



# UNECE Weekly

United Nations Economic Commission for Europe

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*It's just happened ...*

## US\$ 7.5 million Grant Approved for Climate Change Mitigation

On 9 November, the Global Environment Facility Council approved a US\$ 3 million grant to the Energy Efficiency 21 Project for technical assistance in the CIS and South-eastern Europe related to an investment Fund for climate change mitigation. The Energy Efficiency 21 Project is to assist local experts develop investment projects, promote energy policy reforms and launch a public-private equity Fund.



This grant complements the US\$ 4.5 million of co-financing commitments by the United Nations Foundation and the Fonds Français pour l'Environnement Mondial. In June 2004, the United Nations Foundation Board approved a grant of US\$

2 million conditional on matching pledges from other donors. In March 2005 the Fonds Français pour l'Environnement approved a co-financing grant of US\$ 2.5 million.

### 49,000 tonnes of CO2 avoided

Investment projects to reduce carbon emissions have been developed under the Energy Efficiency 21 project with local counterparts since 2000 in Belarus, Bulgaria, Kazakhstan, Russian Federation and Ukraine. While some US\$ 60 million of proposals have been prepared, investment projects of some US\$ 9.7 million have been financed amounting to an estimated 49,000 tonnes of CO2 avoided per year. The new Investment Fund will provide the capacity for many more projects to be financed with larger carbon emissions reductions. Current as well as new investment proposals developed under Energy Efficiency 21 that meet agreed criteria will provide a pipeline

## Question of the week

to Ambassador Janis Karlins, Chairman of the PrepCom for WSIS Tunis and Permanent Representative of Latvia

What is the impact for the regional commissions of decisions taken in Tunis?

Are you happy with the results of WSIS Tunis?



The most important thing is that Member States are happy. I think that the results were good. We found agreement on two outstanding issues from the Geneva phase, namely on a digital solidarity fund and Internet governance.

We also agreed on the implementation of the Geneva and Tunis decisions as well as to establish implementation mechanisms, which have both intergovernmental and multi-stakeholder features.

As a matter of principle, it was decided that all activities of international organizations, including UNECE, should be Member State driven and demand-driven. As far as regional commissions are concerned, it all depends on the region. The African and Latin American regions asked for specific involvement in implementation at the

regional level. The role of UNECE in the implementation of the Geneva and Tunis documents will be defined by the General Assembly resolution 57/270B as well as decision of the member States during the next meeting of the Commission in March 2006. ❖



## Did you know that ...

Eastern Europe could become a vast new market for clean energy technology. The European Commission estimates that Eastern Europe has a €224 billion potential market for energy efficiency and renewable energy technology with a payback period of less than 15 years.

of projects to the Investment Fund. The Fund Manager will have access to these proposals but will also finance projects from other sources so long as they meet the selection criteria jointly agreed with UNEP/UNECE and the investors in the Investment Fund.

The Energy Efficiency 21 project capacity building activities will be aimed at developing the skills of public and private sector experts to identify, develop and finance energy efficiency investment projects for submission to the Fund Manager. The project will also work with national administrations and local authorities to introduce economic, institutional and regulatory reforms needed to support these investment proposals. ❖

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Coming up soon ...

**Presentation of the EBRD Transition Report 2005**  
**Thursday, 8 December at 3 p.m. in Conference Room VIII**

The EBRD Transition Report is an annual update on reform progress and economic developments in central and eastern Europe and the Commonwealth of Independent States (CIS).



It focuses on business in transition and presents the results of the third Business Environment and Enterprise Performance Survey (BEEPS). While the business environment has generally improved since the last survey in 2002, has this been the case in all transition countries? What kinds of firms are particularly affected by a difficult business environment? And how far are transition countries from reaching the level of mature market economies? The Report discusses a wide range of business obstacles including business regulation, labour, taxation, property rights and institutions, infrastructure, access to finance and the macroeconomic environment.

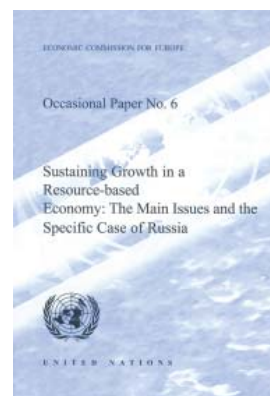
The Report also takes a closer look at the performance of enterprises in the region. What types of firms – private or state-owned, foreign or domestic – have been most successful in increasing their sales and improving efficiency? And what are the main factors underpinning their performance? ❖

Off the press ...

*Occasional Paper No. 6*  
*Sustaining Growth in a Resource-based Economy: The main issues and the specific case of Russia*

In recent years economists have come to see rich natural resource endowments as a “curse” or “precious bane” that undermines development and slows economic growth. Resource-based development undeniably involves major risks. Nonetheless, the resource curse is not inevitable, as the examples of Australia, Canada and the Scandinavian countries demonstrate.

This paper argues that the challenges posed by resource dependence, which include an increased vulnerability to external shocks, the risk of “Dutch disease” and the risk of developing specific institutional pathologies, can be overcome, or at least very substantially mitigated, if accompanied by the right economic policies.



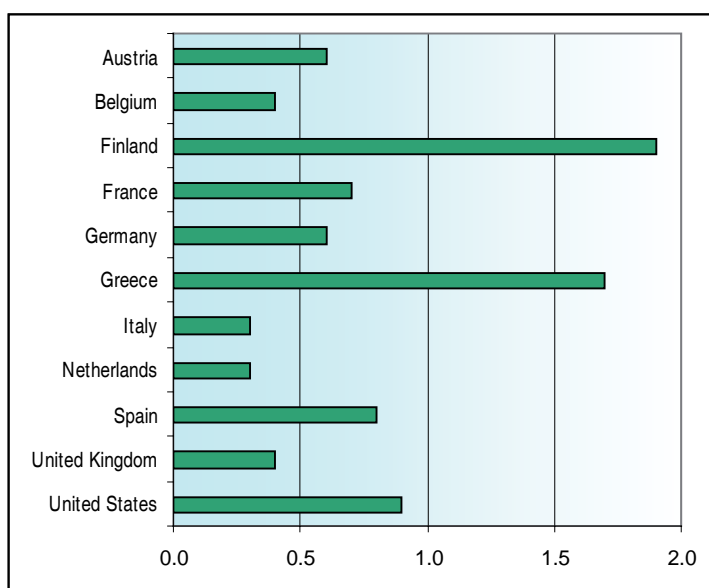
It then analyses what these policies are, and how to set up economic and political framework conditions to facilitate their implementation. The paper looks specifically at the Russian Federation as a prominent example of a resource-based economy. It investigates briefly the main sources of Russian growth in recent years, and analyses the conditions that would help the Russian economy to sustain high rates of economic growth. ❖

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- 28 Nov.-7 December ECOSOC Sub-Committee of Experts on the Transport of Dangerous Goods
- 1-2 December Ad Hoc Group of Experts on Energy Efficiency Investments for Climate Change Mitigation
- 1-2 December Workshop on Statistics on the Volume of Road Traffic (Copenhagen, Denmark)

**Real GDP growth**

Selected UNECE economies, 2005 3rd quarter  
(change over previous period, per cent)



Source: UNECE Statistical Database, compiled from Eurostat, OECD and national sources.

Note: Data are seasonally adjusted

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