

STEPS TOWARD A SUSTAINABLE ENERGY FUTURE

Position Paper of the CURES Network for the UN Commission
on Sustainable Development (CSD) 2006





This declaration is a contribution by the CURES Network for the 14th session of the United Nations Commission for Sustainable Development (CSD) in May 2006 in New York.

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What is CURES

The Johannesburg World Summit for Sustainable Development 2002 (WSSD) failed to develop a global action plan for sustainable energy. Many initiatives resulted out of this failure, including the German government's invitation to host the renewables2004 conference. The Heinrich Boell Foundation, the German NGO Forum Environment & Development and the WWF took action and organized an NGO workshop in Bad Honnef, Germany, in October 2003. The focus was on preparing for the WSSD follow up conference - Renewables 2004 in Bonn. In order to coordinate their proposals and to strengthen their position, NGOs from all over the world formed a new network:

"Citizens United for Renewable Energies and Sustainability": C U R E S.

In preparation for renewables 2004, the CURES NGOs agreed to develop common strategies and demands for this conference and therefore drew up a declaration: "The Future is Renewable". The declaration calls for measures to avoid dangerous climate change and for the implementation of the Millennium Development Goals. It calls on all governments not to allow themselves to be blocked by obstructive governments and lists many policies and measures, such as the phasing out of subsidies for fossil and nuclear energies and effective steps and frameworks for renewable energies. International financial institutions, such as the World Bank, are prompted to radically restructure their energy projects. The business sector is also called upon to come up with new programs and measures. The CURES network has subsequently been active, inter alia, at the Renewables 2004 conference in Bonn, the Beijing International Renewable Energy Conference (BIREC 2005), the United Nations Climate Change Conference (COP 11/MOP 1) in Montreal, and the second UNECE (United Nations Economic Commission for Europe) Regional Implementation

Meeting (RIM) in Geneva, in preparation of the 14th session of the UN Commission on Sustainable Development (CSD)

CURES now consists of more than 240 organisations and continues to grow. The process is still open for all NGOs worldwide to sign the CURES declaration (sign-on@forumue.de) and to take part in the discussion of how to increase the role of renewable energies worldwide.

CURES calls for ambitious programs to promote renewable energies because:

- Urgent measures to move away from the current fossil energy system are required to stop rapid global warming.
- New renewable energies are the only way to give access to modern energy services to the two billion people currently excluded from them.
- While most developing countries so far depend on imported fossil fuels, renewable energies open up the opportunity for decentralised energy supply, which are produced locally, creating more employment.
- Renewable energy systems are far less prone to corruption and crises than the fossil energy system.

"New renewable sources" include modern biomass, World Commission on Dams (WCD) compliant small (up to 10 MW) hydro (mechanical as well as electric), geothermal, wind, all solar, tidal, wave and other marine energy. Modern biomass includes improved use of traditional biomass such as 'smokeless' efficient cooking stoves as well as electricity generation, heat production and liquid fuels from carbon neutral and low input, sustainable sources of biomass.

Energy efficiency refers to all dynamically improved energy efficiency and energy conservation measures on the demand/end use side such as appliances, motor drives, housing and services including transport.



Why our energy system is fundamentally unsustainable

Photo:gtz



The current energy scenarios for the 21st century are not sustainable. Business as usual would mean environmental disaster that will hit the poor hardest and perpetuate the widening gap between rich and poor between and within countries. It will lead to rising oil and gas prices and a more insecure world, with countries fighting over scarce fossil energy resources. Already the rise in oil prices in the last few years has shown how oil import dependence can impact the income and development of entire countries.

Access to basic, clean and affordable energy services is essential for sustainable development and poverty eradication and can provide major benefits in the areas of health, literacy, job creation, income generation, economic empowerment and equity. Many poorer communities in rural areas have either limited or

no access to clean energy. Furthermore, because of the gender bias of energy poverty women bear a disproportional amount of the negative social, economic, and environmental impacts of traditional energy sources.

