

CSD14

Tuesday 2nd May 2006.

Thematic discussion on Enhancing energy efficiency to address air pollution and atmospheric problems, combat climate change, and promote industrial development.

Statement by the Norwegian delegate

Mr. Chair,

Improving energy efficiency and reducing energy intensity in all sectors – manufacturing, transport, residential and commercial, is an integral part of Norwegian energy policy. Efforts to this end may in fact improve economic performance, and energy efficiency measures are attractive to both private and public actors. Economic incentives like subsidies and taxes can enhance their attractiveness, while environmentally harmful subsidies in the energy sector should be phased out. Energy efficiency is arguably the largest untapped source of energy, the most inexpensive, the least harmful to the environment, and as such deserves to be high on any country's energy agenda.

Let me share with you the experience we have in Norway concerning the promotion of energy efficiency. We have established an independent public agency, Enova, which is responsible for supporting production of energy from renewable sources, and for energy efficiency measures. The Government has set quantitative targets for energy savings and renewable energy production. Enova grants support from a dedicated energy fund which is financed by a levy on the electricity distribution tariffs. Support is given on the basis of how much energy is saved or produced per unit of money spent. In this way the most economic projects are realised first.

This market based policy has proven quite successful. The targets set for 2010 have already been increased as we see that more than first estimated has been and can be done with the available financial resources.

More information about Enova can be had at
www.enova.no

Thank you.