



**Economic and Social
Council**

Distr.
GENERAL

ENERGY/GE.2/2003/3
27 August 2003

Original: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON SUSTAINABLE ENERGY

Ad Hoc Group of Experts on Electric Power
Sixth session, 18-19 November 2003

PROVISIONAL AGENDA

UNECE Roundtable

**“Facilitating Investment in the
Electricity Sector in the Transition Economies”¹**

to be held on Wednesday 19 November 2003
from 10.30 a.m. to 1 p.m.
at the Palais des Nations, Geneva

¹ This Roundtable has been specifically scheduled to allow attendance by participants in both the thirteenth session of the Committee on Sustainable Energy and the sixth session of the Ad Hoc Group of Experts on Electric Power.

Introduction

1. This Roundtable is jointly organized by the UNECE Committee on Sustainable Energy and the Ad Hoc Group of Experts on Electric Power.
2. A number of UNECE economies in transition are facing a range of specific investment problems, with a lack of investment currently noted in the electricity generating sector. It has been estimated that some US\$ 10 billion investment is needed by this sector by 2012, in particular for rehabilitation of existing plant. If this investment is not forthcoming over this period then the regulated electricity market could be jeopardised. However, investment is clearly an issue for the UNECE region as a whole and not just the transition economies, as witnessed by the recent power failure in eastern Canada and the north-eastern part of the United States of America. Looking out to 2030 for the entire European electricity market, the IEA estimates that to meet growing electricity demand the EU-15 will require some US\$ 1,100 billion of investment and the rest of Europe some US\$ 250 billion.
3. Although specific investment problems are being faced by individual transition economies many of the problems are related to the fact these economies are undergoing a transition period from a centrally planned economy to a fully functioning internal energy market. Hence the key risks for investors tend to be political-economic instability, legal and regulatory uncertainties and problems related to customers such as high non-payment rates, lack of metering etc. The reform of the electricity supply industry also has profound implications for investment decisions.
4. This Roundtable is intended to not only highlight the challenges and barriers to investment in the electricity sector in the transition economies, but also to debate how these issues might be overcome – to look for solutions that would create the appropriate environment to encourage investment.
5. A general background/discussion paper on ‘Investment Issues in the Electricity Sector of the Economies in Transition in the UNECE Region’ will be prepared (ENERGY/GE.2/2002/4). This paper, however, will only focus on the electricity generation and transmission sectors.

For further information on this Roundtable, including how to register, please contact:

Ms. Charlotte Griffiths
Sustainable Energy Section
Industrial Restructuring, Energy and Enterprise Development Division
UN Economic Commission for Europe
349, Palais des Nations
CH-1211 Geneva 10, Switzerland
Tel: +41 22 917 1988 & 4140 / Fax: +41 22 917 0038
E-mail: charlotte.griffiths@unece.org
Website: <http://www.unece.org/ie>

UNECE Roundtable
Geneva – 19 November 2003 (10.30 a.m. to 1 p.m.)

PROVISIONAL PROGRAMME *as at 27 August 2003*

**“Facilitating Investment in the
Electricity Sector in the Transition Economies”**

Chairman: *EURELECTRIC*

10.30 a.m. Chairman's Opening Remarks

Speakers: Will the creation of a Single EU Market Promote Investment in the
Electricity Sector?
European Commission

Regulation and Liberalisation – What are the Optimal Market
Conditions to Secure Investment?
European Bank for Reconstruction and Development

The Role of Regulation and Economic Pricing Levels
Energy Regulators Regional Association (ERRA)

Attracting Investment in South East Europe – Challenges and Barriers
*Electric Power Company of The former Yugoslav Republic of
Macedonia / SECI Electricity Projects Coordinator*

The Experience of Kazakhstan in Facilitating Investment in the
Electricity Sector
Kazakhstan Electricity Grid Operating Company

Facilitating Participation of Global Private Investors
Pierce Attwood Attorneys, USA

Panel Session:

12.10 p.m. Extended Panel Session involving all speakers

12.50 p.m. Chairman's Summarizing Remarks

1 p.m. Close of Roundtable