

## **Steering Committee of the Energy Efficiency 21 Project**

Opening 10:00 am on Wednesday 30 May 2007  
Salle V Palais des Nations, Geneva

### Remarks by the Director UNECE Sustainable Energy Division

- On behalf of the Executive Secretary of the ECE, I would like to welcome you to Geneva and to the Palais des Nations.
- As some of you may know, the UNECE celebrated its 60<sup>th</sup> Anniversary this year during the Annual meeting of the ECE Commission in April. Speakers during the working session on energy clearly equated sustainable energy with energy security, a priority for all ECE member states.
- Deliberations during the meeting of the Commission repeatedly evoked the crucial need of finance energy efficiency investments. The work of your Project emerged as the fulcrum of sustainable energy activities at ECE during those high-level discussions.
- It is a pleasure for me to open the eighteenth session of the Steering Committee of the Energy Efficiency 21 Project. Recent international events have again stimulated concerns about energy security and climate change. While there are many calls for action, this Project has already produced significant results and offers further genuine concrete solutions.
- The continuing volatility of oil and gas prices and rising tensions in the Middle East have led to contentious views on energy security in the ECE region. In response to this and to renewed worries about climate change, energy efficiency appears to be emerging as a priority for energy exporting and importing countries alike.
- As a policy option of mutual interest, energy efficiency provides obvious opportunities for improving international trade and cooperation. Within the UN system, the recent session of the Commission on Sustainable Development in New York (CSD-15) dealt a lot with energy efficiency and

energy security as essential conditions for environmentally sound and sustainable economic development.

- You may wish to note that financing energy security will be the main theme of next annual session of the Committee on Sustainable Energy. Clearly the work of this Project on financing energy efficiency will be crucial for those deliberations. This session will take place from the 28 to the 30 November here in the Palais des Nations.
- **Now turning to your work**, I am pleased to say that this Steering Committee has been very successful in achieving its goals over the last few years. As a result, the conditions have been established to achieve much more progress.
- As you all know, with funding from the United Nations Foundation in 1999 the Project has shown that it is possible to identify, develop and finance energy efficiency investment projects in Eastern Europe that reduce greenhouse gas emissions.
- This was a crucial first step in the formation of an energy efficiency market in Eastern Europe. Such a market is essential for the widespread introduction of energy efficiency improvements that can enhance energy security and reduce carbon emissions on a meaningful scale.
- Your experience has revealed the most challenging bottleneck to market formation: the lack of a dedicated source of finance for energy efficiency and renewable energy technology investments in Eastern Europe.
- In 2003, this Steering Committee chose to address this problem head-on by deciding to establish an investment fund in relation to the Energy Efficiency 21 Project. Donors and the international financial community have responded very favourably to your vision.
- Between 2004 and 2006 the UN Foundation, the Fonds Français pour l'Environnement Mondial (or French GEF), European Business Congress, and the Council of the Global Environment Facility accorded US\$ 7.5 million in technical assistance grants to "Financing Energy Efficiency Investments for Climate Change Mitigation".

- At the same time, the Bureau and the Steering Committee solicited the interest of significant public and private sector financial institutions to establish an investment fund to finance energy efficiency and renewable energy projects.
- The private sector responded with Conning and Company of the SwissRe Group taking the lead announcing the EUR 329 million European Clean Energy Fund last month. This is the one of the largest funds of its kind operating now in Central, Eastern and Western Europe. Mr. Walter Blasberg, Managing Director of Conning and Company, will present this fund to you this morning.
- Expanding the energy efficiency market further into Eastern Europe, South-Eastern Europe, Central Asia and the CIS will require the establishment of a new specialised investment fund. Public sector support is needed to address the obstacles and barriers to project finance in these countries.
- The “Financing Energy Efficiency Investments for Climate Change Mitigation” project is set to launch the EUR 250 million Eastern European Energy Efficiency Fund under the auspices of the Global Environment Facility. You will also have a presentation on this sub-project of Energy Efficiency 21 today.
- But this is just one of several sub-projects being pursued under Energy Efficiency 21 as you will learn from our proceedings today. It has sub-projects covering financing energy efficiency investments, climate change mitigation, the capture and exploitation of coalmine methane, biomass and green labelling.
- In essence, Energy Efficiency 21 is an umbrella project designed to improve regional cooperation aimed at enhancing energy conservation and raising energy efficiency. And, in turn, this can contribute to reducing greenhouse gas emissions and other environmental effects.
- We are looking forward to hearing from you on how your respective countries are progressing on energy efficiency and how the next phase of EE21 can reinforce national programmes.

- In conclusion, I wish you a productive session and I look forward to your conclusions and recommendations.
- And now I would like to turn over the floor to your Chairman, Mr. Bernard Laponche, to help guide you through your work.

Thank you for your kind attention.