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**FROM AARHUS TO KIEV: ENERGY EFFICIENCY COMMITMENTS
THE PROCESS UNDER WAY**

Progress report by the Chairman of the Working Group on the Energy Charter Protocol
on Energy Efficiency and Related Environmental Aspects */

Introduction

1. The Aarhus Environmental Ministers Conference was organised under the auspices of UNECE in 1998. The Energy Charter Secretariat together with the Danish Energy Agency and the International Energy Agency (IEA)) participated in the preparation of the 1997 *Energy Efficiency Initiative (EEI)* and the Conference's Declaration and Guidelines pertaining to energy efficiency. The fact that at the same time the Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA) entered into force facilitated a lot of synergy between the process of implementing PEEREA and the follow up on the Aarhus commitments in the area of energy efficiency.

2. In 1999, following the Aarhus Conference and the publication of the *EEI*, the UNECE Committee on Environmental Policy decided as follows:

“The Committee recommended that the progress reporting to the next “Environment for Europe” Ministerial Conference in 2002 in Kiev (Ukraine) should be based on the periodical progress reporting of the Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA). The Energy Charter Secretariat would be invited to

*/ This document has not been formally edited.

submit the PEEREA progress reports to the Committees on Environmental Policy and on Sustainable Energy. This progress reporting to the "Environment for Europe" process should be in full accordance with the energy-related decisions taken at the Aarhus Conference and made in close cooperation with ECE and other relevant international organizations and institutions. (ECE/CEP/69, para. 24).

3. Implementing this invitation is in line with the review process established under the PEEREA as most of the decisions taken in Aarhus on energy efficiency are in accordance with and support the implementation of the provisions of the Protocol. The reviewing process relies on two major complementary components: regular monitoring based on a review format and in-depth energy efficiency reviews. The follow-up to the Aarhus commitments by reporting to the Kiev Ministerial Conference was delegated to the Energy Charter Working Group on PEEREA, and thus became part of its review process. Implementing this invitation is the highest priority for the Working Group's work programme.
4. To accelerate the monitoring process for both PEEREA and the Kiev Conference, the Working Group agreed that countries would complete the review format in 2001. These have been prepared by selected countries since 1999 but now, with the Kiev report in mind, the process has been accelerated.
5. When the Kiev Conference was postponed until 2003, a delay of more than six months, it was decided that the report should be done in two phases:
 - Firstly there should be a more comprehensive monitoring report presented to the Charter Conference in December 2001¹. As the Chairman of the Working Group stated in a letter to members of the WG: " This report will be a milestone in the Aarhus – Kiev Environment for Europe process" because the December meeting is the 10th Anniversary of the Charter Conference. A draft outline of the "Kiev" report was discussed at the November 2000 and June 2001 Working Group meetings. In a first stage the report, however, would focus on monitoring the requirements of the PEEREA; in preparing for Kiev the focus will shift slightly to the specific commitments made under the Aarhus Declaration

Following the Charter Conference in December 2001, the full report based on the Aarhus Declarations and guidelines, together with the PEEREA requirements, would be prepared in time for the Kiev Conference. This report would also provide more analysis and energy indicators, in large part based on the reviews provided and updated by Contracting Parties. The Kiev Report would also include other members of the UN-ECE that are not Contracting Parties of PEEREA.

Information Being Used

6. As explained above, most of the information comes from countries that have completed and submitted the regular reviews to the Energy Charter Secretariat and from the in-depth policy reviews that have taken place.

7. There have been in-depth reviews of Hungary, Lithuania, Poland and the Slovak Republic. Three have been published and the fourth, Hungary, will be published later this year. Bulgaria will also host an in-depth energy efficiency review this autumn. In 2002 other 2-4 more countries will host an in-depth review.

8. Other information is provided primarily by the IEA, the European Commission, the OECD, the UNFCCC and the UN-ECE.

9. Over the past two years, the Working Group on PEEREA also addressed a number of issues through several studies, which are also being used in the preparation of the monitoring report. The studies include:

- Advice on developing an energy efficiency strategy
- Financing Energy Efficiency – Application manual
- Fiscal and Taxation Policies for Improving Energy Efficiency
- The impact of liberalisation on energy efficiency policies and measures.

10. The Working Group has also focussed on other issues such as the role of energy efficiency agencies and other institutional issues and third-party financing/energy contract management. They could possibly lead to future publications but in the mean time are providing input into the report.

11. The IEA offered to provide available data for the review format to the Secretariat. Countries are also asked in the questionnaire to provide certain end-use data that the IEA does not have.

Current Timetable

12. The structure of the report on progress in implementing PEEREA was discussed at the June 2001 Working Group meeting. Delegates have been asked to provide comments by mid August.

13. A full draft report will be ready by October, to be discussed at the November Working Group meeting. Following the Working Group meeting, the report will be presented to the December Charter Conference, and will also be submitted to the Working Group of Senior Officials in charge with preparation of Kiev Ministerial under the auspices of UNECE.

Countries were asked to provide all outstanding material no later than the end of August to be incorporated into the report.

14. As stated before, in early 2002, the report for the Kiev Conference will start to be prepared, using the December report. The Kiev report will contain more analysis, covering also areas, which were not planned to be treated for the Charter Conference in December 2001. It will also be

written to follow the style and substance of the Aarhus Declaration and Guidelines on Energy Conservation in Europe.

¹ A somewhat shorter report is prepared annually to Conference on progress to date in implementing PEEREA. The proposed report for 2001 would be much more comprehensive and possibly published.