



The Permanent Mission of Iceland to the United Nations

**Statement by
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at the

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Energy for Sustainable Development

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Iceland is of the view that the most effective way to advance the transition to a global energy system for sustainable development would be through substantially expanding the share of renewable energy in the world energy supply.

As we have all been made painfully aware by the recent report of the Intergovernmental Panel on Climate Change, the time has run out for fossil fuels. We must look to renewable energy resources as the long term basis for sustainable development. Only by increasing the share of renewable energy supply can we hope to obtain the Millennium Development Goals.

To us, this prospect is not a mere vision but a highly probable possibility based on proven technology and national experience.

In my own country, Iceland, we have succeeded in using our own indigenous energy resources to secure the whole nation access to reliable electricity and energy for house heating – all by harnessing our renewable energy resources. Hydro- and geothermal constitute over 90% of our stationary energy consumption and more than 70% of Iceland's total energy use.

Steps are furthermore being taken to increase the utilization of sustainable energy resources even further through the use of new and forward-looking technologies. Hydrogen technology is one option we are seriously pursuing with partners on both sides of the Atlantic for using local renewable energy resources to produce a pollution free energy carrier for vehicles and ships.

Many respond to this story of success by saying that we in Iceland are exceptionally fortunate to have generous renewable sources.

Yet most countries are endowed with some form of renewable energy resources, to a larger or smaller extent. What is required is political will and more effective international cooperation both with respect to technology transfer and innovative financing. In Iceland, we could have continued to rely on imported fuels, but we chose not to.

Technologies in the area of renewable energy are diverse. Three I would like to mention specifically, from which we have had practical experience.

On the lower cost end, we find geothermal energy. Contrary to what many people believe, economically exploitable geothermal resources are widely available. Geothermal is already used in 73 countries and known in over 90 countries, many of them developing countries. Geothermal energy has multiple use, extending from house heating, through energy exchange and industrial processes to electricity generation. Geothermal energy has also the advantage of being based on proven technologies with a century of practical experience behind it, and it can be easily transferred to developing countries.

On a larger scale we have hydro. There are vast potentials both small and large scale hydro, not the least in the developing countries. For broader nature conservation reasons, there has been a trend towards favouring small scale hydro at the cost of larger scale hydro. This overlooks rapid improvements in design and technology of highly modern hydro plants. There is also growing interest of power companies and international investors in improving the supply side energy-efficiency of existing hydro-plants. This development should be encouraged.

On the high cost end we have opportunity to progress through the deployment of leap-frog technologies like hydrogen. It is true that technology for using hydrogen as an energy carrier is still at the development stage and remains as yet quite costly. Yet, one of the main advantages of hydrogen technology is that it may enable poor developing countries make flexible use of localized renewable resources such as hydropower, wind, bio energy, geothermal resources and solar power. As is made evident in the conclusions of the International Seminar on the Hydrogen Economy for Sustainable Development, held in Reykjavik on 28 and 29 September 2006, hydrogen technology is possible and there are practical ways the world community can follow to promote its development.