



# **The Permanent Mission of Iceland to the United Nations**

**Statement by  
H.E. Sigrídur Anna Thórdardóttir,  
Minister for the Environment of Iceland**

at the

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of the Commission on Sustainable Development**

**Making a Difference: Interactive Discussions with UN organizations**

New York, 11 May 2006

*CHECK AGAINST DELIVERY*

Mr. Chairman,

My Government sponsored a Side Event on geothermal energy at this CSD session, partly in order to increase awareness of this clean and climate-friendly energy source.

It is our experience that people are not well aware of the geothermal potential, and tend to dismiss it as a marginal energy source from a global viewpoint. Surely it is not a practical option everywhere, but the same is true for wind, solar and tidal.

Yet it is estimated that geothermal could be a reliable and climate friendly energy source for hundreds of million people in East Africa, Central America, China, Indonesia and many other parts of the world.

It could be a sizeable part of the solution to the climate problem and the development needs.

I would like to stress the leadership role of international financial institution in this regard. We will see billions of dollars invested in energy infrastructure in the coming years, that will have environmental effects for decades.

Some of this investment will most likely be in fossil fuel-powered energy plants in places rich in geothermal energy that do not use their possibilities in that field due to lack of technical know-how or financial resources.

The report of the Secretary-General identifies investment costs, difficulty of assessing geothermal resources and inadequate local technical skills as major barriers facing geothermal energy.

I challenge the international financial institutions to help remove these barriers and in particular to consider the longterm economic advantage of this energy source.

I believe that the obstacles hampering the wider use of geothermal energy are the same that are facing many other types of renewable energy.

International financial institutions must be aware of these barriers and work towards reducing them. The World Bank and others have taken some important steps in this direction. But we need to do much better if we are to build a sustainable energy future.

Thank you