

ESA/STAT/AC.189 UNCEEA/4/22

DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS STATISTICS DIVISION UNITED NATIONS

Fourth Meeting of the UN Committee of Experts on Environmental-Economic Accounting New York, 24-26 June 2009 Millennium UN Plaza Hotel - Manhattan Room

INTERNATIONAL RECOMMENDATIONS FOR ENERGY STATISTICS A PROGRESS REPORT

Paper prepared by UNSD

(for discussion)

International Recommendations for Energy Statistics:

A progress report

Prepared by UNSD

UNCEEA Meeting New York, 24-26 June 2009

1. Introduction

2. During the last meeting of the Committee on Environmental-Economic Accounts (UNCEEA), New York, 26-27 June 2008, the UNCEEA was informed on the intended scope of IRES and the process and time table for its preparation (see paper UNCEEA/ $3/9^{1}$). This report presents an update of the status of preparation of IRES. Section 2 presents a summary of the major events that took place since the last UNCEEA meeting. Section 3 describes the current status of preparation of IRES and presents the list of issues that were agreed upon and those which are still outstanding. Section 4 illustrates the time table for the finalization of IRES and, finally, section 5 poses questions for the UNCEEA.

2. Major events since the last UNCEEA meeting

3. Since June 2008 a number of events took place that contributed to the current status of IRES. These events and their impact on IRES are described below.

4. May-June 2008 – The 1st stage of the world wide consultation on the scope and outline of IRES was conducted with countries and international/regional organizations active in energy statistics². A total of 105 responses were received from 71 national statistical offices, 29 national energy ministries and agencies, and 5 international/regional organizations. The overwhelming majority (more than 98 per cent of the responses) supported the objective of the recommendations to strengthen energy statistics as part of official statistics serving multiple users. Countries emphasized the importance and the benefits of the forthcoming international recommendations for energy statistics.

5. There was strong support for the intended scope of the international recommendations for energy statistics to cover all aspects of the statistical process. Countries agreed that the recommendations should focus on the basic energy statistics and energy balances and should include recommendations on how energy statistics and

¹ Available online at http://unstats.un.org/unsd/envaccounting/ceea/meetings/UNCEEA_3_9.pdf

² The report on the results of the consultation is available at

http://unstats.un.org/unsd/energy/ires/consultation.htm.

balances are related to energy accounts and other national statistics. Countries broadly endorsed the suggested structure of the recommendations.

6. October 2008 – The 3^{rd} InterEnerStat Meeting was dedicated to the discussion on harmonized definitions in energy statistics. This meeting represented an important step forward in the harmonization of definitions in energy statistics. Even though consensus emerged on a large number of definitions in October 2008, further consultations are being undertaken in 2009 to resolve outstanding issues. The harmonized definitions will be reflected in the international recommendations for energy statistics.

7. December 2008 – The International Workshop on Energy Statistics was jointly organized by UNSD, National Institute of Statistics and Geography (INEGI) and Secreteria de Energia (SENER) of Mexico and was held in Aguascalientes, Mexico³. The workshop gathered representatives from 13 countries and 4 international/regional organizations. The workshop affirmed its support for the preparation of IRES and highlighted few issues that are particularly relevant to developing countries. Among those are: the importance of the harmonized definitions and the development of a standard international energy classification which would ensure an effective compilation of energy statistics; the importance of recommendations aimed at strengthening the institutional arrangements within a country for the compilation of energy statistics; the need of clear recommendations on definitions, classifications, and data collection strategies for biomass; the development of default calorific factors; and recommendations on the use of available data (including administrative data).

8. February 2009 – The 4th Oslo Group Meeting⁴ took place in Ottawa, Canada to discuss draft and preliminary outline of the IRES chapters. It was decided that the preparation of the final draft should take more time in view of the significant number of issues that need to be resolved, the work load, the time needed for the second stage of a worldwide consultation on the full text of the provisional draft of IRES. It was agreed that all efforts will be made to submit IRES to the 42^{nd} session of the UN Statistical Commission in 2011.

