



norden

Nordic contribution to a low-carbon economy

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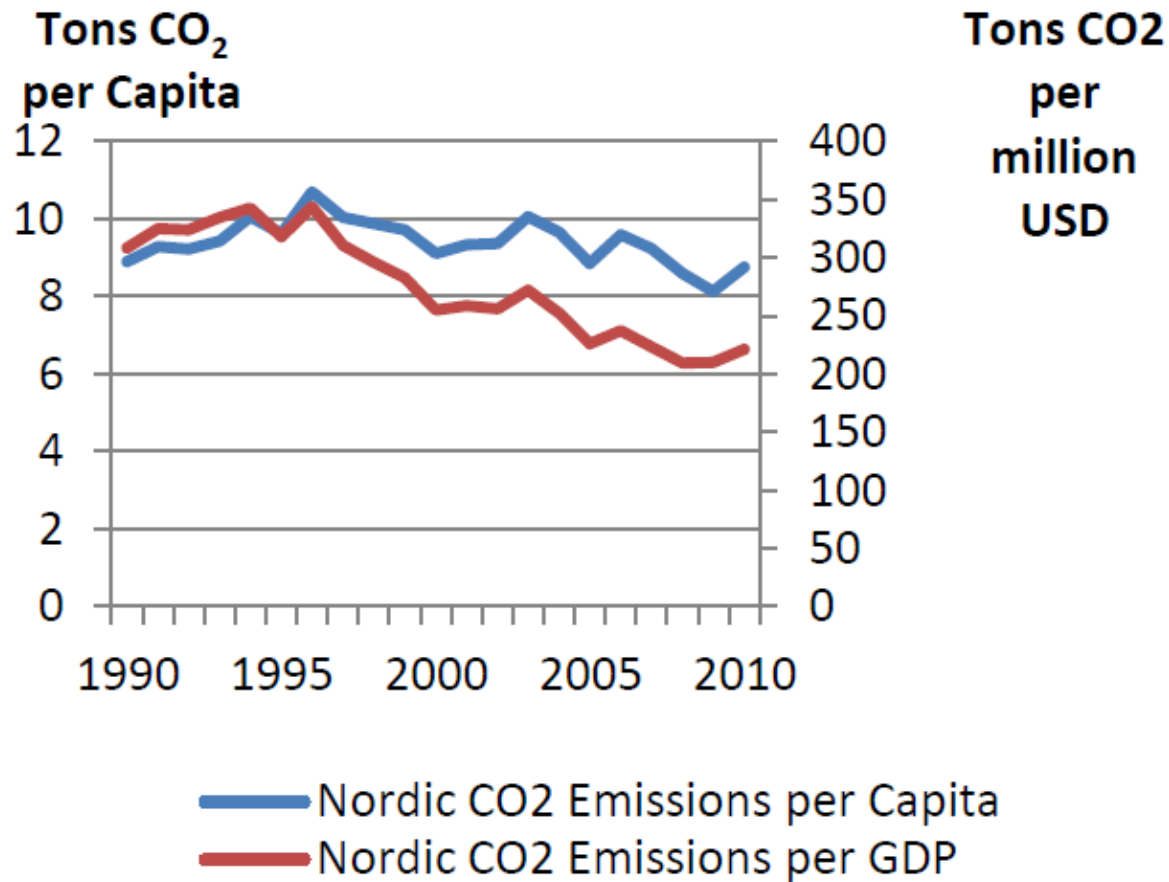
Nordic Environment Finance Corporation

Success stories

- Working together in international negotiations (EU and associated countries)
 - Chemicals
 - Air
 - Climate
- Working together to promote development in third countries
 - Eastern Europe
 - Climate
- Promoting a green economy
- Common solutions
- Forum for discussions



