

CSD14

Wednesday 3rd May 2006.

Thematic discussion on Meeting growing needs for energy services through increased use of renewable energy, greater reliance on advanced energy technologies, including advanced and fossil fuel technologies.

Statement by the Norwegian delegate

Mr. Chair,

Fossil fuels will continue to dominate energy supplies for many years to come. We can however take steps towards more environmentally sound production and consumption of these fuels.

To meet the continuing rise in energy demand while at the same time limit emissions of greenhouse gases and minimizing environmental and social impacts, we need to take a broad approach at national level and through concerted international efforts:

- We need to diversify our energy supplies.
- We need to change the mix of fossil fuels – away from coal towards less carbon-intensive fossil fuels such as natural gas.
- We need to increase our efforts in research and development on technologies for cleaner production and more efficient use of fossil fuels.
- We need to improve energy efficiency and reduce energy intensity in all sectors.
- We need to increase environmentally sound use of renewable energy, including hydropower.

Norway is a country rich in natural energy resources such as oil and gas, hydropower, wind, wave and bioenergy. We export all of our gas and most of our oil. Our domestic electricity production is close to 100 percent renewable hydropower.

This fortunate situation calls on us to engage actively and substantially in developing clean technologies for the production and use of fossil fuels. Carbon capture and storage is an option we must pursue. This technology has the potential to purify fossil fuels and at the same time increase oil production if used for increased oil recovery. As an oil producer, we must be leaders, not laggards in this field.

The Norwegian government has ambitious goals for capture, use and storage of carbon dioxide in Norway. The technical potential for using CO₂ for enhanced oil recovery and for storage purpose in the North Sea is substantial. There are, however, still economic and technical challenges with this technology.

The goal must be to establish a carbon value chain. That is to convert carbon dioxide from an environmental problem to a tool for value creation.

A number of countries, producers and consumers, are working together to develop viable CCS technologies. We will continue our participation in international cooperative projects in this field.

An example of what goes on in Norway is the recent agreement between Shell and Statoil to develop the world's largest project using CO₂ from power generation for enhanced oil recovery offshore. The concept involves capturing CO₂ from power generation and utilizing it to enhance oil recovery, resulting in increased energy production with lower CO₂ impact. The government supports this project which could be an important milestone towards cleaner and greener fossil fuels.

Thank you.