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COMMITTEE ON SUSTAINABLE ENERGY

Steering Committee of the Energy Efficiency 21 Project

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Item 4 of the provisional agenda

GLOBAL ENERGY EFFICIENCY 21 (GEE21)

Note by the secretariat

I. MANDATE

Documentation: ECE/ENERGY/78

1. In November 2008, the ECE Committee on Sustainable Energy mandated the Global Energy Efficiency 21 Project (GEE21) to transfer the experience of the energy efficiency projects in the ECE region to other regions of the world. This new initiative has received both new United Nations regular budget support and extrabudgetary financial support for three years from the Russian Federation. GEE21 was launched at the United Nations Climate Change Conference (COP-14) in Poznan by ECE within a United Nations Energy side event in December 2008.

II. BACKGROUND

2. A global consensus seems to be emerging that energy efficiency is the most effective method of mitigating climate change. This is because there is a vast potential for efficiency improvements to reduce CO₂ emissions which can be implemented quickly, cheaply and reliably.

This consensus can be seen in a number of recent statements and declarations of senior government officials.

3. The Joint Statement of the Heiligendamm G8 Summit meeting held in June 2007 was issued on building the framework conditions for a globalized and competitive economy following discussions between the G8 leaders and the heads of State of Brazil, China, India, Mexico and South Africa. The leaders confirmed their commitment to promoting energy efficiency as an important step towards secure, stable and competitive energy supplies for achieving sustainable development.

4. The G8 Statement reflects the vision of the European Union (EU) Plan of Action on Energy Efficiency adopted in October 2006 with the approval of all EU member countries. The European Commission Draft Declaration on an International Partnership for Energy Efficiency Cooperation combines the commitments of the Heads of State on energy efficiency from the G8 Statement and the EU Plan of Action also with the approval of the United States and Japan.

5. At the global level within the United Nations, Millennium Development Goal 7 on ensuring environmental sustainability under MDG Target 9 is designed to integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources. This is to be measured with MDG Indicator 28 aimed at reducing carbon dioxide emissions per capita. This supports the global United Nations Framework Convention on Climate Change (UNFCCC) process.

6. Within the ECE region, Environment Ministers, at the 2007 "Environment for Europe" conference in Belgrade, specifically welcomed the ECE project on financing energy efficiency investments for climate change mitigation, agreeing to consider participation as public-sector investors in its energy efficiency investment fund. The project has been developed with significant extrabudgetary support from the United Nations Foundation, the French Global Environment Facility and the United Nations Environment Programme/Global Environment Facility. It is designed to promote the formation of a market for energy efficiency in 12 east European, south-east European and Central Asian countries to reduce greenhouse gas emissions. It is designed to provide (a) capacity building for the development of energy efficiency investment projects, (b) assist participating Governments with the introduction of energy policy reforms, and (c) provide finance for bankable projects that reduce CO₂ emissions through a public-private partnership equity fund managed by external professional fund managers.

7. In its Proposed United Nations system-wide approach to climate change, the United Nations System Chief Executives Board found that the United Nations system provides an extensive range of capacity building activities. It noted though that access to services is often limited by a lack of awareness of what is on offer, which agencies provide relevant services and what a country needs to do to receive support. It concluded that the United Nations system should develop a central hub or regional hubs of information and capacity building services offered by United Nations bodies that would serve as a capacity building gateway in particular aimed at developing countries.

8. The present project is designed to explore how the valuable experience of the ECE energy efficiency projects can be applied with UNECE assistance to the other regional commissions, especially to ESCAP which shares common member States with ECE. The energy and climate change mitigation activities of the other regional commissions will need to be appraised to determine how they could respond fully to the transfer, adoption and local adaptation of activities such as those under the ECE energy efficiency work programme.

III. OBJECTIVE

9. The objective is to develop a more systematic exchange of experience on capacity building, policy reforms and investment project finance among countries of the other regions through their regional commissions in order to promote self-financing energy efficiency improvements that raise economic productivity, diminish fuel poverty and reduce environment air pollution such as greenhouse gas emissions.

