availability and travel arrangements of overseas speakers the agenda items were not taken in numerical order.

III. ELECTION OF OFFICERS (Agenda Item 2)

4. The meeting was advised that a new bureau of officers had last been elected at the fourth session and, in the absence of any objections, could be reelected. It was noted that the normal practice is for a bureau to serve for a period of two years. The bureau was unanimously re-elected as follows: Mr. Sergey Klimov (Russian Federation) was re-elected Chairman and Messrs. Celestin Alexandrescu (Romania), and Miroslav Wališ (Czech Republic) were re-elected Vice-Chairmen. The meeting further noted the proposal that a new bureau be elected to serve at the seventh session, 16-17 November 2004.

IV. TERMS OF REFERENCE (Agenda Item 3)

5. The meeting reviewed the draft Terms of Reference of the Ad Hoc Group of Experts (Annex to the Report of the fifth session of the Ad Hoc Group of Experts on Coal in Sustainable Development, ENERGY/GE.1/2002/3).

6. The meeting approved the draft Terms of Reference without modification. A copy of the final Terms of Reference is annexed to this report.

V. RECENT ACTIVITIES AND PRIORITIES OF THE COMMITTEE ON SUSTAINABLE ENERGY (Agenda Item 4)

Documentation:

(i) ECE/ENERGY/49: Report of the twelfth session of the Committee on Sustainable Energy

7. Mr. George Kowalski, Director of the UNECE Industrial Restructuring, Energy and Enterprise Development Division (IREEDD), updated the Ad Hoc Group on issues relating to the UNECE generally and more specifically to the Sustainable Energy Section of the IREEDD that had occurred since the last session and that were planned to take place during the UNECE "Energy Week", 17-21 November 2003.

8. Mr. Kowalski reported on the activities of the Committee on Sustainable Energy, including that this year's Committee session would deal with two topics of relevance to the coal and thermal power community: (i) energy security in the light of new developments; and (ii) a Roundtable on "Facilitating Investments in the Electricity Sector of the Transition Economies".

9. Mr. Kowalski briefed the meeting on the planned activities of the Committee on Sustainable Energy in the area of energy security. Following the success of and high level of interest in the session on Energy Security held in 2002, an Energy Security Forum was to be organised on 20 November 2003 with presentations to be delivered by a distinguished group of panellists on the theme "Energy Security Risks and Global Financial Markets". While the issue of energy security was not new, Mr. Kowalski noted that it had taken on added importance because of developments not only in the energy sector, but also in the wider social and geopolitical arena. A heightened sense of vulnerability and concern existed about the future availability of reasonably priced energy, due to a host of factors, including the continuing instability and conflict in Iraq, the tensions in the Middle East, sabotage and terrorist attacks in major oil and gas producing countries, the unfavourable investment climate in a number of producing countries, the growing energy import dependence of major consuming countries, and

the corporate and policy failures, such as the Enron bankruptcy and the recent electric power blackouts in North America and Europe. The aim of the Energy Security Forum, by promoting dialogue, greater transparency, the provision of information and considered views, was to contribute to reducing market disturbances and mitigate their harmful effects. The intention was to institutionalize the Energy Security Forum under the auspices of the UNECE and the United Nations so as to mainstream its conclusions and recommendations throughout the United Nations system.

10. Mr. Kowalski then advised that the Committee would consider how renewable energy sources could make an increasingly larger contribution to both diversification and security of supply, emission reductions and the sustainability of the energy sector as a whole, over the longer term. In addition, the Committee would consider whether a sub-programme on renewable energy resources should be included in its programme of work.

