

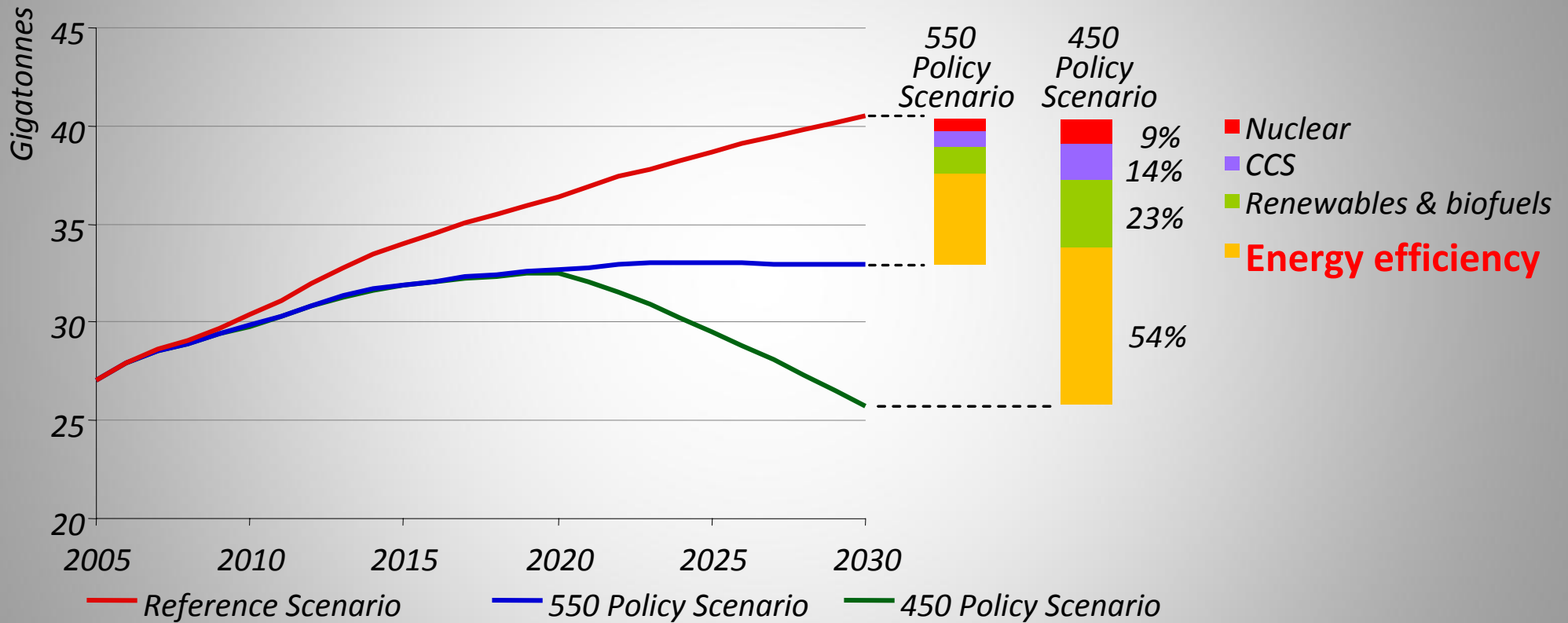


1ST POLICY DIALOGUE ON ENERGY EFFICIENCY IN LATIN AMERICA AND THE CARIBBEAN: TOWARDS SUSTAINABLE INSTITUTIONS

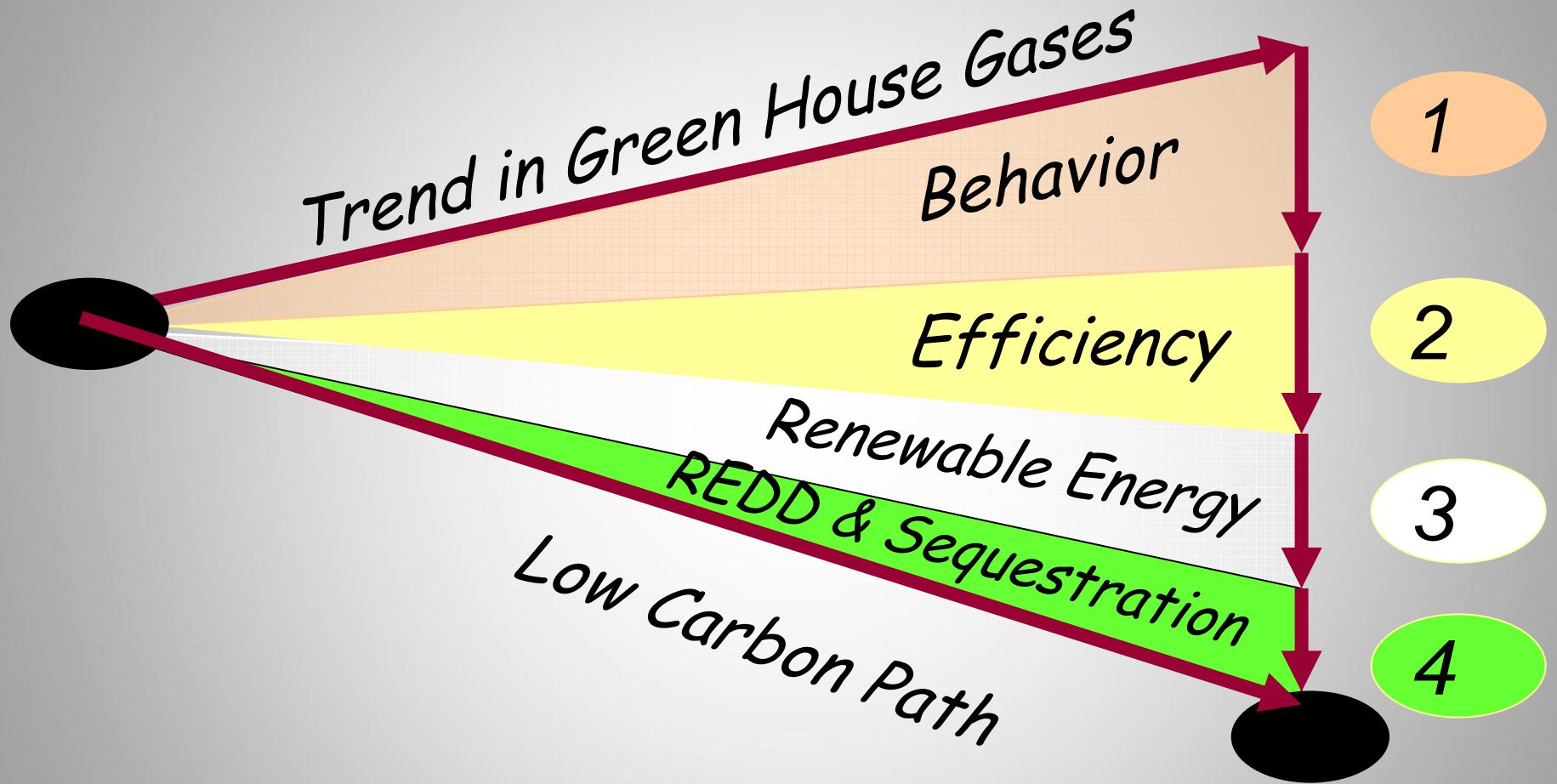
