

**International Conference on Energy Efficiency**  
**28 May 2008**  
**Geneva, Switzerland**

**WELCOME ADDRESS BY**  
**AMBASSADOR ANDRÉ MERNIER**  
**SECRETARY GENERAL**  
**ENERGY CHARTER SECRETARIAT**

Ladies and Gentlemen:

I would like to welcome you all to this Annual Policy Conference of the Energy Charter. Each year, our annual conference brings together policymakers, analysts and business leaders from across the globe to address pressing international policy issues facing the energy sector.

I would like to thank Mr Marek Belka and the UNECE, together with Mr Didier Houssin and the IEA for their invaluable support not just with this conference, but in an ongoing collaboration. I would also like to thank Mr Walter Steinmann and the Swiss Federal Office of Energy, who have also provided enormous assistance, not to mention a beautiful spring day in Geneva!

And finally a special thank you to all of our excellent speakers, especially our keynote speaker Mr Brice Lalonde, and session chairs, and to you, the participants, for making this event possible.

We have now held five Annual Policy Conferences.

Yet this is the first Conference that has focused on the important issue of energy efficiency. This is despite the fact that the Protocol on Energy Efficiency and Related Environmental Aspects (or PEEREA) was signed, ratified and came into force with the Energy Charter Treaty in 1998. Why is this so?

Energy efficiency is, very simply, excellent policy! It achieves all of the objectives of sustainable development without the need for any tradeoffs.

We have worked hard on energy efficiency policies, and many countries have taken important steps forward. But studies repeatedly show that cost-effective energy efficiency savings of 20-30% or more still exist in most economies.

The US Senator, Edward Kennedy, said:

*Energy conservation has been in the curious position of being something just about everyone favours, except that we, as a nation, have made only limited progress in putting these good intentions to work.*

I think these words are true at the international level just as much. And what makes this so compelling is that Senator Kennedy spoke these words in 1977, more than 30 years ago! Yet they are still true.

We can wait no longer! The growing consensus around the need for action on climate change means the world can no longer wait to implement the cheapest form of abatement. Historically high energy prices mean we can no longer afford to waste energy. The world's development needs make it imperative that we do not use scarce investment funds on energy supply when we have better alternatives.

Given the priority of energy efficiency, especially in relation to climate change, this is not an issue for individual nations alone. We live in an increasingly interconnected world. An energy-efficient light globe manufactured in China can save energy for users in Russia that then allows greater energy exports to Europe and may create carbon credits that could be purchased by a firm in Australia. Energy markets are global, and climate change is a global problem.

Of course, there are things countries can do on their own. I am sure we will hear many great stories of success today. But what we are here to focus on is what we can do together. How can we cooperate internationally to make energy efficiency happen faster and better? And what institutional arrangements might be needed to ensure this happens? These are questions we need to ask ourselves within the Energy Charter context, and in cooperation with others.

We have much work to do, but it is honourable work. At the end of today, I hope that we will agree on some key priorities for action, and on some steps we can take.

I suspect we will hear many times today of things that have changed – markets, policies, the climate, consumers, attitudes. And indeed the pace of change is dizzying.

But there are also many things that stay the same. Businesses will continue to invest where they are convinced they can make an appropriate rate of return. We must consider how governments and industry can work together to make investments in energy efficiency more attractive, in all countries, in all sectors.

We stand at an important moment in history, and the world looks to us for progress.

I thank you all again for coming, and look forward to working with you on this vital issue.