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**Statement by Mr. Ján Kubiš  
United Nations Under-Secretary-General  
Executive Secretary of the United Nations  
Economic Commission for Europe**

at

**Russian Fuel and energy Complex in the XXI Century (MIEF)  
Global Energy Security: New Agenda  
Moscow, 8 April 2011**

Mr. Chairperson,  
Distinguished Participants,  
Ladies and Gentlemen,

It is a great pleasure for me to join this international conference on Global Energy Security: New Agenda.

The political unrest in North Africa and the recent unfortunate events in Japan, with the nuclear tragedy that continues to unfold, very much accentuate the need to address energy security in its broadest terms.

- Nuclear power is again being debated, not only from the perspective of investing in new next generation nuclear, but also with a view to possibly withdrawing from existing plants.
- Coal remains challenged from an environmental perspective, not only in terms of CO<sub>2</sub> but also in terms of traditional pollutants and mining practices.

- Natural gas is the focal point of the European dialogue on energy security, but also has environmental drawbacks as perceived by the public – especially shale gas developments in the US.
- Renewable energy sources are thought to be the great savior, but their costs remain high and the technologies elusive.

Our choice seems to lie between shivering in the dark and finding a proper balance between economy, environment, and security of supply.

The United Nations Economic Commission for Europe (UNECE) was set up in 1947 and is one of five regional commissions of the United Nations. Our major aim is to promote pan-European economic integration. We bring together 56 countries located in the European Union, non-EU Western and Eastern Europe, South-East Europe and Commonwealth of Independent States (CIS) and North America. All these countries dialogue and cooperate under the aegis of UNECE on economic and sectoral issues.

To this end, we provide analysis, policy advice and assistance to governments, we give focus to the United Nations global mandates in the economic field, in cooperation with other global players and key stakeholders, notably the business community. UNECE also sets out norms, standards and conventions to facilitate international cooperation within and outside the region.

The area of expertise of the UNECE includes energy, and our current pre-occupation is on sustainable energy supply. In our view, sustainability has 3 distinct components:

- a. the first is economic, whereby investment and consumption decisions are made in a framework of sensible economic and environmental policy;
- b. the second is environmental, as we all know sustainable resource use meets human needs while preserving the environment so that the needs can be met not only in the present, but also for generations to come;

- c. the third is social/political, whereby policies and programmes are sustained over time because they are perceived as working for the welfare of society and are therefore supported by the people.

The energy sector is at the nexus of economic and environmental sustainability. We are in a world that is rapidly changing in terms of environmental considerations, technological progress, and globalization. Our economic challenge is to secure affordable and sustainable energy service for energy consumers. Because the world is changing rapidly, governments cannot afford to bet on specific technologies. The concept of sensible policy in which subsidies are removed and investors can be assured that the value of their investments will be protected is challenging but necessary. We need a long-term, stable framework for all energy chains from source to use to ensure “proper” investment and consumption decisions. Private capital must be invested with normal market risks, but not unnecessary regulatory or political risk.

Our environmental challenge is enormous, and the time to act is now and we need to act on a scale that will address the challenge. We will not be able to change our global fuel or technology mix overnight, but we already need to be taking the steps on the path to a sustainable future. Energy efficiency investments will be critical, and we need to address the market failures that prevent us from improving the energy and carbon intensities of our economies. Improving efficiency at existing coal-fired power stations will be critical since we will not be able to turn our backs on this important fuel. The switch to gas from coal will also contribute to decarbonization even though gas consumption emits CO<sub>2</sub>. Maintaining the nuclear option, so easy to say but today so hard to do, will also be essential. The nuclear industry must find its way out of the current situation, whether by new safety approaches or with nuclear technology. Renewable energy must develop further so that it can contribute to cost-effective attainment of environmental goals. The point is that all technology has its role to play in all parts of the world. We must act to optimize what we have and to develop what we will need in the future.

2012 has been declared the Year for Sustainable Energy for All. The UN’s Millenium Development Goals for energy include goals on energy efficiency, penetration of renewable energy technology, and improvement in energy

poverty on a global scale.

Our challenge therefore is to target the energy poor through effective policies. We are concerned that the rush to shift the world to green without consideration for the financial consequences will serve both to discredit the legitimate contributions that new technology can make in the future and to delay effective progress to meeting targets. The solutions are clear: sensible economic, energy, and environmental policy, removal of market failures, capacity building for technology transfer, and development of appropriate financial instruments. The work we are doing in energy must be seen as benefitting society as a whole if we expect our energy policies to be stable and long-term.

UNECE actively supports the promotion of energy efficiency and renewables throughout our region, we are engaged with actors in the gas value chain to explore various components of energy security (including work we are doing on gas market liberalization, underground storage and liquefied natural gas), we are working with governments to improve the efficiency of electricity generation and networks, and we are engaged in normative work that has a direct impact on resource development and safety (fossil fuel classification and coal mine methane). In all of these areas, we are expected to have a direct, material impact and to catalyze or accelerate the transition to a sustainable energy future. We need your help in doing so, and we look forward to working with you.

Thank you.