11. In closing, Mr. Kowalski commended the Ad Hoc Group of Experts on its agenda for the session, which emphasised that the Group was seeking to better align its programme of work so as to respond to the challenges of the current sustainable development and environmental debate. He also encouraged the Group to consider undertaking selected technical assistance activities within its programme of work. He confirmed that the UNECE had a number of operational activities in the energy field, especially in the areas of energy efficiency and natural gas, and confirmed that the Committee on Sustainable Energy welcomed developing any synergies possible between its Working Parties, Ad Hoc Expert Groups and technical assistance projects. Mr. Kowalski suggested that the Ad Hoc Group should explore the possibility of undertaking a joint activity with the Energy Efficiency 21 Project (EE21) where a common interest existed, such as in relation to greenhouse gas (GHG) emissions mitigation. This cooperation could include capacity building activities to develop coal mine methane investment project proposals. The project proposals could then be submitted to sources of financing in the framework of EE21. For example, investment project proposals could be submitted to the EE21 financing mechanism or investment fund that is currently under consideration. This type of cooperation could provide significant added value to the work of the Group and so enhance the opportunities for finding attractive investment projects for the international financial institutions that work with UNECE.

12. The meeting noted the above information.

VI. DEMAND, SUPPLY AND PROSPECTS FOR COAL IN THE UNECE REGION (Agenda Item 5)

Documentation:

- (i) ENERGY/GE.1/2003/1: Survey on Forecasts for the Supply of and Demand for Solid Fuels - 2003
- (ii) ENERGY/GE.1/2003/6: Global and Regional Coal Demand Perspectives to 2050 and Beyond

13. The discussion on this subject opened with a comprehensive presentation by Mr. Domenico Maiello (Norfolk Southern, Italy) on the “International Coal Trade and Price Developments in 2003”. This was then followed by a presentation on “Thermal Coal – is it as widely available as often supposed?” by Mr. Graham Chapman (Barlow Jonker). Discussions then ensued on the coking coal shortages being experienced globally.

14. Mr. Klaus Brendow (World Energy Council) provided an overview of the paper he had prepared for the session entitled “Global and Regional Coal Demand Perspectives to 2050 and Beyond”. Mr. Brendow advised the meeting that the paper was an excerpt from the World Energy Council study on “Sustainable Global Energy Development – The Case of Coal”, which is due to be published in September 2004.

15. Mr. Leopold Janssens (EURACOAL) provided an overview of EURACOAL (European Association for Coal and Lignite) activities and highlighted the recent establishment of a Coal Market Committee within EURACOAL. A country report on the state of the coal sector in Germany was then presented by Mr. Bernd Bogalla (Gesamtverband des Deutschen Steinkohlenbergbaus).

16. Following the various presentations relating to the coal market, the representative of the United States of America stated that the information provided to the meeting during both the presentations and the ensuing discussions highlighted the significance of coal at the UNECE regional level as well as the global level. He stated, however, that he did not believe that coal’s significance was adequately recognised or promoted by the UNECE. He then requested delegates to urge their respective member States to work to ensure that the UNECE focussed on coal issues. The meeting agreed with this request.

17. The secretariat advised that it had not been possible to prepare a paper on ‘Coal, Demand and Supply in the UNECE Region in 2002’ due to the delayed publication of IEA Coal Information 2002. By way of background information, the secretariat informed the meeting that preparation of this paper required access to both the responses to the UNECE document “Survey on Forecasts for the Supply of and Demand for Solid Fuels – 2003” (ENERGY/GE.1/2003/1) and to the IEA publication Coal Information. The requirement for the latter is due to the agreement that exists between UNECE and a number of statistical agencies, whereby certain countries only supply statistical information to one agency e.g. IEA and this is then shared with the other bodies.

18. In the light of: (i) the difficulties now being experienced each year in preparing the document on ‘Coal, Demand and Supply in the UNECE Region’; (ii) the extended coverage of countries in IEA’s Coal Information publication; and, (iii) the establishment of a Coal Market Committee by EURACOAL, the secretariat requested that the meeting consider, in view of the limited resources of the Ad Hoc Group, the usefulness of continuing with the publication and analysis of its annual Survey on Forecasts for the Supply of and Demand for Solid Fuels. However, the IEA representative urged that the survey be continued and went on to highlight the value to the IEA of the responses to the UNECE Survey in the preparation of its Coal Information publication, since a number of countries respond only to the UNECE Survey and not to questionnaires circulated by the IEA.

