

**Fifth Ministerial Conference “Environment for Europe”  
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**Item 10: Energy efficiency and pricing**

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Ladies and Gentlemen,

- It's a great pleasure for me to introduce the topic of sustainable energy. The supply and use of energy is one of the most pressing issues for industrialized countries, countries with economies in transition and developing countries both from an environmental point of view and as a pre-condition for economic development.
- Greater deployment of renewable energies on the one hand and energy efficiency technologies on the other are the two key pillars when we address the energy aspects of sustainable development, notably:
  - with regard to reducing environmental impacts;
  - with regard to economic growth – diversification of the energy mix, energy security and decentralisation as well as new technological and commercial opportunities;
  - and with regard to social development: new jobs are being created and help developing in particular rural areas.
- Energy efficiency and the increase of renewable energies is fundamental to meeting many of our energy and environmental needs. This is more easy to achieve if environmentally harmful energy subsidies and schemes of energy pricing that do not reflect the real costs including the environmental impact are to be removed. In this respect the Kiev Ministerial declaration together with the statement on energy efficiency and the guidelines on reforming energy pricing and subsidies give a clear signal for actions to all UNECE countries.
- You all remember well, that energy was one of the most important but also controversial issues at the World Summit on Sustainable Development in Johannesburg last year. We achieved some progress, as reflected in para 20 of the Johannesburg Plan of Implementation. However, to our regret, we were not able to agree in Johannesburg on timetables and targets for a substantial increase in the share of renewable energies.
- That's why we initiated the Johannesburg Renewable Energy Coalition in which up to now more than 80 countries committed themselves to going a stage further than the agreement on the Johannesburg Action Plan. Thanks to the leadership of many European countries, the coalition supported the idea of adopting clear and ambitious time bound targets for the increase of renewable energies. This coalition demonstrates, that renewable energies offer big chances for sustainable development – both in industrialised and developing countries. They allow decentralised energy structures, e.g. in remote rural areas, where electricity grids are not available; regional economic development and thus poverty eradication; less dependency on fossil fuels; reduction in emissions. Because the coalition joins developing countries and industrialised countries there is the chance to avoid the confrontation between G 77 countries and industrialised countries we often see in international conferences.

- This conference here in Kiev is the first follow up-step for the UNECE region after the Johannesburg Summit. It is the right moment to call on every state to work on concrete national and regional targets. Germany invites all countries, which have not already done so, to consider to adopt national targets – perhaps the UNECE region could go further in working on and defining a regional target. I'm convinced, and the German experience demonstrates, the setting of targets is an important prerequisite to secure stable framework conditions for investments of the private sector in renewable energies. Countries that are not yet member of the Johannesburg Renewable Energy Coalition might consider joining it.
- At the same time we need to look at consequent follow-up actions to achieve a global sustainable energy system. Very serious scenarios on climate change and sustainable development (German Scientific Council on Global Environment, WBGU, 2003) have led to a call
  - for reducing global emissions of CO2 by half until 2050 (from major industrialised countries like Germany by 80%) and
  - for renewable energies to account for a major share of energy supply worldwide by 2050 at the latest.
- Climate change is one of the biggest challenges in the 21st century – and is happening already. The Kyoto-Protocol is the basis for joint action of the international community. We should welcome very much that Ukraine has just ratified the Protocol [*vor Ort verifizieren! Alternative:..that Ukraine is in the process of ratifying the Protocol*] and urge countries that have not yet ratified to do so in a timely manner. In particular we do hope to be very soon in the position to welcome the ratification by Russia so that the Kyoto-Protocol can enter into force.
- The promotion of renewable energies is one of Germany's highest priorities in order to achieve a sustainable energy system – to create a real win-win-situation, where at the same time climate protection, economic development and poverty eradication is possible. Recognising the strategic importance of this issue, Germany has decided to hold an international conference on renewable energies at ministerial level in the first week of June 2004 in Bonn.
- The Johannesburg Plan addresses – as a matter of urgency – the need to substantially increase the global share of renewable energy sources. The international conference for renewable energies in Bonn therefore aims at:
- Defining the role of **renewables in the context of sustainable development** and balance this with the need to improve energy efficiency;
- Assessing best practices for the promotion of renewables including the concept of setting political targets for the future share of renewable energies and favourable framework conditions for progress in this field;
- Addressing **international financial initiatives** for the promotion of and investment in renewables in developing countries; this is of particular importance in relation to international financial institutions and a stronger involvement of private capital;

Discussing a **global action plan**, including monitoring and reviewing and trigger a **process** to follow up the conference results.

Preparations for the conference are underway. An **international steering committee** has been established, with representatives from governments, international organisations, business and NGOs. Various countries – Denmark, Brasil, Kenya, India and the Commission - consider to hold regional meetings before the international conference in 2004. This will be of great help to the preparatory process. And I hope that also the discussion in this conference today will contribute to our joint objective of a sustainable energy future in Pan-Europe and beyond.

*Thank you very much for you attention!*