

Stakeholder Forum Energy and Climate Change Roundtable Series – Inputs into CSD-14

This is a report detailing the Stakeholder Forum Energy and Climate Change Roundtable outcomes (1), followed by the relevant sections from the CSD-14 High Level Segment Chairman’s Summary (2).

Access to Energy in Rural Areas

1. The rolling out of gas stoves across developing world, at a small cost compared to large scale infrastructure development, would have a great impact on the health of rural populations. Further investment and policy emphasis on this area is needed.

A balance is needed between developing countries having access to the widest range of affordable and reliable energy sources as possible, and the encouragement (in both developing and developed countries) of a transition to energy technologies that produce less greenhouse gases. The only sustainable global energy policy is one that improves access to energy in developing countries at the same time as encouraging the transition to less reliance on fossil fuels and promoting greater efficiency in the production and use of energy in all parts of the world.

2. **Improving access to modern energy services, particularly by poor women and children, was stressed as critical to meeting sustainable development goals. Some highlighted the need to improve capacities and to raise awareness about energy options, especially among women. Others noted a need to involve women at all levels of energy decision-making, management and implementation. Ensuring energy access in rural areas was viewed as requiring different types of action than in urban areas. The adverse impact of higher energy prices on the poor in developing countries, in particular in LDCs and SIDS, was emphasized. (para. 8)**

Providing energy for all - access to reliable and affordable energy services for sustainable development, giving particular attention to the rural and urban poor, especially women, who currently have no access to modern energy services for cooking, heating and electricity, in order to meet basic human needs and facilitate achievement of the MDGs. (para 35 (h))

Energy Efficiency

1. The cost savings possible from increased energy efficiency, both through more efficient technologies and stricter regulations on energy use should be at the forefront of policy development on energy. Further work needs to be done to make investments in energy efficiency more attractive.

North – South transfers of energy efficiency technology are lacking at present. The transfer of outdated technologies to developing countries instead of newer, more energy efficient alternatives undermines the movement towards increasing global energy efficiency levels.

Despite public awareness campaigns, many people are poorly informed about the possible energy saving measures they can apply in order to reduce energy usage at the household level. In order to address this issue, more interesting campaigns that target all social and age groups are needed. The public is also unaware of the existent energy efficient products already being sold in the market. More advertisement of the products in shops is required as well as more effective labelling.

2. **Many delegates stressed the importance of energy efficiency and renewable energy in reducing air pollution and greenhouse gas (GHG) emissions. Energy efficiency was considered essential to enhancing industrial development as well. Many countries have made energy efficiency central to their sustainable development strategies, and some have taken action on efficiency standards, labelling and regulations. (para. 13)**

Recent increases in energy prices were seen by some participants as an important stimulus for the adoption of energy efficiency measures and for greater use of renewable and advanced energy technologies, including advanced, cleaner fossil fuel technologies. (para. 14)

Key Challenge: Promoting energy efficiency, including end use efficiency public awareness campaigns and better technology options, and increasing the share of renewable energy; (para. 35 (i))

Research and Development

1. Current research and development policies that concentrate on large scale, proven energy sources can lead to the oversight of important small scale research projects. Increased government intervention in this area, through both direct investment and mitigation of risk for private investors, could secure the required increase in funding for small scale research projects. These interventions need to be focussed on the right areas, such as infrastructure development, to ensure the maximum long term benefits. This problem is especially acute in developing countries, where increased research and development is essential to building long term, self sufficient energy sectors.

The positioning of some non-renewable energy industries, such as clean coal and nuclear power, as ‘next generation’ solutions to climate change and CO2 emissions problems is acting as a further barrier for investment in renewables. A

recent UK Sustainable Development Commission publication on the UK Nuclear Power requirement concluded by a majority that the UK could reach its CO2 targets and provide energy through renewables and energy efficiency alone.

2. **The need for energy diversification was emphasized by several Ministers. However, since energy from fossil fuels will provide the dominant share of energy supply in most countries for the foreseeable future, the need for cleaner fossil fuel technologies was also stressed. A number of technologies, including carbon capture and storage and carbon sequestration were cited as possible options. A few delegates emphasized hybrid options, using fossil-fuel energy in combination with other energy options. Some pointed to the benefits of natural gas as a cleaner fossil fuels for lowering air pollution and GHG emissions. (para. 15)**

Many Ministers emphasized however that the cost of advanced technologies remains high and greater investment in renewable energy and advanced fossil fuel technologies must be encouraged, and new product and process technologies developed and introduced. Developed countries were encouraged to take the lead in further developing such technologies and make them accessible to developing countries at affordable prices. (para. 16)

Energy Subsidies

1. The external costs of energy sources, such as all direct and indirect costs of use and production, should be internalised to create a 'level playing field' for energy technologies. This will enable decision-makers to consider energy options according to their true costs, impacts and benefits and could create a market more conducive to the promotion of renewable energy.
2. **Subsidizing fossil fuels was viewed by some as an impediment to the further development and utilization of renewable energy technologies, while others expressed concern about the social consequences of eliminating subsidies. (para. 17)**

Private Sector Role

1. It has been estimated that a total investment of \$150 billion will be needed in Africa alone to meet the MDGs, and approximately 1/3 of this will need to be invested in the energy sector. Engagement with the private sector is essential to achieving this aim. At present however there is insufficient private sector funding, especially for small scale projects, due to risks associated with new technologies, poor investment conditions in developing countries and a lack of technical expertise in the lending institutions. A key challenge is how to encourage more

private sector investment on appropriate terms that can satisfy the requirements of both the investors and the host countries.