Santiago de Chile, November 18-19, 2010

Raúl O’Ryan

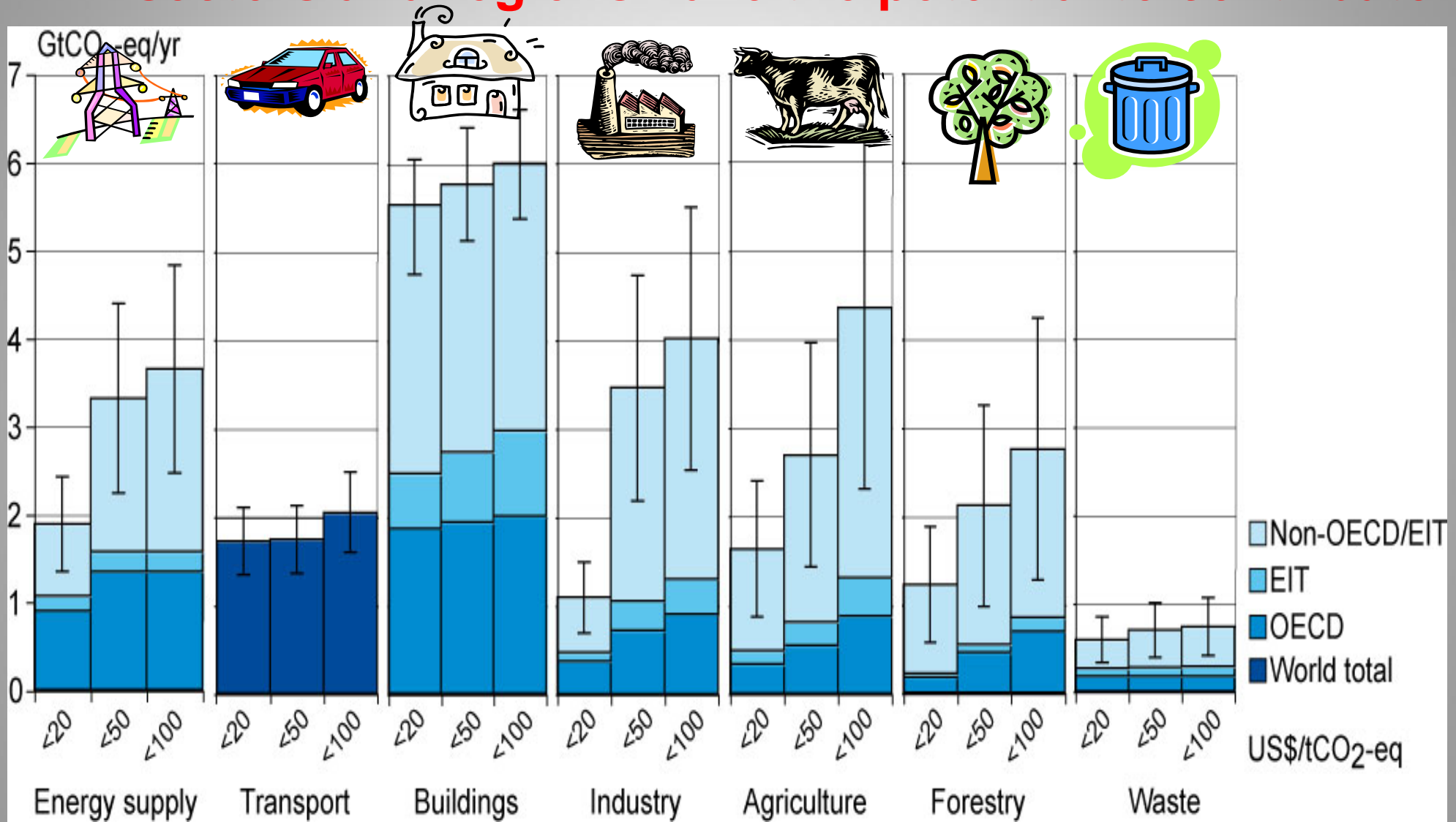
According to the International Energy Agency, Energy Efficiency represents the largest potential reduction in energy-related CO₂ emissions



While technological progress is needed to achieve some emissions reductions, efficiency gains and deployment of existing low-carbon energy accounts for most of the savings



