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COMMITTEE ON SUSTAINABLE ENERGY

Energy Security Forum

First Preparatory Meeting for a High-level Meeting
on Energy Security in the Caspian Sea Region
25 January 2005

REPORT ON THE MEETING

I. PARTICIPATION

1. The preparatory meeting was attended by representatives of the following Permanent Missions in Geneva: Azerbaijan, Iran (Islamic Republic of), Kazakhstan, Russian Federation, Turkey and Uzbekistan. Mr. Togrul Bagirov, Vice-President of the Energy Security Forum Governing Board was also in attendance.
2. The UNECE secretariat, headed by Mr. George Kowalski, Director, Industrial Restructuring, Energy and Enterprise Development (IREED) Division, serviced the meeting.

II. PRESENTATIONS AND DISCUSSIONS

3. The secretariat provided a detailed overview of the Energy Security Forum (ESF), including its objectives, organisation and structure, activities and recent developments. It also presented the meetings that will be held under the auspices of the Committee on Sustainable Energy during the week 27 - 30 June 2005. Particular attention was given to the High-level meeting on Energy Security in the Caspian Sea Region.

4. Delegations were invited to exchange views and to reflect on the major issues related to the High-level meeting, such as the usefulness of discussing this issue in the framework of the ESF and countries' interest in the event, its goals and expectations, level of participation, content of the meeting and its structure, possible outcome of the meeting and concluding document(s).

5. The results of the discussions can be summarised as follows:

- a) All delegations stressed the importance of the issue (i.e., energy security) and the timeliness of the proposed meeting;
- b) They agreed that given the importance of this subject and the level of participation in the Energy Security Forum, the meeting could reasonably be held at the Ministerial level although this would not preclude the participation of more senior governmental officials;
- c) There should be a wide range of participants in the meeting, representing governments and the private sector, including energy producers and consumers, the financial community and insurance companies;
- d) The meeting should address issues related to the contribution that the Caspian Sea countries could make to mitigating global energy security risks;
- e) Energy security risks to be considered may include the following categories:
 - political and social,
 - economic,
 - business and market,
 - operational,
 - natural disasters;
- f) Energy security risk mitigation is likely to include the following:
 - understanding risks,
 - infrastructure,
 - technological issues,
 - advice to governments,
 - crisis planning;
- g) Participation of focal points or national experts in the preparation process and, particularly, in the drafting of the final document will be essential;
- h) As regards the final document, delegations were in favour of a "Statement" or "Recommendations", rather than a "Declaration";
- i) The final document on emerging energy security risks and risk mitigation of the Caspian Sea Region in a global context may include the following categories:
 - transport corridors,
 - infrastructure and transmission systems,
 - investment requirements,
 - UNECE regional cooperation.

III. CONCLUSIONS AND DECISIONS

6. Following the exchange of views and discussions, the meeting decided as follows:
 - a) The aim of the High-level meeting is to demonstrate: (i) How the countries of the Caspian Sea region can contribute to mitigation of global energy security risks; (ii) How the international community could help in the development of the oil and gas industry in the Caspian Sea region, and (iii) How the first two would contribute to the global market development and risk mitigation;
 - b) The structure of the meeting will depend on the level of participants from the Caspian Sea region countries – the target is Ministerial level, however more senior officials would be most welcome;
 - c) It is expected that the speakers will deliver national policy statements, reflecting the role of the Caspian region in the global context, followed by representatives of the corporate sector working in the area. Global energy security risks and measures of risk mitigation will be presented afterwards;
 - d) Based on these presentations, the Forum will adopt a final document (Recommendations or a Statement), reflecting the contribution that the Caspian Sea region countries could provide to enhance global energy security threats and calling for measures to be taken to mitigate global energy security risks;
 - e) The final document should be prepared by the secretariat in close cooperation and with the assistance of representatives of Permanent Missions and national experts from capitals;
 - f) Representatives from other UNECE governments, the corporate sector, financial community and insurance companies will constitute the audience, together with delegates to the session of the Committee on Sustainable Energy and its subsidiary bodies;
 - g) In the preparatory process to the High-level meeting the secretariat will work closely with focal points in Permanent Missions, national experts and the Governing Board of the Energy Security Forum.