19. The following documents were made available to the meeting:

- (i) International Coal Trade and Price Developments in 2003: *Presentation by Domenico MAIELLO, Norfolk Southern NSC, Italy*
- (ii) Thermal Coal – is it as widely available as often supposed?: *Presentation by Graham CHAPMAN, Divisional Director, Europe and Africa, Barlow Jonker Pty Ltd*
- (iii) Global and Regional Coal Demand Perspectives to 2030 and Beyond: A Study by the World Energy Congress: *Presentation by Klaus BRENDOW, Director, Central and East European Programme, World Energy Council (WEC)*
- (iv) Overview of EURACOAL (European Association for Coal and Lignite) Activities: *Presentation by Leopold JANSSENS, Secretary General, EURACOAL*

- (v) Country Report for Germany: *Paper prepared by Bernd BOGALLA, Gesamtverband des Deutschen Steinkohlenbergbaus*
 - (vi) Coal Industry across Europe – Edition October 2003: *Publication by EURACOAL*
 - (vii) The Role of Coal as an Energy Source – Edition 2003: *Publication by World Coal Institute*
20. The meeting:
- (i) Agreed that the UNECE Survey on Forecasts for the Supply of and Demand for Solid Fuels should be continued subject to review and liaison with the IEA and that all responses received in 2004 would be copied to the IEA secretariat in a timely manner;
 - (ii) Further agreed that members of the Ad Hoc Group of Experts on Coal in Sustainable Development should urge their respective member States to make contact with the UNECE and stress the need for the importance of coal as an energy source to be recognised; and
 - (iii) Took note with appreciation the extensive material provided.

VII. CLEAN COAL TECHNOLOGIES AND TECHNOLOGICAL INNOVATIONS (Agenda Item 6)

Documentation:

- (i) ENERGY/GE.1/2003/4: Introduction to the Global Coal Mine Methane Industry
- (ii) ENERGY/GE.1/2003/5: Potential for Economies in Transition to Leverage Kyoto Flexible Mechanisms: General Considerations for Coal Mine Methane
- (iii) ENERGY/GE.1/2003/9: Capacity Building for Air Quality Management and the Application of Clean Coal Combustion Technologies in Central Asia
- (iv) ENERGY/GE.1/2003/10: Implementing Flue Gas Desulphurization in an Existing Power Plant

(a) Coalbed and Coal Mine Methane (CBM and CMM)

21. Mr. Cameron Davies (Alkane Energy) provided a presentation on “Sustainable Energy from Abandoned Coal Mines”, following which Mr. John Palmisano (Energy and Communications Solutions LLC) made a presentation on “CBM/CMM Capture: Converting CH₄ into \$, € and ?”.

22. The secretariat then drew attention to the two background papers on CMM prepared for the session (ENERGY/GE.1/2003/4 and ENERGY/GE.1/2003/5) and in the light of these documents and the presentations made during the session put forward a proposal for the Ad Hoc Group of Experts to focus on CMM as a priority issue, including establishing a CMM Group of Experts and organising a workshop in 2004. The secretariat noted that activities in the area of CMM would offer the opportunity for the Group to address not only the three pillars of sustainable development, notably economic, environmental and social, but also the image of coal.

23. The following documents were made available to the meeting:
- (i) Sustainable Energy from Abandoned Coal Mines: *Presentation by Cameron DAVIES, Executive Chairman, Alkane Energy Plc*
 - (ii) CBM/CMM Capture: Converting CH₄ into \$, € and £: *Presentation by John PALMISANO, Energy & Communications Solutions LLC, Washington DC*
 - (iii) Coal Methane: Potential Energy Prospects in Kazakhstan: *Paper by Methane Center, Kazakhstan*