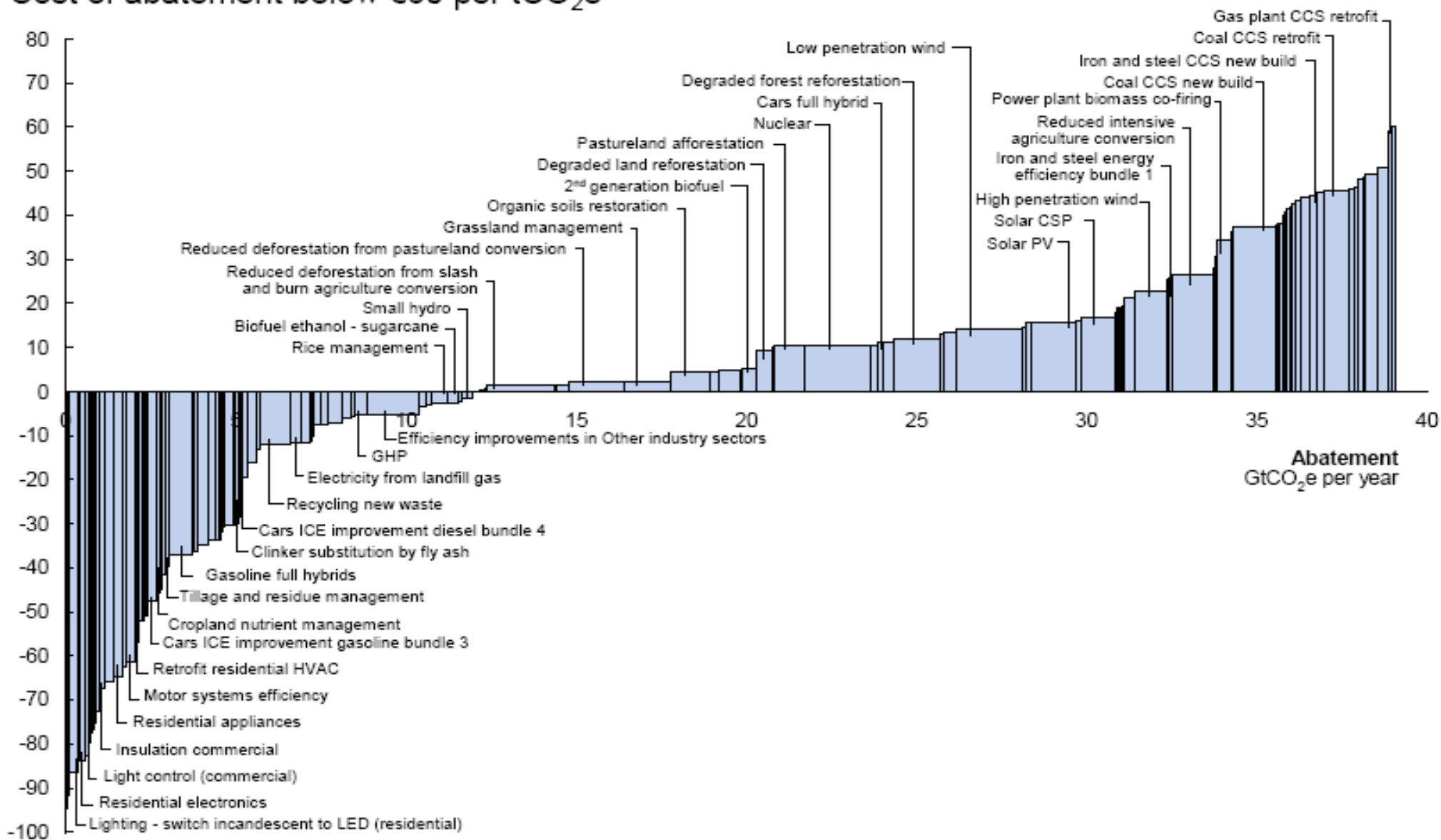
All sectors and regions have the potential to contribute



