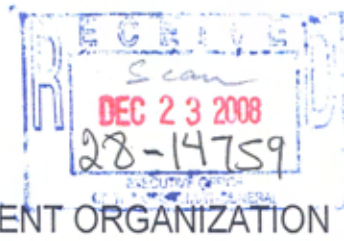




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**DIRECTOR-GENERAL
CHAIRMAN OF UN-ENERGY**

15 December 2008

Dear Secretary-General,

It was indeed a great privilege to join you and other colleagues at the CEB side event on climate change in Poznan. Your presence and participation underscored your strong commitment to the importance of the United Nations delivering as one on climate change.

During our informal breakfast meeting on 11 December, I had the opportunity to share with you and with other UN colleagues the draft terms of reference of the Secretary-General's high-level advisory board on energy. Since the CEB retreat on energy last October, I have consulted extensively within the UN system and with the UN Foundation on the role of such an advisory board. I am pleased to inform you that there is unanimity of views that such a high-level advisory board is both necessary and timely in light of the crucial importance of energy in addressing virtually every major challenge the world is facing today. The establishment of a high-level advisory board would not only strengthen your leadership role on energy but also enhance the relevance and importance of the UN system in this field.

A number of donors have also expressed support for such an advisory board and have indicated their readiness to make a contribution to its operation. It is therefore with great pleasure that I submit the attached draft terms of reference of the high-level advisory board for your consideration. I would of course be pleased to provide suggestions on the composition of the proposed board as may be requested.

Following my earlier discussion with Mr. Mohamed El-Baradei, UNIDO and the IAEA have decided to jointly organize an International Conference on Energy in Vienna from 22 to 24 June 2009. The conference is expected to produce a communiqué on energy for

Mr. Ban Ki-moon
Secretary-General
United Nations Headquarters
New York, N.Y. 10017
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Copenhagen, provide a platform for the presentation of the soon-to-be-established International Renewable Energy Agency (IRENA) -- an inter-governmental organization spearheaded by Germany and Austria with some 60 countries expected to become members -- as well as to present the initial findings of the Global Energy Assessment by the International Institute for Applied Systems Analysis (IIASA). The conference will also be an excellent opportunity to launch the proposed Secretary-General's high-level advisory board on energy. It would be a great honour if you would accept our invitation to give the keynote address and launch the high-level advisory board on this occasion. Mr. El-Baradei and Dr. Rajendra Pachauri, Chairman of the Intergovernmental Panel on Climate Change, have already indicated their availability to participate in this conference. A number of European governments have also expressed their readiness not only to participate but also to make a contribution to funding the event.

Under your leadership and with your active support and encouragement, I have every confidence that the United Nations system will play a more important role in promoting international cooperation in the field of energy, supporting the energy needs of the developing countries and effectively addressing climate change.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "K. Yumkella", written over the printed name.

Kandeh K. Yumkella

UN Secretary-General's High-level Advisory Board on Energy

I. Background

A sustainable, long-term solution to the world's energy needs is a defining issue of our time. Energy lies at the core of the key global challenges of the 21st century – poverty, sustainable development, climate change and world security. Addressing global energy needs in a sound and sustainable manner will contribute to addressing these pressing challenges.

Today's convergence of crises – economic slowdown and financial squeeze compounded by continuing volatile food and fuel prices – offers a unique opportunity to re-shape policies and re-direct investments towards a more secure and sustainable path to development. The Secretary General has called for a transition to a “green economy” to address the current crises and transform the way in which the world produces and uses energy. It is a call for countries to adopt low carbon paths in their development goals.