IV. EXPECTED ACCOMPLISHMENTS

10 The first expected accomplishment is to increase the capacity of the regional commissions to provide effective energy efficiency services that promote the reduction of greenhouse gas emissions to member States.

11 The second is to improve capacity to develop, adjust and implement a global strategy to promote self-financing energy efficiency improvements.

V. MAIN ACTIVITIES

12 The project is implementing specific activities to:

(a) Establish a network of elected officers of intergovernmental bodies working on energy efficiency and climate change and the respective secretariats of the five United Nations regional commissions (Activity 1.1);

(b) Appraise the energy efficiency and climate change work programmes with respect to activities capacity building, energy policy reforms and investment project finance (Activity 1.2);

(c) Determine common priorities and synergies between the member States and the work programmes they pursue through their United Nations intergovernmental bodies among the five regional commissions (Activity 2.1);

(d) Develop a global strategy for the adoption of regional commission work programmes to promote self-financing energy efficiency improvements to raise economic productivity, diminish fuel poverty and reduce environment air pollution as well as greenhouse gas emissions (Activity 2.2).

VI. BUDGET

13. The project budget for the whole implementation cycle 2008-2010 is US\$ 150,000 and the funding requested for 2008-2009 is US\$ 100,000. Co-financing for the project will be explored with the supporting institutions of government departments, international organizations and public and private sector companies currently financing UNECE projects on energy security and energy efficiency.

14. ECE provides an “in kind” contribution of project counterparts in staff time, documents preparation and distribution, publications and conference services as well as “in kind” contributions from related ECE intergovernmental bodies, notably the Committee on Sustainable Energy and the Energy Efficiency 21 Project.

ANNEX

AD HOC GROUP OF EXPERTS ON GLOBAL ENERGY EFFICIENCY 21 (GEE21) DRAFT TERMS OF REFERENCE

Background: The Ad Hoc Group of Experts on Global Energy Efficiency 21 (GEE21) is proposed as a subsidiary body of the Energy Efficiency 21 Project established to implement the sub-project “Global Energy Efficiency 21: cooperation between the United Nations regional commissions on energy efficiency for climate change mitigation”. It is executed with support of the ECE regular budget, including resources from the strengthening of the development pillar and extrabudgetary funds from the Russian Federation and other donors.

Mandate: At its seventeenth session in November 2008, the Committee on Sustainable Energy adopted the GEE21 Project as an element of its programme of work and welcomed the decision of the Steering Committee to implement the three projects supported by the Russian Federation (Increasing energy efficiency for secure energy supplies; Development of the renewable energy sector in the Russian Federation and Commonwealth of Independent States; and Global Energy Efficiency 21) as subregional projects of EE21 (ECE/ENERGY/WP.4/2008/3, ECE/ENERGY/78).

General Objective: To develop a more systematic exchange of experience on capacity building, policy reforms and investment project finance among countries of regions of the world through the regional commissions in order to promote self-financing energy efficiency improvements that raise economic productivity, diminish fuel poverty and reduce environment air pollution such as greenhouse gas emissions. The Project will be implemented through four immediate objectives:

Objective One: Strengthen the participation of the 12 participating countries in the project on “Financing energy efficiency investments for climate change mitigation”;

Objective Two: Disseminate and, if possible, extend the experience of the project on “Financing energy efficiency investments for climate change mitigation” in other ECE member countries;

Objective Three: Increase the capacity of the regional commissions to provide member States with effective energy efficiency services that promote the reduction of greenhouse gas emissions;

Objective Four: Improve the capacity to develop, adjust and implement a global strategy to promote self-financing energy efficiency improvements for climate change mitigation.

Work Methods: The United Nations Economic Commission for Europe is the Executing Agency for the project carried out under the auspices of the ECE Committee on Sustainable Energy by the Steering Committee of the Energy Efficiency 21 Project. Decision-making and guidance for the project will be in line with the participation and procedures of the EE21 Project Plan 2009-2012. As a subregional project of Energy Efficiency 21, the project will be the direct responsibility of the Ad Hoc Group of Experts on Global Energy Efficiency 21.
