

**SUMMARY OF SECOND MEETING OF THE GLOBAL PARTNERSHIP FOR
CLEAN FUELS AND VEHICLES
The Hague, The Netherlands
11-12 December 2003**

The Second Meeting of the Global Partnership for Clean Fuels and Vehicles (PCFV) was held in The Hague at the offices of The Netherlands Ministry of Housing, Spatial Planning and Environment (VROM) on 11-12 December 2003.* UNEP, as host of the PCFV Clearing-House, organised the Meeting, which was attended by approximately 50 people representing 30 Partners – including those from developed and developing country governments, industry, non-governmental organisations and international organisations. The Meeting, which took place about one year after the first global Partnership meeting in New York, was organised with the following objectives:

- to discuss and agree on the development and implementation of the PCFV;
- to establish a governance structure for the Partnership;
- to receive updates from the Global Working Groups on Sulphur, Valve Seat Recession, and Octane regarding their respective progress;
- to receive updates from the regions as to progress in the phase out of leaded gasoline, as well as identify potential future activities; and
- to map out ways forward for the future.

Thursday, 11 December

Introductory remarks were made by moderator Mr. Tim Kasten (UNEP), which was followed by welcoming remarks by Mr. Hans van der Vlist, Director General, Environment of The Netherlands Ministry of Housing, Spatial Planning and Environment. Self-introductions were the made by each of the participants.

Participants then heard presentations from the Clearing-House on activities and progress made during the past year**, focusing on the issues of information dissemination; promotion of the Partnership; support to the Partnership and partners; and raising of funds and support to projects. The budget from November 2002 until the present was also presented, as well as ongoing and upcoming activities.

Participants also heard presentations from the Chairs of the Global Working Groups regarding progress made and future activity – Fred Potter (IFQC) reviewed the progress of the Octane group; Dale McKinnon** (MECA) gave a presentation on the Sulphur Group's

* A meeting of the Global Working Group on Sulphur also took place on 10 December.

** For more detail, see the presentations available on the Meeting webpage – www.unep.org/pcfV/events/2gpm.htm

work; and John Mooney** (EETPI) spoke for the Valve Seat Recession group. It was agreed that the products of the Working Groups are urgently needed, and the Working Groups Chairs stated that they aim to finalise their outputs before mid-2004.

The draft Governance Rules were then introduced by the Clearing-House. The rules had been prepared by a representative sub-group of Partners. Comments on the draft were made by participants. On the Steering Committee/Advisory Group, there was considerable deliberation in regards to the structure, with participants diverging on how to incorporate donor Partners, the size of the Committee/Group, the Chair/Moderator for the Committee/Group, and the duties of the Committee/Group vis-à-vis the Clearing-House. Regarding Working Group documents, participants discussed what the regulations regarding distribution should be, how comments from the Partnership are to be addressed, how they should be approved, and the use of minority reports. Participants also discussed general decision-making within the Partnership, and whether it should operate by voting or consensus. Other comments included: measurable goals for the Partnership; contents of the financial report; the frequency of Partnership meetings; and increased activity of developing countries in the Partnership.

Partners agreed to: the creation of an Advisory Group for one year, consisting of members of the sub-group that prepared the draft governance rules¹, with someone from the UN to moderate; consensus for all decisions, which means that no Partner “strongly objects” to the decision; and circulation of Working Group documents to the entire Partnership for a 30-day comment period, whereupon the Working Group Chair and the Group address the concerns and incorporate changes if necessary.

The Meeting agreed on the Governance Rules with the proposed changes as discussed. The Clearing-House will send out the Governance Rules for participants to ensure that the decisions taken in the Meeting are properly worded in the Rules.

Friday, 12 December

On the morning of Friday, 12 December, the Alliance of Automobile Manufacturers made a proposal, following the newly adopted Governance Rules, to modify the mission statement of the Partnership to bring it closer to the group's actual intent, namely, to support developing countries in their efforts to adopt fuel and vehicle standards consistent with local needs, rather than have the Partnership develop such standards for them. The proposal was to change the second paragraph of the Mission Statement to say “Support developing countries considering the adoption of cleaner fuel standards...”. Some participants felt it was unnecessary, while others pointed out the implications for industry harmonisation objectives. Suggestions were offered to try to accommodate the request. As per the Governance Rules, the Alliance was invited to submit the proposal to the Clearing-House for formal transmission to all Partners.

¹ See attached list at end of document.

The Octane and Valve Seat Recession Global Working Groups were also given the opportunity to meet briefly in the morning to discuss their respective documents in light of the new Governance Rules and to decide on ways forward. (The Sulphur Group did not meet as it has met for three hours on Wednesday, 10 December).