II. The Role of the United Nations

Enhanced international cooperation is central to achieving this transition and energy will constitute the core issue. Despite its unmatched capacity to raise awareness, its unparalleled convening power and unrivalled ability to galvanize international action, the United Nations has yet to fully leverage its strengths and exercise a leadership role in the field of energy. UN-Energy, an inter-agency mechanism composed of 20 UN system organizations, was established to promote coherence in the UN system's multidisciplinary response to the energy-related decisions of the World Summit on Sustainable Development (WSSD) and to effectively engage with non-UN stakeholders. It is making a major effort to ensure that the UN system, together with the World Bank, contributes in areas where

strategic interventions would have a major impact. More recently, it has sought to use this excellent platform to support the efforts of countries to reach the MDGs and to address the challenges of climate change. While UN-Energy will continue to play a key role, additional efforts are required to elevate the role of the UN system in the global energy scene and to galvanize international action towards a low carbon economy. The leadership role of the Secretary-General will be crucial to these efforts.

III. UN Secretary-General's Advisory Board on Energy (UNSGAB)

The establishment of a high-level advisory body composed of leading figures in the field of energy will not only enhance the leadership role of the Secretary-General but also support the UN system increase its relevance and strength in this important sector. The Advisory Board could serve as an invaluable source of information and guidance on energy-related issues, trends and developments and their implications for the work of the UN system. Members of the Board may be mobilized to support UN-led advocacy and awareness raising campaigns on energy-related matters. The Board could also provide an external and multi-sectoral perspective on energy issues. It could give the Secretary-General strategic advice on enhancing the role of the UN in addressing key energy-related global challenges. The Board may also serve as a high-level sounding board on major initiatives that the Secretary-General may wish to launch to build consensus and galvanize collective action on energy-related issues.

It is proposed that the Secretary-General establish the High-level Advisory Board for an initial period of two years.

IV. Purpose of UNSGAB

The main purpose of the High-level Advisory Board is to provide strategic advice to the Secretary-General on energy-related matters, in line with the mandates given by the intergovernmental bodies of the UN system. To this end, the Board will prepare a landmark strategy report – a White Paper – that establishes the major energy challenges with emphasis on developing countries, the needs, the gaps, and the main areas where the United Nations needs to scale up and strengthen its work in their support.

Through their work, the Board will also:

- (i) Serve as a high-level forum for policy dialogue on all aspects of energy;
- (ii) Support key energy-related advocacy and awareness activities of the UN system;
- (iii) Assist in mobilizing resources to support major energy-related initiatives of the Secretary-General;
- (iv) Promote dialogue and partnerships between the UN system and the private sector, civil society and research and academic institutions on energy;
- (v) Provide advice on energy-related matters as the Secretary-General may request.

V. Composition

It is proposed that the Secretary-General select and appoint to the High-level Advisory Board an appropriate mix of policy-makers, business leaders, experts, representatives from foundations and the media who are well known for their knowledge of and contribution to the field of energy. The Chair of UN Energy is proposed to be an Ex Officio member of the

Board to ensure mutual reinforcement between the work of the Board and that of UN Energy. In order to ensure maximum synergy with climate change concerns, the Special Envoys of the Secretary General on Climate Change would also be invited to be part of the Board. Members of the Board are expected to serve in their personal capacity.

VI. Launching of the UNSGAB-Energy

The terms of reference and the composition of the High-level Advisory Board should be finalized for approval by the Secretary-General before the end of 2008. The Secretary-General may then wish to formally establish the High-level Advisory Board and launch it in early 2009.

VI. Work Plan

Prior to the launching of the Board, the Secretary-General may wish to invite UN-Energy to prepare a background paper on the energy challenges facing developing countries and those of the United Nations in supporting them. This background paper will be the starting point for the preparation of the White Paper that will constitute the first output. The White Paper would address a few selected issues of concern to developing countries for which “Task Forces” with leaders in each could advance the work rapidly and efficiently.

Upon completion of the White Paper, a series of regional consultations could be organized to discuss the conclusions and recommendations of the report.

At its inaugural meeting sometime in the first quarter of 2009, the Board may launch the preparation of the White Paper and present its recommendations on how it will proceed and organize its work to the Secretary-General for approval.