If we are to limit the dangerous impacts of climate change it is essential that the global average temperature rise peaks below 2 degrees C above pre-industrial levels and is brought down as rapidly as possible thereafter. In order to achieve this goal there must be a major switch to clean energy around the world, commensurate with deep and rapid cuts in CO₂ emissions. A rapid shift particularly by all industrialised and major industrialising nations to clean energy and a major energy efficiency revolution are essential to avoid the catastrophic impacts of climate change



Photo:gtz

Simply put, the developing world needs more access to energy services while at the same time the world as a whole needs to rely on less polluting energy sources and improve conservation and efficiency.



The international system: a history of failures on energy



Energy is a very difficult policy area for the United Nations. Energy issues are strongly driven by national sovereignty and major economies dominate the markets and international institutions that deal with energy. Many of the major international institutions dealing with energy are outside the UN and represent the interests of the traditional fossil fuel and nuclear energy systems: Organisations of Petroleum Exporting Countries (OPEC), Nuclear Energy Agency (NEA), International Energy Agency (IEA), G8 etc. Furthermore, the United Nations Conference on Environment and Development (UNCED) in 1992 failed to include an energy chapter in Agenda 21, and the same failure was replicated in the special session of the General Assembly in 1997.

In the run up to the WSSD certain countries confirmed their opposition to further binding multi-lateral commitments between governments to meet their sustainability objectives of Agenda 21 and instead promoted voluntary public-private partnerships (Type-II partnerships as opposed to government type-I outcomes of the WSSD). Despite the large number of these partnerships, their impact has been marginal and the overall approach has reduced the impetus and ambition of more wide ranging proposals by other governments.

Consequently, with governments opting for the soft and unambitious partnership approach, the WSSD did not make major progress on energy and failed to get agreements on key areas such as: access to energy to alleviate poverty within the timeframe of the Millennium Development Goals; phase-out subsidies to fossil fuel and nuclear power within a reasonable timeframe; setting global or regional targets for renewable energy; financing for clean energy; or programmes to tap the huge potential on energy efficiency.

A particularly serious failure of the WSSD was the lack of agreement on renewable energies. To rectify this a series of initiatives were launched by governments such as; the Johannesburg Renewable Energy Coalition (JREC) formed at the WSSD; the Renewables 2004 conference organised by the Government of Germany in Bonn in June 2004 and its International Action Plan (IAP); the REN21 network originating from the Bonn conference; Energy for Development held in The Netherlands in 2004, the Beijing Renewables 2005 conference; the Renewable Energy and Energy Efficiency Partnership (REEEP) initiated by the UK government; and the Global Village Energy Partnership (GVEP). These have been worthwhile but their value limited by the lack of a global commitment. Renewable and energy efficiency measures need to be at the centre of energy policy and not just as an appendix to the current unsustainable energy system.

Initiatives such as the Renewables 2004 conference brought together willing governments and stakeholders. However, the UN will now have to take up this good will to deliver a truly global response. This will require a fundamental shift away from large centralised energy producers to a decentralised system which encourages and supports self production. Such developments will reduce the global environmental impact of the energy sector, by encouraging efficiency, reducing



Photo: wssd

transmission losses and making use of appropriate technology, while also facilitating energy services for rural parts of developing countries that currently are without access to modern energy services.

The Multilateral Development Banks' (MDBs) are in a key position to drive policy and financing for clean, renewable energy and energy efficiency in developing countries as they are a focus for large investments and drive private capital to the projects they favour. At the Renewables 2004 conference, the World Bank committed to increasing its renewable energy financing by 20 percent each year for the next five years. So far, it has fallen significantly short of this target and has strongly focused on hydropower larger than 10 MW. The many billions spent by the international financial institutions, such as the World Bank and the regional development banks, on energy still are strongly biased towards fossil fuels. There are several good examples of MDB lending that contributes to sustainable development; but these are the minority. In many countries, MDB lending has been a driver for unsustainable hydro and for

large increases in CO₂ emissions as well as large external debt. The very governments that talk about sustainable energy in the CSD fund unsustainable energy policies in the International Financial Institutions (IFIs).

The G8 have as one of their priorities for 2006 and 2007 energy security. However, their focus is on traditional energy industries and their infrastructure and the continued support for the extraction of fossil fuels and the use of nuclear power. If implemented, its call for investing trillions of euros into fossil and nuclear energy would constitute a huge setback for a sustainable energy future. It would not contribute to energy security but rather to intensifying the race for the remaining fossil fuels. The CSD must reject this agenda.