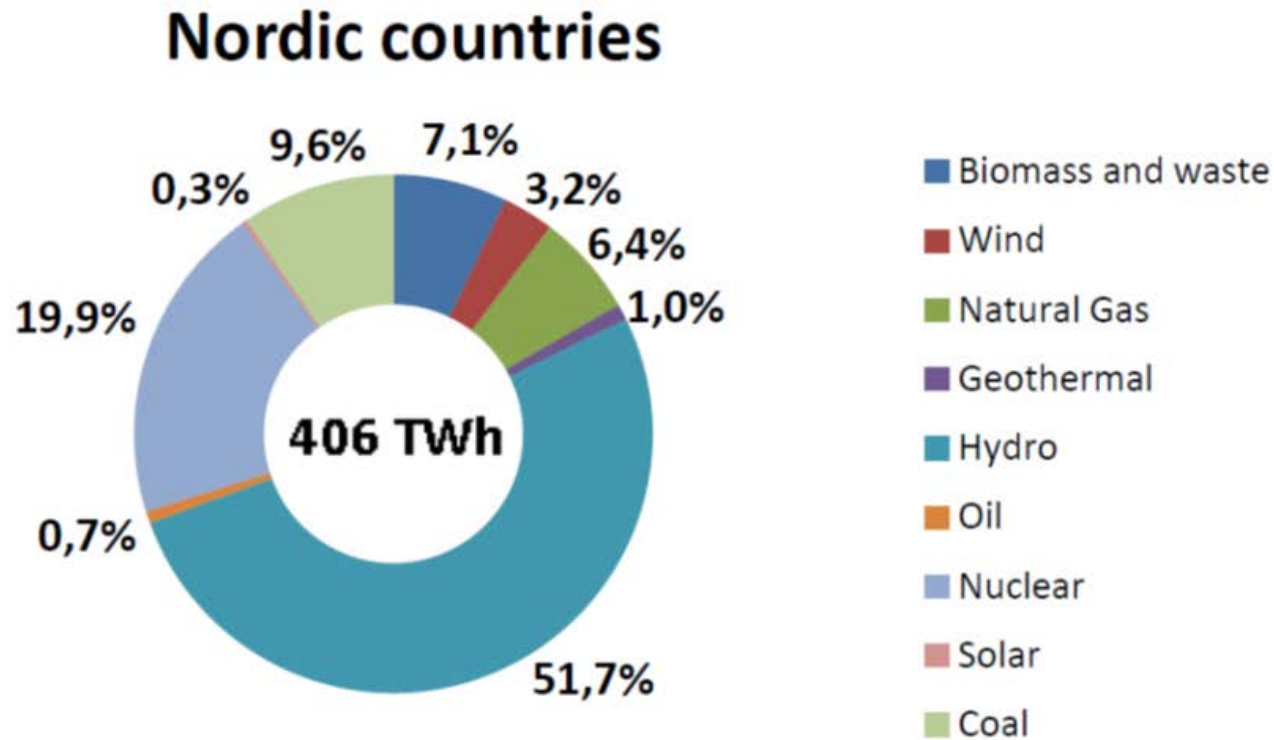
The Nordic countries have decoupled



Source: IEA 2013

A Nordic low carbon electricity production

Source: IEA 2013



NOAK

- For strengthening the ambitions of climate negotiations
 - Pinpointing specific issues through commissioned reports and workshops, for example:
 - equity in the new global climate agreement
 - forestry and land-use in the new global climate agreement
 - complementary initiatives for further mitigation
- For creating better understanding between parties
 - Arranging bilateral meetings as well as seminars
 - Country and regional group studies, for example
 - power and steel sector in China
 - the BASIC (Brazil, China, India and South Africa) group
- For implementing market mechanisms and climate financing
 - NPI: Pilot NAMA projects in Peru and Vietnam
 - Commissioned reports and workshop, for example:
 - reporting of private financial flows
 - global carbon markets

Nordic dialogue with industry

- First meeting in Stockholm in conjunction with IPCC
- Possible new meeting in Copenhagen in conjunction with IPCC 2015
- Engaging active industrial leader and ministers
- Increasing awareness and dialogue



Focus on the Arctic and SLCP

- All nordic countries member of the Arctic Council
- Climate change faster in Arctic than rest of the world
- Sensitive ecosystems in north
- SLCP major issue for the Arctic
- Nordic Council of Ministers' Ministerial declaration on SLCP - Svalbarddeclaration

KOL - Carbon and air

- Working to reduce GHG and air pollution emissions to limit climate changes and negative environmental- and health effects
- Contribute to a low carbon society in nordic countries
- Support work in Arctic and Barents Council with climate change and ecosystem effects
- Support nordic initiatives in EU and other international fora on transboundary air pollutions, SLCP and climate change
- Improve knowledge on SLCP and the interaction between air pollution and climate change
- Support the international work on SLCP
- Contribute to development of national inventories for SLCP

