

## Didier Houssin (International Energy Agency)

### Draft Opening Remarks.

- Distinguished guests, ladies and gentlemen, it is a great pleasure to return to participate in this important policy event on behalf of the IEA. I take this opportunity to express my thanks to the Energy Charter Secretariat and to the UN-ECE for all their efforts in hosting and organizing today's conference.
- As you are aware, the IEA was founded to co-ordinate measures in times of oil supply emergencies. Whilst this remains our core function, our mandate now incorporates the "Three E's" of energy policy making: energy security, economic development and environmental protection.
- Energy efficiency helps to achieve all of these goals. But what I would like to do in these introductory remarks is to focus on the environmental aspect, and to put our discussions on efficiency and technology in the context of achieving ambitious cuts in carbon dioxide emissions.
- Let's start with some background on the climate challenge.
- Unless government policies change, energy related carbon dioxide emissions are projected to rise from around 27 GT in 2005 to 42 GT in 2030. By that time, China, the USA and India would alone account for over 50% of emissions. This would be consistent with an eventual increase in average global temperature of up to 6°C.
- On 6 June, the IEA will release its Energy Technology Perspectives 2008, which investigates and demonstrates what will be needed to switch to a cleaner and more efficient energy future.
- Key questions addressed in this study are what would be needed to stabilize emissions at current levels by 2050, and also what would be needed to generate a 50% cut in emissions from today's levels by 2050.
- You may not be surprised to learn that improving energy efficiency is top of the list. We need to think of energy

efficiency as a 'triple win' solution. It saves money, it improves energy security and it is good for the environment.

- During the Gleneagles Summit three years ago the IEA was asked to provide advice on best practice in energy efficiency policy. We have since tabled 16 recommendations that could, if implemented globally, deliver a 5.7 Gigatonne of CO<sub>2</sub> reduction by 2030.
- We have now finalised new recommendations to be presented in Hokkaido at the July G8 summit. These will include a recommendation on ecodriving that could save 4.8 mbd from transportation oil demand by 2030, and measures in other fields such as appliances, buildings, lighting and the power sector.
- Together with the earlier recommendations, the full set of policy measures will total 25 fields of action in 7 priority areas.
- We are making the case for action to all countries, whether or not they are ready to adopt greenhouse gas targets. The policies are there to improve energy efficiency; they are available, and there is no time to waste. It is up to governments to implement them.
- However, improvements in efficiency are only a part of the overall picture. Two other steps are also essential if we are to meet the climate challenge. One is to de-carbonise electricity generation. The other is to revolutionise the transportation sector.
- For any of this to be achieved, we have to drastically increase the uptake of new energy technologies, many of which are not yet available, and others require further refinement and cost reductions. The Energy Technology Perspectives 2008 will offer a first attempt at roadmaps for the 17 technologies that we believe can make the most difference, showing what actions are needed to enable them to achieve their full potential, and when.
- In short, it is clear that stabilizing emission at current levels by 2050 will be extremely difficult whilst meeting a target of a 50% cut represents a formidable challenge. Nevertheless, we at the IEA believe that it is achievable and is not

necessarily science fiction. But for it to be achieved we will require a third industrial revolution, or an energy revolution, which would completely transform the way we produce and use energy and entail painful adjustments.

- Governments have a key role to play in this process. They must be prepared to collaborate internationally and to invest in researching and developing key technologies that are not yet commercial.
- The IEA stands ready to support efforts. We have identified policies and technologies that can lead to very substantial savings in energy consumption and carbon dioxide emissions. But for these to be achieved decisions have to be taken now and implementation has to begin now. The primary scarcity facing the planet is not of natural resources nor money, but time. We will need to start putting our words and commitments into actions. Delay is no longer an option. It is time to act.
- Thank you