CSD 2006-2007: We need new commitments for a sustainable energy transformation

If the United Nations is to play an important role in the energy debate, a key challenge for humanity in the 21st century, it must overcome the internal blockades. The CSD in 2006 and 2007 with its focus on energy is the best opportunity to do that. The United Nations has seen many disagreements over energy and climate change policies and each time a small group of countries has blocked progress. CSD 14 and 15 must not become hostage to an obstructive group. This will be the key challenge for the CSD and we call upon the vast majority of governments that are willing to make progress to a sustainable energy future not to yield to this group.

The present energy system, with its spiralling prices for fossil energy, is unable to supply the modern energy services that the 1.6 billion people currently lacking them need. UNEP's Global Ministerial Environment Forum in Dubai (February 2006) has clearly recognized the fundamental unsustainability of the current energy system:

"Ministers and heads of delegation agreed that expanding access to cleaner forms of energy was central to achieving the ultimate goals of sustainable development and those of the United Nations Millennium Declaration. Many speakers stressed that current patterns of energy production, distribution and use were not sustainable, and that providing modern energy services in a sustainable manner to the nearly two billion persons worldwide that lacked access to those services was the single biggest energy challenge in this century".¹

CSD can help to bring about this necessary shift.

We remind governments of their discussions in Dubai in February:

"Ministers agreed that in almost all countries there existed wide scope for strengthening energy efficiency and conservation policies, in the context of wider efforts to achieve sustainable patterns of production and consumption. Almost all speakers stated that improving energy efficiency offered the greatest immediate scope for reducing the anticipated growth in energy demand while also lowering emissions of many types of pollutants, including greenhouse gases....Ministers and heads of delegation recommended to expand rapidly the use of renewable energy resources and many examples of successful national policies and programmes were presented by speakers who took the floor."²



¹ Draft summary report of the President of the discussions by ministers and heads of delegation at the ninth special session of the Governing Council/Global Ministerial Environment Forum of the United Nations Environment Programme, Dubai, 7-9 February 2006, para.5

² Ibid. para 8, 9



In February the governments attending the UNEP Ministerial Forum recognized the key challenges. It is now their job at the CSD to propose action.

Therefore, at the CSD, ministers and governments should agree on:

Renewables and Energy Efficiency

- Action programmes to implement the global transformation of energy systems based on new and ambitious policies to increase the share of renewables and energy efficiency.
- Promotion of national and regional commitments and targets to increase the share of new renewables and access to energy.
- Standards and labelling for energy efficiency: Global cooperation supporting labels and standards should be introduced by countries and regional markets, such as in the EU. This also has strong linkages with trade as many of the goods are traded worldwide. It is important that such a system is supportive of national and regional actions.
- Promotion of national and regional targets to increase the share of new renewables and access to energy.
- Initiate a consultative process for a global agreement on sustainability criteria for bio-energy. Not only will an unsustainable bioenergy system limit the bioenergy potential available through resource depletion and land erosion, also such a consultative process is required because of the environmental and social problems that can accompany large-scale bioenergy use and because of the recognition of the environment minister's meeting in Dubai:

20. Given the expected growth in supply from bioenergy sources and the large number of sectors potentially affected by large scale bioenergy production, some speakers pointed out that Governments should conduct risk assessments of bioenergy schemes with a view to determining the potential environmental impacts through their entire fuel cycle. Greater confidence about the environmental integrity of biomass-based energy systems would hasten their development and the acceptance of biomass fuels in particular.³

Financing

- Develop a comprehensive strategy on finance putting the International Financial Institutions (IFIs) on course of redirecting their funds to sustainable energy including the introduction of strengthened micro-financing schemes for new renewables and energy efficiency.
- Recognize and phase out Export Credit Agencies (ECA) support by 2008 for funding for fossil, nuclear and hydro that does not comply with the World Commission on Dams recommendations and instruct all IFIs to do likewise.
- Recognize investment by national governments into new renewables and energy efficiency should count as a contribution toward debt repayment in debt cancellation agreements for indebted countries.
- Immediately begin the phase out of subsidies to the fossil fuel and nuclear industries in order to "level the playing field". These huge subsidies – in excess of \$240 billion per year hamper the development of renewable energy and energy efficiency.