Nordic financing

- NEFCO
 - environment financing
 - 40% funds under management
 - climate
 - green technology
- NDF
 - climate projects in developing countries
 - so far reinvesting refunded money
 - focussing on grants
- NIB
 - loans to Nordic, Baltic and other projects for investments
 - special credit line for climate
 - Baltic countries members

NEFCO in brief

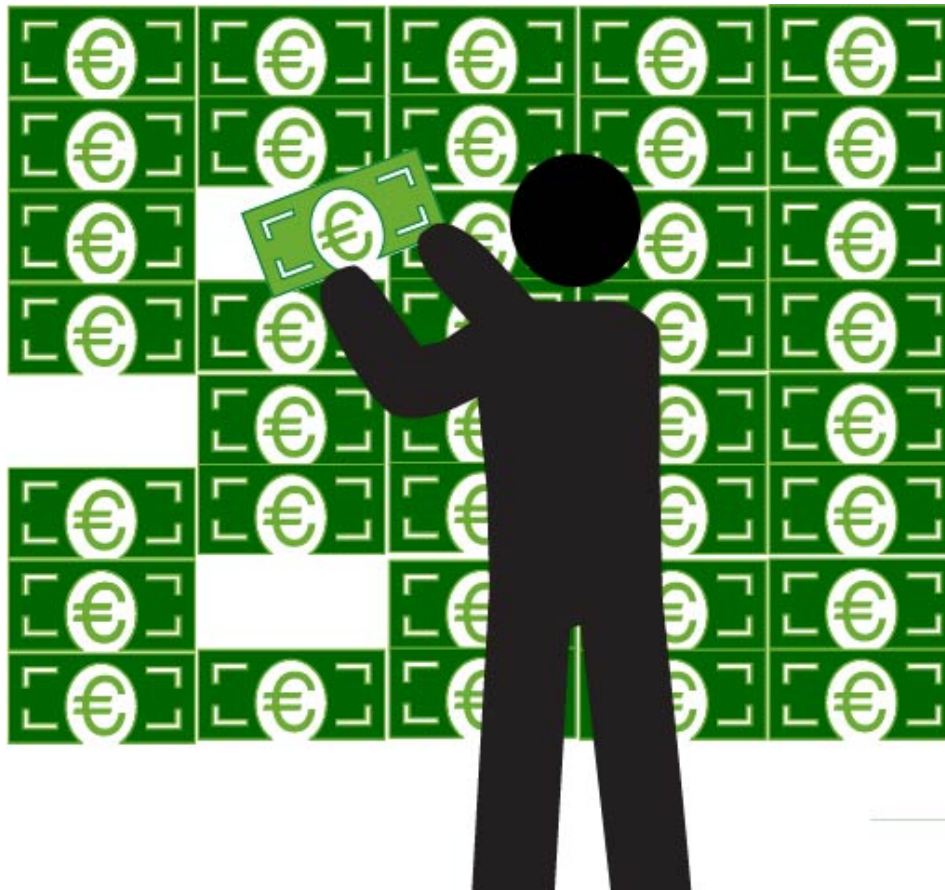
 Geographic mandate

- International financial institution established by the Nordic countries
- Loans and equity investments for environmental projects in Eastern Europe
- Management of a wide variety of environmental funds
- Funds to a total value of EUR 549 million
- Headquartered in Helsinki

Helsinki



Gap filler. NEFCO fills financial gaps which are not covered by commercial banks.



Green growth. NEFCO enables exports and sales of Nordic green technology to the neighbouring region.



Cost efficiency. NEFCO spends 1/8 of what it costs to reduce environmentally harmful emissions in the Nordic region.



Distribution by sector and country

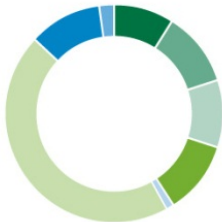
INVESTMENT FUND

Distribution by sector



- Water 27 %
- Agriculture 1 %
- Waste 3 %
- Energy 33 %
- Industry 36 %

Distribution by country



- Estonia 9 %
- Latvia 11 %
- Lithuania 10 %
- Poland 11 %
- Russia 45 %
- Ukraine 11 %
- Belarus 2 %
- Slovakia & Czech Rep. 1 %

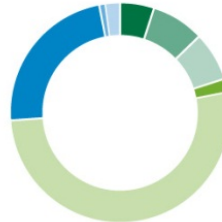
NORDIC ENVIRONMENTAL DEVELOPMENT FUND (NMF)

