

Questions selected by en.lighten

- A. Next year is the beginning of the International Decade for Sustainable Energy for all. What could be the possible contribution you will make to that Initiative, and what could be the possible impacts of that Initiative for your area of activity?

Given the economic, environmental, and social benefits of energy efficient lighting, SE4ALL identified advanced lighting as a “High Impact Opportunity” to help realize one of the three goals of SE4ALL: double the global rate of improvement in energy efficiency. SE4ALL selected UNEP en.lighten as a high impact initiative to lead the efficient lighting efforts. Thereby, en.lighten is contributing to SE4ALL by promoting worldwide adoption of best practice policies that encourage market transition to efficient lighting. en.lighten offers technical and policy support to countries and regional bodies in developing national and regional efficient lighting strategies.

A global transition to advanced lighting requires coordinated efforts from governments, regional organizations, the private sector, development agencies and international financial institutions. It also requires the definition of a strategy and the identification of actions needed to drive an accelerated switch to energy efficient lighting in all sectors at the global, regional and national levels. Seizing upon the use of advanced lighting technologies, global best practice policies, and programs that encourage efficient lighting, the world can define a Global Action Plan to establish a clear path for the implementation of concrete measures to ensure a synchronized shift to energy efficient lighting technologies.

- B. What major challenges for financing energy efficiency (EE) and renewable energy (RE) projects and cleaner energy technologies still exist? Please name only one or two most important ones. Why do you think they are not going away? What is your recipe to overcome them?

Many governments cite the lack of funding and underdeveloped infrastructure as barriers to initiating a national transition to energy efficient lighting. Clearly, the initial resource outlay for such a conversion is significant, especially for those countries that have not yet committed resources towards basic investments in energy efficiency. Without adequate resources to support the implementation of phase-out policy approaches and critical complementary activities such as compliance measures, the effectiveness of a phase-out programme can be compromised.

Experiences from other nations demonstrate that the transition to energy efficient lighting has been highly cost-effective. Argentina, Brazil, Cuba and South Africa demonstrate that what is needed in the beginning is not necessarily funding, but rather the political will to commit to a transition to energy efficient lighting. Nevertheless, a successful transition requires both long-term policy commitment as well as investments in institutions and systems at each implementation level.

Investing in four areas will ensure a successful and integrated policy approach:

- Development of minimum energy performance standards
- Design and implementation of supporting policies
- Establishing measurement, verification and enforcement schemes

- Establishing environmentally sound management for lighting products

National conditions and approaches to phase-out programmes can vary; therefore, a detailed country-specific cost/benefit analysis will be required to help identify resource and funding requirements as well as available domestic resources. Country Lighting Assessments developed by the en.lighten initiative could serve as the basis for conducting this analysis.

Heightened global concerns over climate change, along with increased availability of financial mechanisms, means that governments today have the opportunity to access more than one source of funding to finance a transition to energy efficient lighting. Governments that secure more than one funding resource can allocate each to a suitable component. For example, bilateral funding could be used for developing MEPS while voluntary carbon market funding could be used for implementing efficient lamp giveaway or rebate activities. Lamps are a commonly traded commodity, so it may be practical to share costs and secure funds for phase-out activities with trading partners, or work towards regional cooperation to lower administrative and procurement expenses.

Some governments regard energy efficiency as a priority for energy security. Accessing external sources of funding for energy efficient lighting projects requires that governments provide a strong, long-term national commitment to a cost-effective strategy, to persuade funding agencies to commit sufficient resources. Countries need to develop integrated and sustainable national efficient lighting strategies that demonstrate to donors that they are genuinely committed to implementing a comprehensive transition.

Financing instruments include:

1. Domestic sources of financing
 - Government administered programmes
 - Utility administered programmes
2. Non-domestic funding
 - International donors and lending institutions
 - Bilateral and Multilateral donors
 - Multilateral development banks
3. Carbon financing
 - Clean development mechanism
 - The carbon partnership facility (administered by the World Bank)
 - Voluntary carbon finance
 - Nationally Appropriate Mitigation Actions (NAMAs)