

Colombian Experience in Economic Diversification in the Framework of the Kyoto Protocol

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Ismael Concha
Mining and Energy Planning Unit
Ministerio de Minas y Energía
Republica de Colombia
ismael.concha@upme.gov.co

Background

- Colombia ratified Climate Change Convention by Law 164 (1995) and Kyoto Protocol by Law 629 (2000)
- Even low responsibility in GHG accumulation, Energy Policy is heavy influenced by Environmental concerns, including CC.
- Environmental Concerns and Rational Energy Use are "Cross Strategies" in the National Energy Plan

Vulnerability

- Physical Vulnerability:
 - Coastal Territory Weak Ecosystems
 - High Mountain Unique Ecosystems (Paramos) and Snow Mountains
 - Tropical Rain Forest
- Economical Vulnerability:
 - Energy Share in GDP around 6%
 - Fossil Fuels sales share reached 46% in the Balance of Trade by the year 2000

Economical Vulnerability

Economía-Energía	Unidad	1997	2000	2001	Variación 01/00
Participación PIB Energético / PIB Total	%	5,47	6,48	6,33	-2,22%
Intensidad Energética (Consumo Energía/PIB)	GigaCal / Mill Co\$ Const 2001	1,26	1,11	1,12	1,37%
Ingreso per cápita (1)	Mill Co\$ Const 2001 / habit	4,53	4,42	4,40	-0,42%
Consumo per cápita de energía final (1)	GigaCal/habit	5,73	4,89	4,94	0,94%
Contribución Sector a la Balanza Comercial	%	36,1	45,8	41,9	-8,52%
Inversión Privada Sector Minas y Energía	Mill Co\$ de 2001	5.336.694	5.323.419	4.004.227	-24,78%
Regalías de Hidrocarburos y Carbon	Mill Co\$ de 2001	955.555	2.241.014	1.771.526	-20,95%

Adaptation Measures

- Global Economy:
 - Open Market Policy since 1990.
 - Privatization and reduction of Government participation specially at the Financial and the Electricity Sectors.
 - Reduction of Subsidies.
 - Promoting Non-Traditional Exports

Adaptation Measures

(To be implemented)

- External Energy Sector:
 - Export New Energy Carriers:
 - Natural Gas
 - Electricity
 - Creation of Regional Energy Market:
- **Support Needed:**
 - Regional Study of Energy System, Energy Regulation and Environmental Regulation
 - International Mechanism to Facilitate Regional Energy Trade

Adaptation Measures

(To be implemented)

- External Energy Sector:
 - Value added to Energy sources:
 - Petrochemicals
 - Oil Refinery Enhance
 - Coal Coke production inside the contry
- **Support Needed:**
 - Facilitation of Technology Transfer Process
 - Mecanims to attract Private Capital and Investors

Adaptation Measures

- Internal Energy Sector:
 - Increase supply energy sources to promote Industrial Competition.
 - Promote Rational Energy Use and Non Conventional Energy Sources, linked with Clean Terchnologies:
 - Creation of Tax Reduction Incentives.
 - Creation of Special Industrial Credits for Rational Energy Use.
 - The "National Stratyegty Study for MDL Utilization" was performed.
- **Support Needed:**
 - Facilitation of the Process of MDL utilization
 - Capital Sead to promote Special Industrial Credits for REU