Note: estimates don't include non-technical options such as lifestyle changes

Global GHG abatement cost curve beyond 2030 BAU

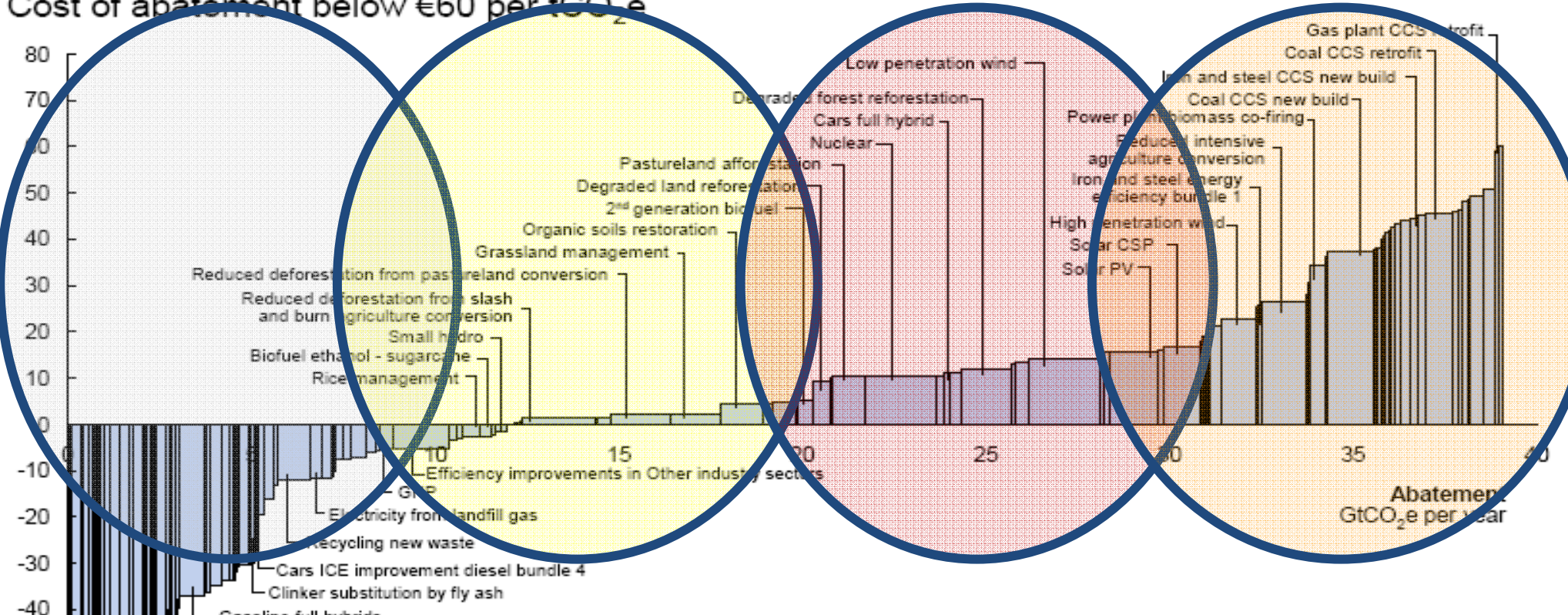
Cost of abatement below €60 per tCO₂e





Global GHG abatement cost curve beyond 2030 BAU

Cost of abatement below €60 per tCO₂e



Policies & barriers

GEF, ODA

Incentives

FITs, taxes, loans, CDM

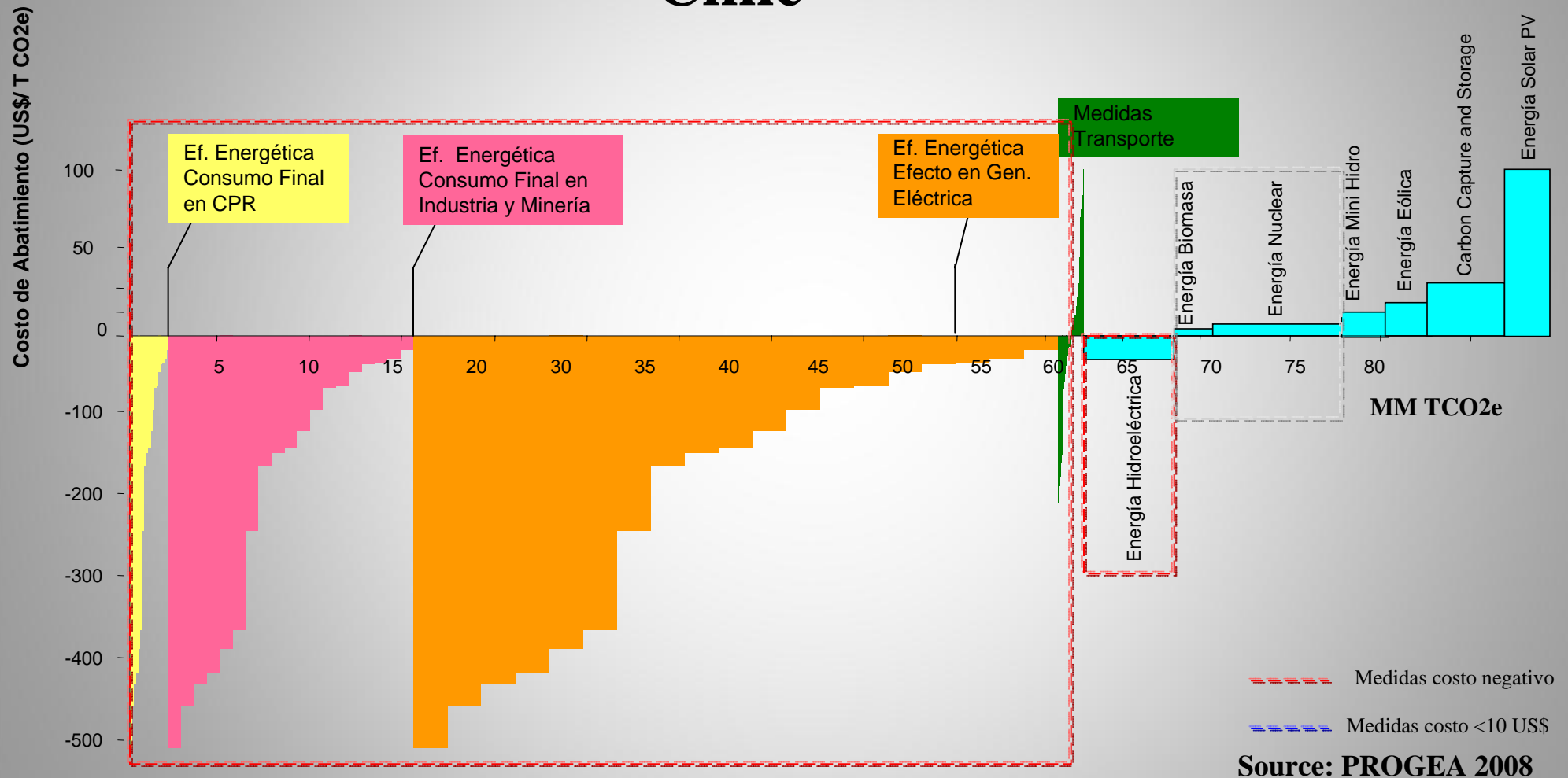
Carbon finance

PoAs, sectoral crediting

Research, development, demonstration

Technology transfer

Greenhouse Gas Abatement Cost Curve for Chile



UNDP's climate change strategy has four pillars

1

*Build **capacity** in developing countries for more effective global dialogue on climate change*

2

*Increase capacity of developing countries to **adapt** to climate change*

3

*Create market conditions for sustainable development and climate change **mitigation***

4

***Mainstream** climate change into UNDP core activities aimed at achieving the MDGs*

Ways Forward for Energy Efficiency

- Support Put in Place Relevant **Policy Framework**
 - Energy Price Policy Reform,
 - Energy Efficiency Standard, Codes, Regulation, Labels...
-Demand-Side management
- Adequate Financing to support Policy & Project Development
- **Combine** ODA (GEF-type) Support & **Sequence** with Market Based Mechanisms (typically Carbon Finance)

ENERGY EFFICIENCY

Lead Country	Project Title	Funding Amount	Source of Funds	Co- Financing
