

Mr. Chairman, Distinguished Participants,

Hungary attributes great attention to the energy production and consumption issues including their closely interlinked economic, social and environmental aspects. We are very well aware of the importance of international cooperation on energy supply, technology progress, development cooperation and energy-related environmental problems.

Energy has become a global matter, and our countries are interdependent for many reasons: let me only mention the rapidly growing volume of international trade in energy carriers, the transboundary pipelines and fleet of tankers which carry huge amounts of fossil fuels, rapidly developing technologies of energy production, or the harmful atmospheric emissions.

Increasing energy production, access to modern energy systems were key catalysts of fast economic development of the industrialized countries and it is absolutely legitimate that all countries and all regions wished and wish to follow such a path of development. But gradually we reached a level of understanding of the unintentional and inadvertent consequences of our enhanced dependence on certain energy sources: the increasing energy and energy carrier supply security problems, the intra- and intergenerational equity issue in terms of access to energy for development, the climate change hazard due to the growing carbon-dioxide emissions.

We are here at the CSD session to focus on these and other regional and national level problems, to identify the barriers in finding and pursuing proper solutions and to determine possible ways forward. Our endeavor here should take into account the findings and provisions of the UNCED, the WSSD and so many related international programs and multilateral agreements such as conventions on control of emissions of sulfur dioxide, carbon dioxide or other harmful substances.

Obviously, there is a need for a new paradigm. Basic points of such a paradigm are reducing carbon intensity of energy supply in order to lessen environmental pressure, moreover the energy prices determined by the market and competition, and the energy poverty mitigation in the developing world as a significant socio-economic requirement.

Reduction of carbon intensity is essential for the success of our fight against global warming. This is an enormous challenge, because the global warming is approaching the point of no return. Climate change is certainly not the only sustainability challenge. However, its magnitude and complexity make it a case at the center of the paradigm.

We share the general approach presented by the European Community, especially, we emphasize how important to reach consensus here on the direction of our further cooperation. It can orient us for the next policy year to find effective responses specifically to the issues considered during this CSD program cycle and more broadly to take into account all significant interlinkages and cross-cutting areas.

Concerning the energy, the basic challenges include the substantial improvement of energy efficiency and energy saving as in particular there is a high potential for such policies in the countries of our region and at the same time it has significant environmental and economic benefits.

It is also crucial to increase the share of renewable energy sources since it provides substantial contribution to meet national economic and environmental objectives by mitigating energy supply security risks, enhancing effectiveness of energy system and decreasing harmful emissions. Expanding markets for renewable technologies will increase energy security and help to reduce greenhouse gas emissions. Realizing the potential for a cleaner and more secure system, governments have to consider deployment policies to create markets for the new technologies.

Of course, progress in these areas can only be achieved through an efficient cooperation among all stakeholders.

Our own recent socio-economic development demonstrates a solid decoupling of economic development and environmental pressures. During the last 15 years significant restructuring and modernization occurred throughout our national economy and in particular the energy sector. One of the most important issues related to our energy efficiency policy is the financial support for different investments in households, municipalities, small and medium size enterprises. Our firm intention is to give renewable energy sources an increasing role by doubling their penetration in the fuel mix within this decade.

Thank you, Mr. Chairman