2. **The important role of the private sector in helping to mobilize resources, and provide scientific and technical know-how and management skills was mentioned by many Ministers. Innovative and efficient methods of implementation at the micro-level was highlighted, along with the need for corporate social and environmental responsibility, including participation in such voluntary initiatives as the OECD's Guidelines for Business Ethics, the Global Compact and the draft ISO guidelines and respect for ILO core labour standards. (para. 25)**

There was general agreement that public-private partnerships have a vital role to play in providing clean energy services. Such partnerships can be effective in leveraging private investment with public funds, undertaking research and development for cleaner, more efficient energy, improving air quality and health and generally facilitating energy for sustainable development and industrial development. Governments, for their part, are responsible for establishing leadership, setting clear and realistic targets, providing a sound legal framework, reducing transaction costs for doing business, offering risk-sharing mechanisms and providing seed money to leverage private capital. (para. 28)

Regional and International Cooperation

1. Current global policies and regulations create barriers to the transfer of technologies, particularly North to South. Incentives need to be developed at inter-governmental, regional and national levels to increase the flows of such technologies where possible at the lowest cost. To further these flows, the transfer of small scale, simple technologies should be encouraged due to the ease and speed with which this could occur. Action must also be taken now to help promote larger scale renewables, and complex technologies Transfer should be encouraged through export promotion policies.
2. **Key challenge: Enhancing international and regional cooperation, including both North-South and South- South cooperation, engaging Governments, international organizations and stakeholders, with particular attention to the inter-linkages among the themes and the cross-cutting issues, and addressing economic, social and environmental issues in an integrated and balanced way. (para. 35 (c))**

Climate Change

1. 'Contraction and Convergence' should be promoted as a key approach for tackling climate change in international discussions. This will help ensure that the Kyoto Protocol is followed by the strong commitments needed to mitigate against climate change.

Governments must take a proactive approach to the development of adaptation strategies to ensure the adverse impacts of climate change are managed. They must raise awareness and understanding about the potential impacts of climate change, their effects, and potential responses. Resources should be allocated to extensive research in the field.

2. **There was an emphasis by many on adaptation to and mitigation of climate change for achieving sustainable development goals and the Millennium Development Goals. It was stressed by several delegations that significant climate change impacts were already being experienced in many parts of the world and that building resilience and supporting adaptation measures was an especially urgent need for vulnerable countries, in particular least developed countries (LDCs) and small island developing states (SIDS). Many delegates stressed the importance of the United Nations Framework Convention on Climate Change and the Kyoto Protocol for international action on climate change, calling for further action for the period after 2012 on the basis of the agreement taken in Montreal in 2005. Several Ministers cited the potential of reforestation and avoiding deforestation for mitigating climate change. (para. 10)**

Key challenge: Promoting, with a sense of urgency, international cooperation on climate change, including both mitigation and adaptation, strengthening international support to vulnerable countries on adaptation measures, in particular for LDCs and SIDS, and reinforcing the functioning of the CDM; (para. 35 (k))

Air Pollution

1. The transport sector is a major contributor to GHG emissions; in particular the cumulative effects of diffuse road network sources in countries without strict catalytic conversion policies. Transport is also a large consumer of fossil fuels. Alternative technologies require further development within this important sector, for example, public transport improvements in terms of technical and economic efficiency, and service reliability. A policy of air fuel tax must be pursued further. Revenue raised should be directly channeled into a relief fund and/or development and environment programmes.

The rolling out of gas stoves across developing world, at a small cost compared to large scale infrastructure development, would have a great impact on the health of rural populations. Further investment and policy emphasis on this area is needed.

2. **The harmful impact of air pollution on human health was stressed by several Ministers, who noted that, while the problem affects all countries, a particular concern is the serious health threats to poor women and children in developing countries caused by indoor air pollution resulting from traditional cooking methods. The transport sector was cited as particularly important for reducing air pollution. Regional cooperation was seen as an important avenue for reducing transboundary air pollution. (para. 11)**

Reducing air pollution, with particular attention to indoor air pollution from traditional biomass fuels and its health impacts on women and children, as well as outdoor air pollution, taking into account its relation to transportation, industry, urban development and energy production and consumption; (para. 35 (1))