ECONOMIC AND SOCIAL COUNCIL

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During the Intergovernmental Preparatory Meeting 15th Commission on Sustainable Development

Agenda Item 2d: Policy options and possible actions to expedite implementation Climate Change (E/CN.17/2007/5)

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Check Against Delivery

Thank You, Mr. Chairman.

Allow me, at the outset, to commend you for your leadership of this preparatory meeting and for the direction of the proceedings.

Mr. Chairman,

Israel shares the world's concern for the global problem of the greenhouse effect and greenhouse gas emissions. As a party to the United Nations Framework Convention on Climate Change since 1996 and to the Kyoto Protocol since 2006, Israel is committed to fulfilling its obligations for reducing greenhouse gas emissions into the atmosphere.

Greenhouse gas emissions in Israel currently exceed 80 million tons of carbon dioxide equivalents per year, with 80% of the emissions generated by the electricity and transportation sectors. It is well recognized that greenhouse gas reduction has major economic ramifications, both in terms of the reduction of the use of fossil fuels and in the development and introduction of new technologies. Israel is classified as a non-Annex I country within the framework of the UNFCCC. Although, its contribution to global warming is very small, we are strongly aware that we must take account climate change considerations when planning our energy policies.

We are preparing for the Post Kyoto period of greenhouse gas reductions as we address climate change in all of the three accepted ways: 1) Developing climate change scenarios and models that look at such parameters as temperature, precipitation, extreme weather events, winds and humidity 2) Developing mitigation options for reducing the factors responsible for climate change, specifically greenhouse gas emissions 3) Developing mechanisms for adaptation to climate change.

Israel prepared its first national inventory of emissions and removals of greenhouse gases for 1996, which has been updated annually since the year 2000. The inventories chart the emissions and removals of direct and indirect greenhouse gases for the sectors of energy, industrial processes, solvents and other products, agriculture, landuse change and forestry, and waste. In 2002 a policy paper on alternatives for reducing greenhouse gas emissions in Israel was prepared based on a breakdown of the sources of GHG emissions. It describes the different technical means that may reduce GHG emission under the special conditions characteristic of Israel. An economic analysis has been prepared for the various alternatives.

Following ratification of the Kyoto Protocol, a Designated National Authority (DNA) was established under the responsibility of the Ministry of Environmental Protection thereby providing Israeli entrepreneurs with the opportunity to implement emissions reductions projects in Israel and to sell carbon credits to developed countries, including European states, Canada and Japan. The DNA includes representatives of numerous government and public bodies. It has formulated sustainable development indicators, to be used in the assessment process of the Project Design Document.

The Clean Development Mechanism (CDM) is an effective economic-environmental tool for promoting projects. To date 15 projects have been submitted to Israel's DNA for approval mainly in the areas of production of renewable energy, waste treatment, increased efficiency of production processes and agricultural projects. Once approved, they should deliver about 2 million tons of carbon dioxide equivalent (CERs) per year.

Israel provides a fruitful ground for potential investors due to its technological and scientific expertise, including its wide experience in the field of clean technologies, its transparency and open access to a wide range of data and the stability of its government. Categorized as a non-Annex I country under the Convention, but with the advantages of a developed country, it offers favorable conditions for the implementation of CDM projects with minimal risk in a wide variety of subjects. Future projects will be encouraged in the field of energy efficiency and conservation. The carbon credit market from CDM projects in Israel is estimated at about 15 million Euros per year. This mechanism will play a pivotal role in advancing environmental projects in Israel.

Several initiatives have been taken recently to increase knowledge about the potential impacts of climate change. The Ministry of Environmental Protection approved ten research projects for funding on subjects as diverse as the impacts of vegetation on the urban microclimate to changes in biodiversity as a result of climate change. In addition, a successful conference on "The Impacts of Climate Change in Israel – Towards a National Action Plan" was held last year. Presentations focused on climate change trends and scenarios and their anticipated impacts on energy demand, hydrological changes in the Kinneret (Israel's only surface water reservoir) watershed basin, rise in Mediterranean Sea level, agriculture, health and economy. This provided a forum for leading academics and professionals to discuss the projected impacts and future adaptations.