Brazil	Market Transformation for Energy Efficiency in Buildings	3,305,000	GEF	IDF GEF 10,195,000 MLF 1,000,000 Others: 121,360,000
Colombia	Capacity Building for Removal of Barriers to the Cost-effective Development and Implementation of Energy Efficiency Standards and Labelling.	2,500,000	GEF	7,500,000
Peru	Energy Efficiency Standards and Labels in Peru	2,000,000	GEF	5,000,000
Central America (Regional) El Salvador, Nicaragua, Panama and Costa Rica	Regional Programme on Electrical Energy Efficiency in Industrial and Commercial Service Sectors in Central America (PEER)	2,053,000	GEF	7,065,000
*Venezuela	Increasing product's energy efficiency in Venezuela.	2,800,000	GEF	8,000,000
Colombia	Energy Efficiency in Buildings	1,100,000	GEF	MLF 1,000,000 Others: 3,445,000
El Salvador	El Salvador: Energy Efficiency in Buildings	950,000	GEF	3,330,000

UNDP and Energy Efficiency in Chile

Programa de Mejoramiento de la Eficiencia Energética en el Alumbrado Público (MEEAP)

- **Funding: US\$2,8 million, Government Funds**
 - Establish baseline consumption (cadastre of luminaries in 4 municipalities, analysis of energy consumption and of municipal capacities)
 - Pilot project – replace 4.000 luminaries
 - Objective is to develop a Business model that can be replicated across Chile, where energy savings cover some of the costs
- Preparation of a new GEF project to target institutional and financial barriers; standards and labels; achieve market transformation; and awareness and training at both regional and national level



Thank you