9. February 2009 – The 40th Session of the UN Statistical Commission discussed the report of the Secretary-General: *Towards international recommendations for energy statistics*⁵, which described the need for the preparation and updating of the international recommendations for energy statistics, outlined the UNSD's strategy with respect to the organization of the revision and updating process, and provided a summary of its action plan for 2009-2011.

10. The Statistical Commission:

⁴ The draft report of the meeting is available online at

³ The full report is available online at

http://unstats.un.org/unsd/energy/Workshops/mexico2008/Conclusions.pdf

http://og.ssb.no/ogmeetings/fourthmeeting/Report_OG4.pdf

⁵ The report is available online at http://unstats.un.org/unsd/statcom/doc09/2009-4-Energy-SG-E.pdf

(a) Welcomed the report of the Secretary-General on the preparation of the revised and updated international recommendations for energy statistics and expressed its appreciation for the work accomplished so far by the United Nations Statistics Division, the Oslo Group on Energy Statistics, the Intersecretariat Working Group on Energy Statistics and other stakeholders;

(b) Endorsed the United Nations Statistics Division strategy to prepare the international recommendations for energy statistics, and suggested that the preparation of the recommendations be considered a matter of high priority;

(c) Emphasized that the revised recommendations should provide a firm foundation for the long-term development of official energy statistics based on the Fundamental Principles of Official Statistics and contain the necessary guidance on the underlying concepts, definition and classifications as well as on data compilation and data dissemination in the context of an integrated approach to economic statistics;

(d) Stressed the importance of close cooperation in the development of the recommendations of all relevant international, supranational and regional organizations to avoid overlap of activities and to ensure consistency of concepts and methodologies;

(e) Stressed the importance of the involvement of countries in the preparation of the recommendations, and encouraged countries to actively participate in the drafting process by providing their contributions.

11. May 2009 – A Meeting of the Sub Group on Energy Balances of the Oslo Group was organized by Statistics Norway to specifically discuss issues related to energy balances in order to formulate international recommendations and discuss the possibility to develop a internationally agreed format of energy balance. The meeting was attended by representatives from 6 countries and 2 international organizations.

3. Status of preparation of IRES

12. At the 4th Oslo Group meeting, preliminary drafts for chapters 1, 4, 6, 9, 10 and annotated outlines for chapters 2, 3, 5, 7, 8, 11 were discussed (for ease of reference on the chapters, please, see Annex I: the structure of IRES). Groups of countries were created at the meeting to further advance on the drafting of the chapters and the formulation of solutions for the issues related to the chapters.

13. Table 1 presents the list of issues identified in the 3^{rd} Oslo Group meeting⁶ and discussed during the 4^{th} Oslo Group meeting. The table also presents the decisions taken on each issue during the meeting.

⁶ This list of issues is available online at

http://og.ssb.no/iresmainpage/IRES%20drafting%20schedule_rev4.pdf

Issue Issue 3.1: Scope and classification scheme of SIEC	Decisions SIEC will focus on products. It will be developed starting from the harmonized definitions resulting from the InterEnerStat process. Correspondence to international standard classifications will be developed.
Issue 3.2: Definition (and classification) of renewable and non- renewable energy sources	The issue is still under discussion.
Issue 3.3: Definition (and classification) of primary and secondary energy	The issue is still under discussion.
Issue 3.4: Nuclear fuels: scope in IRES and recording of specific flows	The coverage of nuclear fuel in IRES will be limited to the heat generated by nuclear processes.
Issue 4.1: Harmonized physical measurement units and conversion factors	Some consensus seemed to have emerged in a list of measurement units for dissemination. The identification of default conversion is still outstanding.
Issue 5.1: Autoproducers of energy: definition and classification in IRES	The group agreed that it is important to record secondary and ancillary activities for energy production.
Issue 5.2: Micro power plants – cut off points	It was decided that no recommendations can be provided on this issue as it depends on country practices and country data collection system. Examples will be given in the Compilers Manual
Issue 6.1: Statistical units and data items	The issue is still under discussion. The proposed statistical unit – establishment, while consistent with industrial statistics, was not considered applicable in most of the countries and some suggested the use of 'enterprises'. Also, the scope and coverage of data item goes hand in hand with the discussion of the scope of IRES which was not completely resolved.
Issue 7.1: Temperature adjustment of energy consumption	It was agreed that this issue should not be dealt with in IRES, but in the Compilers Manual.
Issue 7.2: Efficiency coefficients of energy commodities	The group took note of the paper.

