

# OSLO GROUP ON ENERGY STATISTICS

Fourth Meeting, 2-6 February, Ottawa, Canada

Feb. 2 Monday 13:30-15:00 Session 4:

Chapter 2. Scope of Energy Statistics

- ① Introduction on scope of energy statistics, Mr. Vladimir Markhonko - UNSD
- ② Scope of official energy statistics, Mr Olav Ljones - OG Secretariat
- ③ Energy prices in energy statistics (and IRES), Mr. Atle Tostensen - OG Secretariat

Discussant: Mr. Carlos Roberto López-Pérez - INEGI:

The three presentations are intended to focus on and precise the scope on energy statistics for the IRES, around which one some key issues are highlighted here for discussion.

## ① Introduction on scope of energy statistics

The paper proposes several relevant ideas/suggestions for framing and describing the scope of energy statistics of IRES in terms of its *overall structure and concepts and definitions*. The essential issues treated are to: a) determine the links between energy and energy statistics, b) establish the basic concepts and boundary issues, c) define the boundaries of energy sector, and d) how classify the final energy consumption.

a) A first question is whether there is a definition accepted by the scientific community on energy, and whether it is necessary to cite it in IRES. This is a crucial question. In the different UN's manuals on energy statistics there are definitions by processes and type of energy, but none of them provide a clear and global definition of energy. Therefore it is important that countries have a common conceptual basis of reference (regardless on they can define the scope of their national energy statistics), in order to achieve an adequate basis for comparison of data, and this response should be provided by IRES. An additional important reason is that because of the liberalization of energy market and "boom" of diverse renewable energy renewable many problems of definition need to be resolved.

Another basic definition to be included in IRES is: the energy in physics and laws of thermodynamics, which it would provide the foundation for a better knowledge on how to link energy as physical concept to energy statistics and a general definition of energy statistics as well. (The proposed box is a useful tool to understand this complex topic).

b) Concepts and boundary issues, around which IRES may give a guidance: about the collection and dissemination of data on energy resources and reserves, and whether this matter should be part or not of the scope of basic energy statistics; the suggestion is that IRES should have a position on this crucial problem for scope of energy statistics, further the suggestion that countries can define it according their priorities. Other important issues to be included in IRES is a table on the definition of energy products and non-energy products, as well as concepts on energy products where the production may be their principal, secondary or ancillary activity; the reference to the territory is also a relevant topic according to the payment balance manual and the system of national accounts.

c) A problem that many countries are facing is related to the statistics on energy sector, which has critical implications in the identifications of the statistical units, data items and data collection strategies. To this respect, some examples of best practices of how these areas are integrated can be a support, and also IRES might provide some options and recommend an overall schema of energy sector. A missing issue related to this is the need to point out the advantages and disadvantages to have

decentralized or centralized system for collection of energy statistics, and especially on the need to have institutional arrangements by specifying the roles of the agencies involved.

d) Regarding the final energy consumption, and the recommendation that statistics on final energy consumption by various non-energy sectors and other statistics reflecting the main characteristics and activities on various user sectors, it is ideal that this information can be considered part of official energy statistics, but is not sure that ministries of energy and/or statistical agencies be able to cope adequately with them; perhaps a especial survey might implement.

## ② Scope of official energy statistics - Mr O. Ljones

This presentation also treats an important and sensitive topic for the quality of the statistics: the need of IRES provide recommendations based on understanding of concept of official statistics. For many countries the ten principles of United Nations are a good recommendation but its implementation requires more efforts for the adoption of institutional agreements on criteria not only among the diverse information producer units in a country but also at regional and supranational level.

In energy statistics, both the ministry of energy and national statistical offices must follow strictly technical considerations, scientific principles and professional ethics. Regard with this, the presentation points out that between these units should have an organizational model where official energy statistics may be produced outside the national statistical offices by emphasizing on some key elements: i) a legal framework, ii) a national coordination, iii) the needs of users, iv) and metadata as important characteristic of official statistics.

About this topic, many countries, Mexico among them, are moving ahead because they have a statistical act and autonomy from other governmental bodies as well. Problems on transparency, confidentiality, etc. are being solved, but for many countries it is a big challenge since institutional arrangements still remain to be faced.

Also the presentation reminds us the importance to have official energy statistics, particularly in the context of role of energy for each country and global economy. IRES should recommend countries to adopt such organizational model not only for energy statistics but also for all statistical system.

A general recommendation is that the international organisations should promote an active role of the National Official Statistical in order to improve the official energy statistics, and for it an action plan should be implemented, whit actions such as: international recommendations on concepts, classifications, methods, international classifications, international databases of national official energy statistics, an international programme for capacity building, and specially an international system for the monitoring of quality of national energy statistics.

Another action might be considered as recommendation of IRES: for countries would be useful elaborate periodically inventories of their energy data systems and to assess gap problems, coverage, consistency, etc., in order to launch strategies for updating or collecting new information.

## ③ Energy prices in energy statistics - Mr. A. Tostensen

This presentation starts from an important thesis: it is important to determine the role of price data in official energy statistics.

In many countries we can see energy statistics in physical volume and energy content, and in economic statistics we include data in value terms. [This separation happens in Mexico and in many other countries]. In that interface are the prices which must be seen as an important element for account systems and monitoring of energy market.

Therefore, the recommendation is to have comparable data on energy prices, which should be gathered through standard methods agreed by countries in collaboration with the international organizations.

Two options mentioned in the paper are: the first one, the aspects of volume, value and prices may be included into several chapters of IRES, and the recommended one is to have an extra chapter on prices to IRES, with the operational aspects included into the ESCM. Both recommendations are very important and may be endorsed by OG countries.