The remainder of the day was dedicated to break-out groups organised by region: Central and Eastern Europe, and Middle East/North Africa/West Asia; Latin America and the Caribbean; Africa; and Asia and the Pacific. The groups met in the late morning and early afternoon, and reported their deliberations back to Plenary.

*Latin America and the Caribbean***: Peter Lidiak (API) presented the results of this break-out group. The group discussed: the key issue - participants agreed that sulphur is the driving issue in the Latin American and Caribbean countries; ongoing activities (diesel retrofit programmes in Chile and US-Mexico border, refiners workshop planned for 2005, Central America workshop planned, etc.); needed inputs; leaders; funds; information needed (e.g. an economic study of the region to assess costs of desulphurisation); and additional events and activities.

*Asia and the Pacific***: Jane Metcalfe (US EPA) and Sugiyama Yoshitaka (JAMA) presented the results of this group. They highlighted recent activities of:
JAMA – committee meetings with AAF and the Asian Petroleum Technology Symposium in January 2004;
US EPA – air quality monitoring project in India and a retrofit programme for city buses in Thailand;
ADB – CAI-Asia Oil Dialogue;
MECA/AECC – setting up a trade association in China, and organising a symposium in Beijing in April 2004;
Lubrizol – fuel emulsion project;
the Italian government – donation of a fleet of buses for the Olympic Games in China;
Shell – a project regarding diesel in Thailand; and
BP – opening of the first hydrogen refueling facility in Singapore in early 2004.

There was also an update on Hong Kong from Mike Walsh, and a WRI workshop on China.

*Africa***: Rob Cox (IPIECA) presented on behalf of the Africa break-out group. He reviewed recent events (such as the sub-regional workshops, the Refiners' Meeting), upcoming events (Dakar +2 Meeting and the Central African sub-regional workshop), and requirements for success in Africa – standardised Partnership presentations, replies to national requests for support, addressing actions by importers to limit number of catalysts, and public education.

Central and Eastern Europe, and Middle East/North Africa/West Asia: Kathleen Abdalla (UN DESA) presented results from the discussions of this group. On Central and Eastern Europe, it was noted that there are two blocs of countries: those who will be acceding to the EU and therefore are following EU standards; and those who follow Russian standards.

Issues highlighted include: fuel adulteration; refinery issues; fuel quality; lack of understanding of standards issues; and in some cases, leaded petrol phase-out. On the Middle East/North Africa/West Asia, Kathleen went over the details of the West Asia sub-regional meeting to be held from 17-19 March 2004, and stated that the approach would be for countries to define their issues. She added that information gathering, Partnership assistance and funding issues were also discussed in the break-out group.

During discussions, it was decided to establish a Working Group to address public awareness/education. It was agreed that UNEP-DTIE would Chair this Working Group. Another suggestion was made to have a Working Group on mobile source emissions, but it was agreed that this Working Group could start later, once other Groups had concluded their work.

In concluding comments, Vincent Van den Bergen (VROM) noted the progress of the PCFV and the Global Working Groups, and underscored the importance of the Millennium Development Goals and implementation of the WSSD Plan of Implementation and the role the PCFV plays in implementing these. He said he felt the Partnership was functioning very well in terms of its focus, financial situation, communication between the stakeholders and its impacts.

Following this, there was a brief discussion regarding the next Global Partnership Meeting, and all participants supported the idea that it be held in a developing country that has made headway in phasing out leaded petrol.

Moderator Tim Kasten commended the dedication of the Partners, noting that the volunteerism of the Partners is a strength. He foresaw continued growth of the Partnership, and reminded all that membership comes with a responsibility to take action.

Abbreviations:

AECC – Association of Emission Control by Catalyst
ADB – Asian Development Bank
API – American Petroleum Institute
DTIE – (UNEP) Division of Technology, Industry and Economics
EEPTI – Environmental and Energy Technology and Policy Institute
IFQC – International Fuel Quality Center
IPIECA – International Petroleum Industry Environmental Conservation Association
JAMA – Japan Automobile Manufacturers Association
MECA – Manufacturers of Emission Control Association
UN DESA – United Nations Department for Economic and Social Affairs
UNEP – United Nations Environment Programme

US EPA – United States Environmental Protection Agency
WRI – World Resources Institute
WSSD – World Summit on Sustainable Development

Advisory Group:

Kathleen Abdalla – UN DESA
John Cabaniss – AIAM
Rob Cox – IPIECA
Rob de Jong – UNEP
Jim Hanes – Ethyl
Wendy Jackson - PCFV
Rich Kassel – NRDC
Tim Kasten – UNEP
Peter Lidiak – API
Dale McKinnon – MECA
Jane Metcalfe – US EPA
Ellen Shapiro – Alliance of Automobile Manufacturers