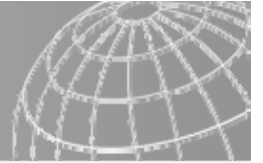


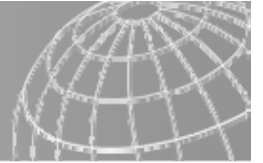
**SUSTAINABLE FINANCING TO IMPLEMENT
SUCCESSFUL ENERGY EFFICIENCY
PROGRAMMES AND PROJECTS**
*THE ROLE OF INTERNATIONAL
COOPERATION - Germany*

**Presentation by
Dr. Paul H. Suding , GTZ**



Questions

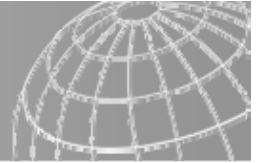
1. ... principales resultados de la cooperacion de GTZ-BMZ en la ultima decada en materia de eficiencia energetica, no solo en America Latina sino tambien en otras regiones del mundo
2. ... planes y estrategias futuras de GTZ-BMZ en la materia especifica en America Latina
3. ... manera ... consolidar una coordinacion y dialogo entre las diferentes agencias y entidades de cooperacion internacional para promover nuevos programas y politicas de eficiencia energetica en los paises de la region



1 lessons learnt on demand side efficiency

■ Coherence required

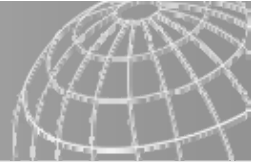
- Consistency of “carrots”, i.e.: price level and structures, tax or grants incentives, financing schemes,
- Alignment of carrots and sticks (standards - mandatory or voluntary - must fit with incentive structures;
- Support from “music” (awareness raising, political positioning, information, education)
- Foundation in technical capacities (required for implementation and enforcement)
- Integration in consumption sectors’ policies,
- Coordination: macro, meso, micro level
- Align ee policy with industrial, trade and innovation policy



1 lessons learnt ...

Countries' fundamentals and policies (informal and formal institutional frameworks) vary, ee policies must be based on these

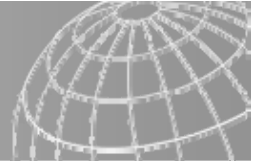
- **if ee- friendly conditions:** support in gap issues
- Difficult conditions (low energy prices etc.) must be accepted as legitimate; policy dialogue required to discuss eventual negative consequences, but policies and ee cooperation must wait
- Certain policies work better in certain countries,



2. Plans and strategies of GTZ/GIZ

2.1 Current activities of German Cooperation in LAC on EE

- **Energy and Climate is one Focus of Cooperation (of two, the other is Environment and Natural Resources)**
 - with Mexico, Brazil, Chile, Colombia
 - in Strategic Partnership with IDB and CEPAL
 - with regional banks BCIE und CAF
- **Since 2005 German Development Cooperation awarded 455 Mio. € for projects in Energy in LAC**



2. Plans and strategies of GTZ/GIZ

2.1 Current activities ...

With National or Regional Development Banks (FC)

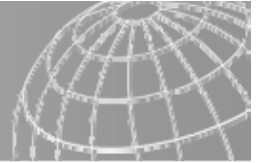
- Chile / CORFO
- Andean / CAF
- Peru / Cofide
- Brazil / BNDES etc,
- Mexico / NAFIN, FIDE
- Central America / BCIE
- El Salvador / BMI
- Costa Rica / BNCR
- IDB

Regional TC

- RE/EE in Central America
- RE in the Caribbean
- Household energy (HERA)
- Adaptation in Andean Region
- Energizing development (EnDev)

in bilateral TC Country Programs and Projects in Brazil, Chile and Mexico (RE & EE) , Bolivia ,

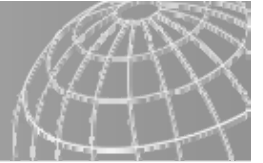
Via German Contribution to Climate Investment Fund (incl. CTF)



2. Plans and strategies of GTZ/GIZ

2.2 Strategies of German Development Policy (BMZ)

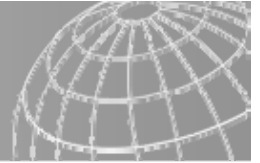
- Under discussion since change in government
- Change in paradigm: from “Global Structural (Adjustment) Policy” to “Good Governance” and “Green Economy”
- Technology cooperation
- Private sector collaboration
- Clear priority for RE&EE remains



2. Plans and strategies of GTZ/GIZ

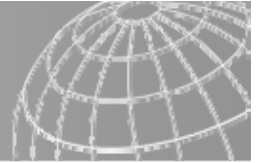
2.3 International programs of other German Authorities

- **International Climate Protection Initiative – IKI**
 - From sales of CO₂ emission rights
 - Ministry for the Environment (BMU) supports projects in LAC (approved projects for Brazil, Chile, Ecuador, Regional)
- **Other Ministries (Foreign Affairs, Economic Affairs, Science and Education, Transport & Construction & Urban Development, Consumer Protection & Agriculture ...)**



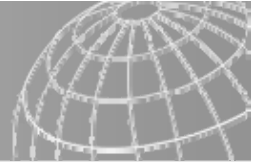
3. Ways and forms to consolidate coordination & dialogue ...status

- Policy is responsibility of the countries
- In countries in LAC very different status and importance (objectively and subjective perception) of ee, depending a.o. on energy resources endowment
- Regional organizations including development banks are mostly committed to ee, different mandates functions and strength
- Bilateral cooperation between LAC countries or with non regional actors on the basis of agreements (joint objectives and priorities)
- But no regional commitment for ee (like in case of EU)
- Thus voluntary cooperation: Learning between the willing
- Private sector companies and associations, federations interested



3. Ways and forms to consolidate coordination & dialogue ... how & what

- Policy is responsibility of the countries, but regional cooperation helpful; regional organizations can act as host and catalysts. Areas:
 - Data and indicators,
 - Policy analysis and comparison, exchange of experience and methods, lessons learnt,
 - Exchange of practical experience: successful specific programs (technologies and sector projects)
 - Joint standards: scale up market for efficient goods, reduced cost of standardization and institutions,,
 - Regional capacity building (energy management and auditing)
 - Advocacy, for ee, positioning of LAC, organize regional commitments



Thank you for your attention!!!

Dr. Paul H. Suding
GTZ
Seconded to IDB