Distribution by sector



- Water 17 %
- Agriculture 10 %
- Waste 14 %
- Energy 33 %
- Industry 26 %

Distribution by country



- Estonia 5 %
- Latvia 8 %
- Lithuania 7 %
- Poland 2 %
- Russia 52 %
- Ukraine 23 %
- Belarus 1 %
- Other 2 %

Examples of emission reductions in 2012



CO₂
3,6 million tonnes

=

11.7 million persons
travelling by airplane,
back and forth, from
Helsinki to Paris



SO_x
4,212 tonnes

=

22 % of Norway's
total SO₂ emissions
in 2011



Electricity reduction
8,412 GWh

=

The annual electricity
consumption of
1.3 million people in
Denmark



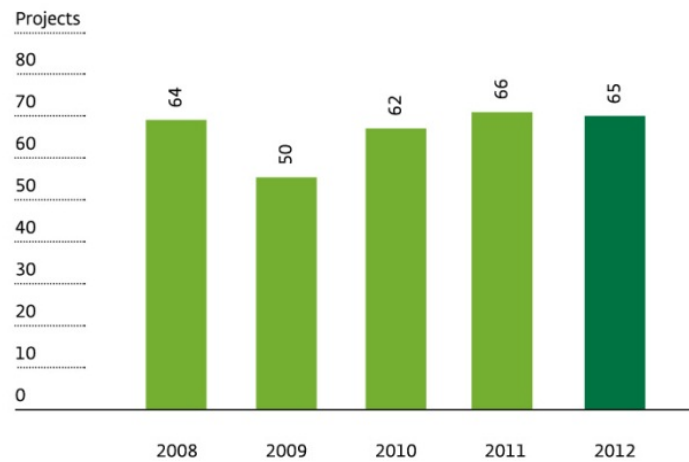
P
1,206 tonnes

=

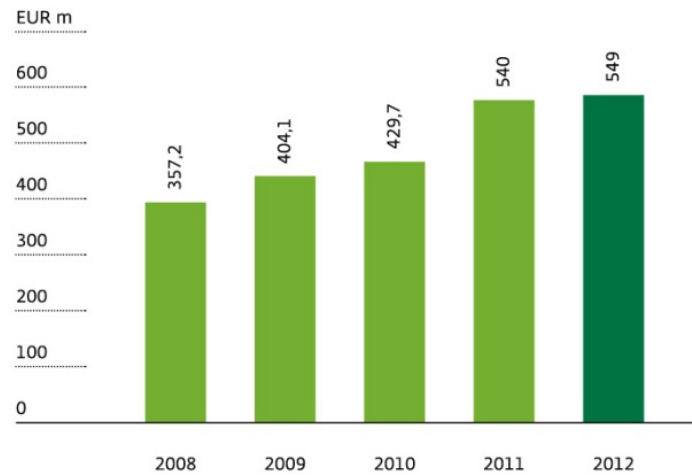
Untreated waste-
water from 1.8
million people

Five year comparison

Number of projects approved by NEFCO's Board of Directors



The total value of funds administered by NEFCO



Case: Promoting wind energy in Estonia and Lithuania



- Loans and equity investments for wind farms in Estonia and Lithuania
- Norwegian interest through the municipally owned company Vardar
- Nelja Energia in charge of the project management
- NEFCO has over the years invested over EUR 10 million in wind farms in the Baltic countries
- Sales of emission reductions

Case: Biogas production in Estonia



- Manure treatment in Oisu and Vinni, Estonia
- Production of biogas by Biofund OÜ
- Project owners: Nelja Energia and Vardar Eurus
- Estimated reduction of phosphorus: 29.2 tonnes per year
- Estimated reduction of nitrogen: 27.5 tonnes per year

Case: Biogas production in Latvia



- Client: Baltic Pork – subsidiary of International Pork Investment
- Owners: Mörk Engebretsen Invest AS and Innovasjon Norge.
- Pig farms in Allazi and Laubere close to Riga
- Production of biogas reduces CO₂-emissions by 1,500 tonnes per year
- Discharges of phosphorus and nitrogen is reduced by 20 % annually

Carbon financing

- NAMA in Vietnam
- NCF
 - with NDF
 - second round coming up
- CDM and other market mechanisms
 - TGF
 - NEcF
 - Norway
 - New market mechanisms with KfW

