

Thematic discussion: enhancing energy efficiency to address air pollution and atmospheric problems, combat climate change and promote industrial development

- Improving energy efficiency is a unique tool that can **simultaneously** address key energy for sustainable development objectives combat climate change and promote industrial development
  - improving business competitiveness and employment
  - reducing greenhouse gas emissions and other air pollutants
  - reducing energy demand to improve security of supply.
- The UK has set itself a goal for **reducing CO2 emissions by 60% by 2050**. The analysis behind that figure shows that major increases in energy efficiency are necessary to meet this goal.
- It is important to promote energy efficiency **across the economy**. No single policy or measure will realise the full potential for energy savings, as others have said **national strategies need to target different sectors**, including:
  - transport,
  - buildings,
  - appliances,
  - industry
- Energy efficiency should also be **considered throughout the energy supply chain** – from the efficiency of the generation plant that produces our energy, to the transmission and distribution of energy to the appliances that consume that energy in our home. Similarly need also to ensure energy efficiency in extraction processes to produce fuels efficiently to efficiency of vehicles in which these fuels are used.
- Promoting energy efficiency across different sectors requires a **portfolio of mechanisms**. In the UK a range of approaches have been taken that includes market-based mechanisms – most notably the EU emissions trading scheme along with more regulatory-based approaches such as building or vehicle standards.
- Energy efficiency also has an **important role in improving access to energy services** by helping to ensure that the most efficient and effective use is made of often limited energy capacity in the developing world as well as reducing capital investment requirements.
- Access to finance for investing in energy efficiency is also key and here the **International Financial Institutions** have a key role to play in creating a supportive investment framework – as well as ensuring sustainability of projects that they finance.
- Last year at Gleneagles the **G8 recognised the benefits that energy efficiency** can play in tackling climate change, promoting clean energy and achieving other sustainable development objectives. The G8 also agreed a Gleneagles Plan of Action which has a strong focus on energy efficiency and

the particular need to work with developing countries to **enable them to develop more energy efficient economies.**

- There is an enormous amount of work underway at national, EU and international levels **to overcome barriers to energy efficiency** and we must ensure that this **expertise is effectively co-ordinated and mobilised** in helping us to meet our JPOI commitments.
- We should recognise the **important role of Partnerships** such as REEEP, the Clean Energy Initiative and CLASP in building the capacity for sharing and disseminating this experience. The work the **IEA is doing looking at best practice across the G8** is also a valuable input to our discussions here.
- Clearly energy efficiency has a major role to play in achieving sustainable development. The UK believes that a **robust international follow-up mechanism** for monitoring progress and mobilising action on energy efficiency should be a key outcome of this CSD cycle.