

TERMS OF REFERENCE
APEC ENERGY WORKING GROUP (EWG) / EXPERT GROUP ON CLEAN FOSSIL ENERGY (EGCFE)

10 February 2017

A. EGCFE's MISSION AND ROLE

Noting APEC Leaders' and Energy Ministers' directions to promote economic growth, energy security and resilience, and environmental sustainability in the region, the EGCFE leads the EWG's work on clean fossil energy options in support of EWG's overall efforts to respond to these directions. Fossil fuels encompass both conventional fuels (coal, oil, and natural gas) and unconventional fuels (coalbed methane, shale gas, oil sands, and shale oil). While the generation of reliable, affordable clean electricity and the production of transportation and heating fuels from fossil fuels are of primary concern, the production of fossil fuel derivatives (e.g., coke; coal-derived liquids, gases and chemicals; and petroleum products) are also within the EGCFE's domain.

The EGCFE's work focuses on:

- Enhancing the long-term economic and environmental attributes of fossil fuel production and use throughout the region to assist APEC members, who rely on fossil fuels, to meet their economic development and sustainability goals.
- Gathering, analyzing, and sharing information on technical, economic, regulatory, and policy aspects of fossil energy production, transportation, and use within the APEC region.
- Assessing linkages between fossil energy production and use and associated environmental issues, including air emissions, waste production, and water demand, which need to be considered 1) by member economies in developing their research and technology development and deployment programs and related environmental policies and 2) in commercial projects, by the private sector and financial institutions.
- Leading the EWG's Oil and Gas Security Initiative as part of the EWG's broader energy security efforts.
- Promoting joint research, development, and demonstration activities and development of commercial projects employing clean fossil fuels and technologies.
- Promoting sound policies, regulations, and investment climate for clean fossil energy in the region.

B. WORKING METHODS

Consistent with the overall goals and principles expressed in declarations and statements by the APEC Leaders and Energy Ministers, the EGCFE will:

- a. Undertake short- and longer-term actions to facilitate the cleaner and more efficient production and utilization of fossil fuels through 1) the uptake of clean, low-carbon technologies to meet members' energy demand and 2) trade in clean fossil fuels, technologies, and related services to advance economic development.
- b. Identify and develop synergies with other APEC fora and other relevant international organizations with common interests where appropriate.

The EGCFE's strategic approach is to:

- a. Deepen members' understanding, including the need for policy parity relative to other energy options, of clean, low-carbon fossil energy as means to meet their sustainable economic development goals.

- b. Seek opportunities among members with respect to learning from each other's experiences in developing and deploying clean fossil energy technologies and tackling new environmental challenges.
- c. Develop new initiatives and recommend actions to promote development and deployment of environmentally sound and highly efficient fossil energy technologies, including carbon capture, utilization, and storage (CCUS), to ensure a viable energy mix by members and the overall region.
- d. Facilitate joint research and development of clean, low-carbon fossil energy technologies, policies, and regulations adapted to the needs of APEC members, as well as demonstrating and transferring appropriate technologies.
- e. Assist the EWG in implementing its broad-based approach to energy security, especially related to the region's oil and gas sectors, including continued development of response mechanisms for short-term disruptions while pursuing longer-term energy security objectives.
- f. Addressing institutional, regulatory, human resource, and other impediments related to the uptake of clean, low-carbon fossil energy technologies.
- g. Ensuring greater participation of women in all phases of the Group's activities.
- h. Coordinating the Group's activities with external organizations involved with fossil energy.

C. ORGANIZATION

The EGCFE's work is guided by various parameters including:

- 1) Adherence to APEC's and the EWG's policies, guidelines, and operating procedures.
- 2) Development of an annual work program and subsequent implementation of activities approved by EGCFE and/or EWG members as appropriate.
- 3) The annual work plan is developed, ongoing work is reviewed, and new work is proposed at the EGCFE's meetings, held twice per year typically in conjunction with an EGCFE or other relevant event, or, when not possible, handled out of session as appropriate.
- 4) Meeting locations will rotate among APEC member economies with the host economy of a meeting would serving as its Co-chair.
- 5) The Chair will guide the Group's activities and represent it at EWG meetings, including conducting business between formal meetings as needed and providing required written and oral reporting to the EWG.
- 6) The Vice Chair assists the Chair in guiding the EGCFE's activities. If the Chair is unable to fulfill his/her duties, the Vice Chair should assume the Chair's responsibilities for the remainder of the Chair's term or until a new Chair is elected by EGCFE members.
- 7) The Chair, and associated Secretariat, and Vice Chair serve by consensus for a period of two (2) years on a voluntary basis.