Today's adaptation efforts focus on innovative tools that will give top priority to such goals as energy conservation, green building, water sensitive construction and creation of floodplains and suitable riverbank vegetation. The government is in the process of establishing an inter-ministerial committee for the preparation of a national action plan for climate change adaptation.

The very scarcity of natural resources has catalyzed Israel to seek and to implement cutting edge technologies in such fields as water treatment, recycling and reuse, seawater desalination and desert agriculture and afforestation. We are interested in learning from the world community, and at the same time we have much to contribute in many fields by exporting our technologies to high-risk countries in terms of climate change.

Effluents are the most readily available and cheapest source of additional water. Israel has expertise in wastewater treatment and reuse and the rate of effluent reuse is among the highest in the world. National policy calls for the gradual replacement of freshwater allocations to agriculture by reclaimed effluents. Presently 63% (300)

million cubic meters per year) of treated municipal sewage is reused for irrigation, which is about 30% of the total water supplied to agriculture (about 1000 million cubic meters per year). It is estimated that by 2020 effluent use will constitute 50%.

Israel has emerged as a pioneer in the use of solar energy, for domestic use and for solar plants. Regulations require that all new buildings be equipped with solar collectors for water heating. Household solar collectors save some 3 percent of overall energy consumption and we have one of the highest rates of domestic solar water heating worldwide, used in about 75% of households. Local companies have pioneered solar technologies such as the large-scale solar-powered electricity generating plant installed in South California's Mojave Desert. Plans are now going forth in Israel to establish a 100 MW solar power plant in the northern part of the Negev desert. The technology is available but the cost is still too high to compete with alternatives, particularly when considering the low cost of natural gas.

Energy consumption is on the rise, with the highest increase in the use of electricity. There is about a 4% increase annually in demand, which is exceptionally high. The question facing Israel's decision makers is how to secure the availability of energy supply, in the requisite quantity and quality, in the short and long terms, at minimal economic, social and environmental cost.

The introduction of natural gas to the electricity sector is unprecedented and will have dramatic consequences on pollution abatement. It is expected that almost 50% of total electricity generation will be based on natural gas within a decade. The National Master Plan for the distribution and transmission of natural gas includes an offshore and onshore route to maximize the possibility of supplying natural gas to major power plants and to industrial areas.

Long range plans for the energy sector call for increasing production capacity without increasing pollution levels, promoting natural gas as a clean source of energy supply, giving higher priority to renewable energy sources, and improving the efficiency of energy systems and reaching savings of 20-30% of the energy used in different sectors of the economy. Energy conservation is the most effective method of reducing energy related environmental effects.

Buildings are major consumers of energy, water and raw materials and significant generators of greenhouse gas emissions and waste. A recently approved green building standard offers environmental, social and economic benefits. It is a voluntary standard awarded to new or renovated residential and office buildings that comply with the requisite requirements and criteria. The standard is comprised of four chapters: energy (which carries the most weight), water, land and other environmental subjects. A building which meets the prerequisites in each chapter and accumulates the minimum number of credit points in every environment related sphere is eligible for green building certification.

Green building is a true win-win situation for Israel. The standard will provide developers with a marketing advantage and will serve as a measure of the quality of

the building for consumers. Investment in green building should not necessarily be greater than in conventional buildings since most of the effort is concentrated in the planning stage, prior to actual building. Additional investment, if any, should not amount to more than one to two percent, and will certainly be recovered in a reasonable amount of time, due to savings in energy.

The solid waste sector is experiencing significant change since several landfills began operating facilities for methane gas extraction and energy recovery. An advanced biotreatment method operates at the former Hiriya Landfill in the center of the country, which transforms the organic fraction of municipal waste into biogas. The gas is supplied to a nearby textile company for the production of steam and electricity, equivalent to 10 MW. In addition, an amendment to the Maintenance of Cleanliness Law was recently approved for a landfill levy which will significantly reduce the quantities of waste reaching landfills thereby increasing waste recycling and recovery.

In conclusion, Mr. Chairman, climate change has proven to be one of the greatest threats to sustainable development. We are working on finding alternative energy sources and improving energy efficiency, while maintaining a strong economy.