Table 1: Issues discussed at the 4th Oslo Group meeting⁷

14. Additional issues that were identified during the preparation of initial draft and outline of the chapters were raised during the last Oslo Group meeting. They include for example the discussion on the scope of IRES (e.g. the inclusion of reserves/ resources and price statistics), the definition and clear identification of the energy industries, and the classification of energy products by purpose (which was part of the issues identified in the drafting of the System of Environmental Economic Accounting for Energy, SEEA-E and presented at the 4th Oslo Group meeting). For some of the issues some consensus

⁷ The table is based on the draft report of the 4th Oslo group meeting (pending finalization) available online at http://og.ssb.no/ogmeetings/fourthmeeting/Report_OG4.pdf

seemed to have emerged. This is the case of reserves/resources which the Group agreed not to include within the scope of IRES, but to make an explicit reference to the conceptual links between extraction and reserves/resources, using as a reference the work of the UN-ECE on Harmonization of Fossil Energy and Mineral Resources Terminology.

15. The discussion on the rest of the issues will be carried out during the virtual meetings planned to take place in the 2^{nd} half of 2009 (see next section).

4. Future activities

16. IRES is tentatively scheduled to be submitted to the UN Statistical Commission at its 42^{nd} session (February 2011). A work plan for 2009-2010 has been prepared by the Oslo Group Secretariat (Statistics Norway) in cooperation with UNSD. Table 2 presents the timetable for the preparation of IRES.

31 August - 18 September 2009	1 st Virtual Meeting of the Oslo Group to review
	available outlines and selected draft chapters
September 2009	Consultation with the Expert Group on
	Classification
October 2009	InterEnerStat Meeting
	It will discuss the revised harmonized definition in
	energy statistics
9 November- 27 November 2009	2 nd Virtual Meeting of the Oslo Group to review
	the rest of draft chapters
February 2010	5 th Oslo Group meeting
	to review a complete draft of IRES
Mid 2010	2 nd stage of the worldwide consultation on the full
	provisional draft of IRES
September 2010	The UN Expert Group meeting to review and
	endorse IRES for submission to the 42 nd UNSC
December 2010	Finalization and submission of IRES to the UN
	Statistical Commission

 Table 2: Timetable for the preparation of IRES

17. As part of the preparation of IRES, consultation with relevant groups, such as London Group and UN Framework Convention on Climate Change, will continue to exchange views, ensure maximum possible consistency and to avoid unnecessary overlap.

5. Questions to the UNCEEA

The UNCEEA may wish to express its views on the proposed process and time schedule for the completion of IRES.

Annex: Structure of IRES

Chapter 1. Introduction

Chapter 2. Scope of Energy Statistics

Chapter 3. Standard International Energy Classification

Chapter 4. Units of Measurement and Conversion Factors

Chapter 5. Flows, Stocks and Related Concepts

Chapter 6. Statistical Units and Data Items

Chapter 7. Data Sources and Data Compilation Strategies

Chapter 8. Energy Balances

Chapter 9. Data Quality

Chapter 10. Dissemination

Chapter 11. Use of Energy Balances in Compilation of Energy Accounts and Other Statistics

Annex

Standard International Energy Classification (SIEC)

Glossary

Default Conversion Factors

Index

Bibliography