24. The meeting:
- (i) Agreed that, following the discussions and information provided, CMM should become a priority area in the future work programme of the Ad Hoc Group of Experts, including seeking to develop CMM investment project proposals for potential submission to the EE21 financing mechanism or investment funds currently under consideration; and
 - (ii) Further agreed that in order to facilitate work in this area the secretariat should look to establish a group of CMM Experts and to organise a CMM Workshop in 2004, the exact focus of which would need to be defined in collaboration with the CMM experts.
- (b) Carbon Sequestration and Hydrogen from Coal
25. Mr. Miles Greenbaum (US Department of Energy) briefed delegates on the Carbon Sequestration Leadership Forum (CSLF), which is an international climate change initiative that will focus on development of carbon capture and storage technologies.
26. Mr. Niels Peter Christensen (Geological Survey of Denmark) made a presentation on “CO₂ Capture and Storage in Europe”, which served to update delegates on key developments that had occurred since the Workshop on Carbon Sequestration organised by the Ad Hoc Group of Experts in November 2002.
27. Mr. John Cameron (IEA) then provided a presentation on “Potential for Carbon Capture and Storage”, which also included IEA estimates for the cost of hydrogen production from different energy sources.
28. The following documents were made available to the meeting:
- (i) Carbon Sequestration Leadership Forum: An Overview: *Presentation by Miles GREENBAUM, International Programmes Manager, Coal and Power Systems, Office of Fossil Energy, US Department of Energy*
 - (ii) Potential for Carbon Capture and Storage: *Presentation by John CAMERON, International Energy Agency*
 - (iii) “CO₂ Capture and Storage in Europe”: *Presentation by Niels Peter CHRISTENSEN, International Ventures Director, Geological Survey of Denmark.*
29. The meeting:
- (i) Noted with appreciation the material provided; and
 - (ii) Agreed upon the importance of continuing to monitor developments in this area at future meetings.
- (c) Best Available Technologies for Large Combustion Plants and Other Technologies
30. Mr. Alain Bill (Alstom) provided a presentation on “Air Pollution Control: Regulatory and Technology Development”, which included an overview of the IPCC Directive and the draft reference document on Best Available Technologies for Large Combustion Plants.
31. Mr. Miroslav Walis made a presentation on “Implementing Flue Gas Desulphurization Technology in an Existing Power Plant”, based on the experience of his company in the Czech Republic.
32. The secretariat made a presentation on the project proposal entitled “Capacity Building for Air Quality Management and the Application of Clean Coal Combustion Technologies in Central Asia” that had been submitted for funding under the Fourth Tranche of the United

Nations Development Account (UNDA), 2004-2005. If successful the project would benefit from US\$ 680,000 over three years commencing in 2004. The secretariat noted that there was a high probability that this project would be approved for funding.

33. The following documents were made available to the meeting:
- (i) Air Pollution Control: Regulatory and Technology Development: *Presentation by Alain BILL, Marketing Manager, Power & Petrochemicals - EMEA Region, ALSTOM Power Environment*
 - (ii) Implementing Flue Gas Desulphurization Technology in an Existing Power Plant: *Presentation by Miroslav WALIŠ, Enprima Engineering Ltd*
 - (iii) UNDA Project Proposal on Capacity Building for Air Quality Management and the Application of Clean Coal Combustion Technologies in Central Asia: *Presentation by Charlotte GRIFFITHS, UNECE Secretariat*
34. The meeting:
- (i) Noted the information provided.

VIII. COAL INDUSTRY RESTRUCTURING

(Agenda Item 7)

Documentation:

- (i) ENERGY/GE.1/2003/8: Economic and Social Impacts of Restructuring of the Coal Industries of the Transition Economies (undertaken in cooperation with the United Nations Department of Social and Economic Affairs (UNDESA))
 - (ii) ENERGY/GE.1/2003/11: The Coal Industry of the Russian Federation: Current State and New Tendencies in its Structural Transformation: Submitted by the Government of the Russian Federation in Russian only.
35. The secretariat provided a presentation on “Development of the SME Sector in CITs & Emerging Market Economies” and highlighted a number of synergies with the questionnaire on Economic and Social Impacts of Coal Sector Restructuring currently being undertaken by the Ad Hoc Group of Experts.
36. The secretariat briefed the meeting on the Forum on “Social Aspects and Financing of Industrial Restructuring” being jointly organised by the UNECE and the International Labour Organisation in the Russian Federation, 26-27 November 2003. The secretariat encouraged participation at the Forum by all delegates and, in particular, those involved in Russian coal sector restructuring.
37. The Russian representative (Mr. Sergey Klimov, St Petersburg Mining Institute) made a presentation outlining the “Outlook for Development of the Russian Coal Industry”. The secretariat then noted that the Russian Government had submitted a paper “The Coal Industry of the Russian Federation: Current State and New Tendencies in its Structural Transformation”, which had been published as a meeting document in Russian only. The secretariat advised that this paper would be published in English following the session with the symbol number ECE/ENERGY/NONE/2003/16.

38. The Romanian representative (Mr. Margarit Slevoaca, Department of Mineral Resources, Ministry of Economy and Commerce, Romania) provided a presentation outlining “The Restructuring of the Mining Sector in Romania).

39. The Turkish representative (Ms. Mucella Ersoy, Turkish Coal Enterprises) provided a detailed overview of the current status of restructuring of the Turkish lignite sector.

40. The Spanish representative (Mr. Esteban Orbegozo, Institute for Reconversion and Development of Coal Mine Regions, Spain) provided an extensive summary of the history and current status of coal sector restructuring in Spain, including the financial aspects.

41. The secretariat then drew attention to the finalized questionnaire on “Economic and Social Impacts of Restructuring of the Coal Industries of the Transitional Economies” and indicated with satisfaction that a number of countries had already nominated a contact point for future correspondence relating to finalizing and responding to the questionnaire and a number had also made significant progress in preparing their responses. The secretariat requested all other delegations yet to nominate a focal point to forward this information as soon as possible. Depending on progress with responses the secretariat indicated it would be keen to organize a focal points workshop to facilitate responses.

42. The representative of the Czech Republic offered to host a workshop in the Czech Republic on “Economic and Social Aspects of Coal Sector Restructuring” with the aim of reviewing responses to the questionnaire and drawing attention to the conclusions and future action. Due to the privatization issues currently facing the Czech Republic it was advised that such a workshop could not be organized before the second half of 2004.

43. The secretariat drew attention to the data collection previously undertaken by the UNECE secretariat in the area of coal sector restructuring, including: coal production, number of mines and pits, employment levels, state subsidies and productivity trends. The secretariat advised that the most recent data series collected by the UNECE was for the period 1990 to 2000. The secretariat then proposed that a survey be prepared for completion by delegations in order to update this data series, if possible in 2004.

44. The following documents were available:

- (i) Development of the SME Sector in CITs & Emerging Market Economies: *Presentation by Antal SZABO, Regional Advisor for Enterprise Development and SMEs, UNECE*
- (ii) Current Status of Restructuring of the Turkish Lignite Sector: *Presentation by Mucella ERSOY, Turkish Coal Enterprises*
- (iii) Outlook for Development of the Russian Coal Industry: *Presentation by Sergey KLIMOV, Russian Federation*
- (iv) “The Restructuring of the Mining Sector: *Presentation by Margarit SLEVOACA, Department of Mineral Resources, Ministry of Economy and Commerce, Romania*

45. The meeting:

- (i) Agreed that coal industry restructuring, in particular mitigating the social and economic impacts in the transition economies, should continue to be an area of focus for the Ad Hoc Group of Experts;
- (ii) Further agreed that the nomination of contact/focal points by countries for the finalised questionnaire on “Economic and Social Impacts of Restructuring of the Coal Industries of

- the Transition Economies” was a priority issue and that, if necessary, a meeting of these focal points should be organised in order to facilitate responses;
- (iii) Noted with satisfaction the offer by the Czech Republic to host a workshop in 2004 on the theme of the questionnaire and agreed that this proposal should be followed up.
 - (iv) Agreed that it would be useful to update the data series currently held by the UNECE on coal sector restructuring and further agreed that steps should be taken to facilitate this in 2004 if resources allowed; and
 - (v) Noted with satisfaction all the information provided during the presentations and discussions.

