

**Economic and Social Council**Distr.: General
5 August 2011

Original: English

Economic Commission for Europe

Committee on Sustainable Energy

**Steering Committee of the Energy Efficiency 21 Programme
Group of Experts on Energy Efficiency
Investments for Climate Change Mitigation****Eighteenth session**

Geneva, 19-21 October 2011

Item 6 of the Provisional Agenda

**Outcome of the Second International Energy Efficiency Forum and the Workshop on Energy Efficiency
Policy Frameworks and Investments in Energy Efficiency and Renewable Energy Projects****Outcome of the Second International Energy Efficiency
Forum and the Workshop on Energy Efficiency Policy
Frameworks and Investments in Energy Efficiency and
Renewable Energy Projects****Background paper****Note by the secretariat****I. Introduction**

1. This note outlines the updated information and expected outcomes for the Second International Energy Efficiency Forum (IEEF), the Workshop on Energy Efficiency Policy Frameworks and Investments in Energy Efficiency and Renewable Energy Projects, and the Workshop on Attracting Foreign Direct Investments (FDI) in Advanced Fuel Technologies organized by the United Nations Economic Commission for Europe (UNECE) Sustainable Energy Division in the framework of the UNECE projects Financing Energy Efficiency and Renewable Energy Investments for Climate Change Mitigation (FEEI), Global Energy Efficiency 21 (GEE21) and Mitigating Climate Change through Attracting Foreign Direct Investment in Advanced Fossil Fuel Technologies. The Forum is organized jointly by the Government of Tajikistan, the UNECE, and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). The Workshop on Energy Efficiency Policy Frameworks and Investments in Energy Efficiency and Renewable Energy Projects is included in the Work Plan for the Fourth Year of Project Operations (2011) of the FEEI project (ECE/ENERGY/WP.4/GE.1/2011/3, para. 4). The Group of Experts on Energy

Efficiency Investments for Climate Change Mitigation at its sixteenth session in Geneva in October 2010 supported the proposal to make the International Energy Efficiency Forum held in Astana in September 2010 a regular event (ECE/ENERGY/WP.4/GE.1/2010/7, para. 30 (o)).

II. Background

2. Background information on the Second IEEF, its objectives and expected outcomes have been presented to the Group of Experts on Energy Efficiency Investments for Climate Change Mitigation at its seventeenth session in Geneva in April 2011 (ECE/ENERGY/WP.4//2011/3-ECE/ENERGY/WP.4/GE.1/2011/5). This document provides an update on the preparations for the Second IEEF. The outcome of the Forum will be presented to the Group of Experts at the eighteenth session by the secretariat.

III. Date and venue

3. The Second International Energy Efficiency Forum is held in Dushanbe, Tajikistan on 12–14 September 2011.

IV. Format and content

4. The Forum will contribute to sharing progress made in enhancing countries' policies and legislation for facilitating market formation in energy efficiency (EE) and renewable energy (RE), which resulted in the implementation of EE and RE projects, and in preparing commercially viable project proposals. Status and potential of EE and RE in various economic sectors (industry, fuel and energy, housing and communal services, public buildings, construction, transport, etc.) and analysis of international best practices in EE and RE will be reviewed.

5. The first IEEF was held in Astana, Kazakhstan in September 2010. Delegates of the first IEEF expressed their appreciation to the organizers for the opportunity to have stimulating and productive discussions on the issues of vital importance for their countries and organizations and proposed to make the International Energy Efficiency Forum a regular event. In the Final Document of the IEEF in Astana, it was emphasized that all types of financing — public, development, carbon credits, and commercial — are important to make EE and RE projects viable. However, the real challenge is to tap into private (commercial) financing sources, which can provide amounts that are significantly higher than all others combined. The role of the state is seen mainly in creating a legislative and regulatory environment that would foster EE and RE market formation, promote public-private partnership (PPP) and encourage private financing to go into the EE and RE sector by mitigating risks and ensuring level playing field for all actors. These issues will be further discussed at the Second IEEF in Dushanbe.

6. Similar to the first IEEF, the geographical focus of the Second Forum will be on countries of Northern and Central Asia, Eastern and South-Eastern Europe and the Caucasus. The Forum will also have a global outreach as it will offer opportunities to share experiences in overcoming barriers to energy efficiency from other regions of the world. In the framework of the UNECE Global Energy Efficiency 21 (GEE21) project, representatives from the countries of other UN Regional Commissions (Economic Commission for Africa (ECA), Economic Commission for Latin America and the Caribbean (ECLAC) and Economic and Social Commission for Western Asia (ESCWA)) are expected to participate.

7. The plenary sessions on the first day of the Forum will feature presentations of high-level officials from the Government of Tajikistan, Governments of other countries of the

UNECE and ESCAP regions, representatives of the UN and other intergovernmental organizations, financial institutions, business sector and energy efficiency experts. The second and third days of the Forum will consist of two parallel workshops.

8. The Workshop on Development of Energy Efficiency Policy Frameworks and Investments in Energy Efficiency and Renewable Energy Projects will focus on policy reforms to promote investments in energy efficiency and renewable energy projects and on potential for such investments with specific examples of project proposals. The UNECE will lead discussions in the framework of the Financing Energy Efficiency and Renewable Energy Investments for Climate Change Mitigation (FEEI) and GEE21 projects, focused on steps necessary to facilitate EE and RE investments in the region of South-Eastern and Eastern Europe and Central Asia and on the process of further development of the Global Strategy to promote energy efficiency market formation jointly with the other United Nations Regional Commissions. ESCAP, within the framework of the project funded by the Russian Federation, will lead the second half of the workshop in seeking feedback from participants in developing tools that will enable stakeholders to formulate common vision and a set of strategies for energy efficiency and clean energy technologies promotion in North and Central Asia. Under the framework of this project ESCAP will invite the participants to share their views on the issues targeted by the project and to provide their perspectives that will be valuable in fine-tuning the project outputs.

9. The Workshop on Attracting Foreign Direct Investments (FDI) in Advanced Fuel Technologies is the first in a series of workshops within the framework of the United Nations Development Account project: "Mitigating Climate Change through Attracting Foreign Direct Investment in Advanced Fossil Fuel Technologies". The UNDA project covers nine countries: Afghanistan, China, India, Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan, Ukraine, and Uzbekistan. Its ultimate objective is to improve the "upstream" efficiency, that is, the efficiency of electrical power plants. Improving the efficiency of fossil fuel-fired electrical power plants has a positive domino effect that enables us to reap huge climate change benefits along the value chain of electricity generation, transmission, distribution and consumption. The workshop will share the results of countries' studies, enabling the participants to develop a better understanding of their position in the international investment market for advanced fossil fuel technologies. The principal goals of the workshop are to increase the knowledge of FDI into advanced electricity and related fossil fuel technologies, and to identify the required or desirable changes to existing policy, legal and regulatory frameworks that would create a more favourable investment climate for cleaner electricity generation projects.

10. Information on the Forum is available at the websites: http://live.unece.org/energyefficiency/_welcome.html and www.feei.info.

11. The outcome of the Forum is reported to the Seventh Ministerial Conference "Environment for Europe" in Astana on 21–23 September 2011. A side event of the Conference with the title "Investments in energy efficiency and renewable energy: ways to make them business-as-usual" is organized by the UNECE Sustainable Energy Division on 22 September 2011.