



ESTONIA

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**On the occasion of the
High Level Segment of the
15th Session of the Commission on Sustainable Development**

Statement by

**Mr Jaanus Tamkivi
Minister of the Environment of Estonia**

United Nations
New York, 9 May 2007

Distinguished Chairperson, Dear Colleagues, Ladies and Gentlemen,

Estonia fully aligns itself with the statement made by the distinguished representative of Germany on behalf of the European Union. Estonia shares the view that in order to achieve concrete and meaningful policy guidance and action-oriented outcome at the present session of the Commission on Sustainable Development, it is of utmost importance that all countries act in good faith and according to their possibilities. The different energy-related challenges are unevenly distributed among countries. Therefore, there is a need for flexible and pragmatic approaches while adhering to common goals and commitments.

Estonia's own experience confirms that substantial economic growth and environmentally sustainable path of development can be achieved if relevant economic and fiscal measures are applied. It is essential to design and implement incentives, both on national as well as international levels, with the aim to promote secure, efficient, transparent and competitive markets for energy, while reducing at the same time energy related environmental and social problems, in particular those related to climate change and air pollution. For example, the ongoing ecological tax reform in Estonia, which is directed towards fairer pricing of the use of natural resources and of pollution, while at the same time not increasing the total tax burden. With the existing CO₂ tax, excise taxes on fuels, feed-in prices for electricity produced from renewable energy sources could form such a fiscal package. In addition, the established EU greenhouse gas trading system is a very promising market based tool for further increasing energy efficiency and decreasing GHG emissions.

Distinguished Chairman,

Estonian economy is highly dependent on the fossil fuels. Therefore, reduction of the negative environmental and social impacts of energy use as well as promotion of the resource efficiency together with sustainable production and consumption patterns, are among our priorities. Estonia has successfully decoupled its economic development from environmental pollution. Different energy-related measures have delivered positive environmental effects, such as

substantial decrease of the greenhouse gas emissions. Reforms in the housing sector have fostered more efficient energy consumption in domestic use. Further promotion of innovation and development of the new carbon capture and the sequestration options opens new avenues. Enhancing energy security is important for every country. To this end, the promotion of renewable energy sources and the increase of energy efficiency, together with the implementation of the EU-wide policies and demand side measures are promising steps. Estonia is ready to share its positive experience with all interested nations, particularly in the developing world.

Estonia strongly believes that this session should be followed by adequate review arrangements for energy and sustainable development. Here in New York we should agree on meaningful time-bound targets and commit ourselves, according to our different capabilities and possibilities, to increase the energy efficiency in our countries. Coordinated global actions support national efforts and send positive signal to the regional level, which in turn add value to the global sustainable development.

Thank you for your attention.