IX. INVESTMENTS IN COAL SUPPLY (Agenda Item 8)

Documentation:

- (i) ENERGY/GE.1/2003/7: Investment Issues in the Coal Sector

46. The IEA Representative (Mr. John Cameron) presented an overview of the paper he had prepared for the session entitled “Investment Issues in the Coal Sector”, however the presentation placed increased emphasis on the issues being faced in the transition economies.

47. Discussions ensued following the presentation and two key areas were raised that would serve to facilitate inward investment in the coal sector of the transition economies, notably that a multistakeholder approach was needed and also ‘predictability’ within the legal, political and regulatory framework.

48. The following document was available:

- (i) Investment in Coal: Focus on the Economies-in-transition: *Presentation by John CAMERON, International Energy Agency*

49. The meeting:

- (i) Noted the presentation provided; and
- (ii) Further noted the importance of investment for the future of the coal sector in the transition economies.

X. FINANCING CLEAN COAL COMBUSTION IN SMALL AND MEDIUM SIZED BOILERS (SMBs) IN CENTRAL AND EASTERN EUROPE (CEE) (Agenda Item 9)

50. The secretariat advised the meeting that no proposals had been received from delegations regarding the organization of a follow-up event to the workshop on “Clean Coal Combustion in Small and Medium Sized Boilers in Central and Eastern Europe” held in Brasov, Romania, 4-6 September 2002. At its fifth session, the Ad Hoc Group had agreed to consider the proposal to hold a follow-up event focusing on the financing of clean coal combustion in SMBs in CEE. Discussions ensued that highlighted the difficulty in generating interest in this topic.

51. The meeting agreed that a follow-up event on financing did not appear to be viable at this time and that the secretariat should explore the possibility of including the financing of clean coal combustion in SMBs in CEE as part of a larger event on financing that may be organised in the future by UNECE.

XI. PUBLIC ACCEPTANCE OF COAL (Agenda Item 10)

52. Ms. Christine Copley, World Coal Institute, briefed the meeting on activities WCI is undertaking related to the promotion of coal and improving coal's image. Ms. Copley also indicated the WCI's willingness to collaborate with the Ad Hoc Group of Experts on this issue.
53. Discussions focussed on the importance for coal to respond to the challenge of sustainable development and, in particular, the current environmental debate and in doing so this would assist to improve coal's image.
54. The following document was available:
- (i) Public Image of Coal: *Presentation by Christine Copley, World Coal Institute*
55. The meeting:
- (i) Noted the presentation provided;
 - (ii) Further noted the importance of the coal sector being proactive in the sustainable development and environmental arenas;
 - (iii) Further noted with appreciation the offer by WCI to collaborate on this issue and keep the meeting informed on issues relating to the image of coal.

XII. ACTIVITIES OF AND COOPERATION WITH VARIOUS INTERGOVERNMENTAL AND NON-GOVERNMENTAL ORGANIZATIONS (Agenda Item 11)

56. Updates on the activities of the following intergovernmental and non-governmental organizations were provided:
- (i) World Energy Council – Mr. Klaus Brendow advised he had previously briefed the meeting on the WEC's Global Coal Study, a key activity in the area of coal. Mr. Brendow then provided the meeting with information on activities relating to the restructuring of the district heating sector in Central and Eastern Europe and also the establishment of a Taskforce on the Regulatory Aspects of District Heating.
 - (ii) Assocarboni / Euriscoal – Mr. Rinaldo Sorgenti (Assocarboni) provided an overview of the activities of Assocarboni and Euriscoal, including its work in the area of Life Cycle Analysis (LCA).
57. The secretariat noted that other organizations, notably EURACOAL, IEA and World Coal Institute, had also provided an overview of their activities during previous agenda items.
58. The meeting:
- (i) Noted the material presented; and
 - (ii) Agreed upon the importance of strengthened collaboration with international organizations in furthering the activities and goals of the Ad Hoc Group.