Poverty Alleviation and Technology Transfer

- Address the needs of the 1.6 billion without access to modern energy based on a combination of provision of renewable energy and rigorous energy efficiency, with clear roles and responsibilities of governments and UN bodies to deliver such a program along a clear timetable.
- An action programme that includes greater support for off-grid non-electric options including local capacity creation for technology, finance, manufacturing, maintenance etc with an emphasis on creating self-reliance and sufficiency.
- Mechanisms that facilitate genuine transfer of technologies and capabilities .
- Increased funding through Overseas Development Assistance (ODA) programs for sustainable energy sector development.

Social Impacts

- Mainstream gender in all energy-related policies and measures to ensure consideration of the differing roles of men and women in relation to energy systems.

Any actions recommended, initiated and undertaken as part of the CSD 14/15 cycle have to reflect the urgency of the matter before them and be in line with meeting the Millennium Development Goals and the need to contribute to meeting the Kyoto Protocol targets and the ultimate objective of the UNFCCC to prevent dangerous climate change, which requires to halt and reverse the global emission trend within the coming 10 to 15 years.

Countries should agree to these commitments and not be held back by those countries that do not cooperate. It is clear that those countries pioneering the inevitable transformation of the global energy system will enjoy the early benefits of this transformation such as job generation, market opportunities, reduced emissions and greater energy self-reliance.

The Road ahead

The governments present at the CSD 14/15 have to be aware of their responsibility in meeting the objectives, timetables and targets set not only at the Rio 1992 and the WSSD, but also by the Kyoto Protocol, and the UNFCCC, as well as the Millennium Development Goals. CSD 14 will be taking place immediately before the first talks in the framework of the Kyoto Protocol in Bonn about a second commitment period. The CSD meeting has to contribute to reforming the energy system for sustainable development and offer technology transfer solutions, which helps implement measures for climate protection. It is also meeting two months ahead of the G8 summit in St Petersburg, where an unsustainable energy agenda will be promoted including fossil fuels and nuclear power. This needs to be countered by the CSD.

In 2000 the United Nations adopted the Millennium Development Goals which included the objective of reducing by half the proportion of people living on less than \$1 per day by 2015. There is a clear and recognised link between access to energy services and achieving this objective. Despite this, the number of people lacking access to modern energy services is forecast by the International Energy Agency (IEA) to increase to 2.63 billion by 2030.

The CSD must review the implementation of commitments made at the WSSD and should also monitor the implementation of the various other commitments made outside the UN system since then, such as the International Action Plan (IAP) of the Renewables 2004 conference. It should also look at institutional deficiencies of the international system, which appears to be unable to promote in a systematic way the necessary global energy transformation and initiate a process to overcome these deficiencies.

The first CSD year, which focuses on reviews, is crucial to gain knowledge and build new consensus on new and innovative solutions. We believe that this meeting must be a starting point for fruitful reviews. Further reviews should report on the deployment of renewable energy and energy efficiency as called for in Johannesburg, sustainability of all energy sources, and the progress in providing sustainable energy to the more than two billion people that currently lack access.

The UN institutions have a special responsibility in identifying what role they specifically can play to fill the gaps themselves and the role they play in through much enhanced cooperation.

We need to take clear and decisive steps to:

- Transform the global energy system, with a sense of urgency, away from one dependent on fossil fuels, large hydro and nuclear power to one that is based on new renewables and energy efficiency. The Kyoto Protocol is the first step and its signatory nations must move fast to agree on a second, more ambitious commitment period.
- Create a specific program for delivering appropriate clean and affordable energy services, a cornerstone achieving the Millennium Development Goals (MDG), to the 2 billion people who are currently without.
- Governments and institutions must foster unilateral and multilateral commitments which support the introduction of sustainable energy technologies and practices. These measurable objectives are essential to both demonstrate that action can happen and to close the gap between what is being done and what needs to be done.

The two-year CSD cycle dealing with energy in 2006 and 2007 - and indeed the CSD itself - will be ultimately judged whether it has positively contributed to this agenda or not.