XIII. PROGRAMME OF WORK AND CALENDAR OF MEETINGS (Agenda Item 12)

Documentation:

- (i) ENERGY/2003/6: Provisional Calendar of Meetings 2004

59. The secretariat summarized the key areas of focus for the Ad Hoc Group that had been discussed during the session, notably cleaner coal technologies and their role in improving the environmental performance and hence public acceptance of coal; facilitating development and funding of CMM projects; and, economic and social impacts of coal sector restructuring. The secretariat noted that these areas all served to ensure that the Ad Hoc Group continued to focus on the three pillars of sustainable development (social, economic and environmental), together with aspects related to improving the image and public acceptance of coal.

60. The meeting:

- (i) Agreed that its programme of work for the coming year should seek to focus on a number of key areas related to sustainable development of the coal sector, including cleaner coal technologies, facilitating development and funding of CMM projects and mitigating the economic and social impacts of coal sector restructuring in transition economies; and
- (ii) Noted that the seventh session of the Ad Hoc Group of Experts is provisionally scheduled to be held in Geneva, 16-17 November 2004.

XIV. OTHER BUSINESS (Agenda Item 13)

61. The secretariat advised the meeting that the UNECE IREEDD website had been significantly changed, updated and relaunched since the last session. All documentation for the session had been posted to the website and presentations made during the meeting would become available shortly on the UNECE website at: <http://www.unece.org/ie>

XV. ADOPTION OF THE REPORT OF THE SIXTH SESSION (Agenda Item 14)

62. It was agreed that a report of the session (ENERGY/GE.1/2003/3) focusing on the conclusions and recommendations would be prepared by the secretariat and circulated to the Bureau of the Meeting for approval, upon which it would be circulated to member countries.

ANNEX

**AD HOC GROUP OF EXPERTS ON
COAL IN SUSTAINABLE DEVELOPMENT**

TERMS OF REFERENCE

The **Ad Hoc Group of Experts on Coal in Sustainable Development**, the successor intergovernmental body to the Ad Hoc Group of Experts on Coal and Thermal Power, is established for a period of two years by the Committee on Sustainable Energy to carry out, under the Committee's guidance, activities related to coal and its use, with focus on market adaptation of the coal sector as well as on the role for coal in the context of the three pillars of sustainable development: economic, social and environmental.

The tasks of the Ad Hoc Group of Experts are:

- (a) to broadly assess the factors – economic, environmental, social and public acceptance – that will affect coal's future involvement in the energy sector of UNECE member States;
- (b) to exchange information on the policies and programmes undertaken in the member States for achieving sustainable development and environmental protection in the coal to energy chain;
- (c) to provide a forum for exchange of information and experience among member States on the ongoing institutional restructuring and market adaptation of the coal sector, with particular emphasis on the economic and social impacts of coal sector restructuring in the transitional economies including facilitating economic regeneration;
- (d) to promote technical cooperation among member States in applying institutional and environmental improvements, including cleaner coal technologies and practices, at all stages of the coal to energy chain;
- (e) to monitor and promote ongoing technological innovations that will result in a reduced environmental impact from coal use, including in the area of coal bed and coal mine methane, which would also result in economic benefits and increased safety at the mine site;
- (f) to explore opportunities for the coal sector, in particular in the transitional economies, to benefit from and work with the Kyoto Mechanisms;
- (g) to identify any significant new developments affecting coal demand and supply in the member countries;
- (h) to pay special attention to the transfer of knowledge and experience in the aforementioned areas to member States with economies in transition; and
- (i) to seek to strengthen inter-agency cooperation and to cooperate and collaborate with all stakeholders, including other governmental and non-governmental organizations and the business community/private sector, in order to realise the above objectives.
