



THE REPUBLIC OF SERBIA

FIFTH SESSION OF THE GENERAL ASSEMBLY OPEN WORKING GROUP ON
SUSTAINABLE DEVELOPMENT GOALS

Check against delivery

S T A T E M E N T

by

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Mr. Chair,

I speak on behalf of the constituency formed by the Republic of Belarus and the Republic of Serbia.

Mr. Chair,

The recent economic and financial crisis showed how the hard-achieved gains in the eradication of poverty and sustainable development can be easily reverted. For that reason, the international community should align national and international macro-economic policies (fiscal, trade, monetary, financial flows) in a way that would ensure accessible and inclusive growth, human rights, social justice and sustainable development.

Today, we can see that national and international regulatory mechanisms cannot fully prevent excessive risk-taking, illicit financial flows and tax evasion. Furthermore, global imbalances have not been fully addressed and, despite some achievements, they still can potentially return to the pre-crisis levels. Looking at global imbalances regionally, slow changes are observable in Europe, in particular.

Economic stability should be ensured by comprehensive financial regulations that would enable not only safety and soundness of the financial system, but also equitable access to finance and sufficient long-term financing for sustainable development and green economy. Finally, the latest economic figures show also that inflation in many countries reached the lowest levels historically. The policies designed to curb inflation, however, should not be pursued at the expense of employment growth and macro-economic policies. Central Banks have to find an appropriate balance between inflation control and stimulating sustainable growth and decent and productive employment.

Mr. Chair,

The current pressure from the global economic downturn and the economic development arising from an over-exploitation of natural resources threatens national economies, especially the export-oriented economies vulnerable to external shocks including least developing countries, developing countries, middle-income countries and countries in transition, and the recovery process of the more stable ones and call for a prompt economic transition in a manner that will ensure long-term and sustainable development.

The SDGs on sustainable energy can benefit from the Secretary-General's initiative "Sustainable Energy for All". We should strive to ensure universal access to modern energy services by 2030, doubling the global rate of improvement in energy efficiency and the share of renewables in the global energy mix by the same year. At the same time, why *do* not *we* think about an even more ambitious UN energy agenda at this point? It seems evident that within the UN system, energy issues should be dealt with in a

more systematic, coherent and effective manner under the ownership of all member states. SDG process gives us a golden opportunity to reflect on this issue.

To attain sustainable energy production and consumption, we should design and develop policies that promote sustainable management of natural resources over their life-cycle. Further on, we should decouple economic growth from natural resource use, so as to meet the needs of both current and future generations, as well as the needs of those of our compatriots who live in poverty. We should also seek to define the targets that can significantly improve global resource efficiency, measured by the ratio of the GDP to Domestic Material Consumption or by other relevant indicators on key natural resources agreed internationally.

We should emphasize the synergies across policy options, so as to eliminate weaknesses and make use of the collective strengths of the intervention strategy. The synergies could be developed by using the following policy options to create the necessary enabling conditions for green transition:

- **Mandates:** Creation of a legal basis for the inclusion of renewable energy in the power supply as a specific target to be reached by a given year; development of innovative legislation on rational use of energy to prescribe obligations for energy savings for big and public consumers and define commitments for setting up viable international mechanisms for transfer and dissemination of new and renewable energy technologies to the countries in need; introduction of requirements on energy producers, distributors and transmitters to fulfill minimal energy efficiency requirements; and the introduction of consumption based billing.
- **Incentives and capital investments:** Reduction of upfront costs (shared between government and other actors, such as households and the private sector), with incentives being especially effective if the upfront costs are contained. These include incentive packages such as feed-in tariffs, definition of a privileged energy producer, establishment of the energy efficiency funds, etc. Also, public/private partnerships should be supported in the formulation of targets for the post-2015 development period.

The post-2015 development agenda should emphasize that policies that cause inefficiencies—should be changed to stimulate efficiency improvements and low carbon development.

The SDGs should reflect inter-sectoral connectivity of mutually correlated sectoral issues. Energy issues are closely related to transport. Bearing that in mind, low carbon transport options, especially public transport, require considerable upfront investments but lead to considerable medium and long-term savings. A more efficient public transport sector, both passenger and freight, will increase profitability (leading to higher avoided costs) should energy prices increase in the future.

The introduction of renewable energy is advisable for selected uses (e.g., solar water heating) and applicable in the small scale in the short term. We must establish a clear understanding on how to achieve at both global and local levels the full application of the renewable energy resources high potential for raising the employment rate and bringing benefits to the environmental conditions. For example, the expanded use of biomass for energy production could support the creation of a local supply chain and reduce production of waste.

There are cautions nonetheless that must be kept in mind. First and foremost, financing needs for transition towards green economy will be significant; governments have to recognize and address these cautions with the financial and technological support of the international community, including International Financial Institutions. These are issues that must be taken into account while elaborating the post-2015 development agenda. It is estimated that there will be long-term avoided costs, but upfront costs will be substantial. It is also important that sustainability goals refer, among other things, to potentially avoided indirect costs, such as health costs, remediation costs etc.

Supporting schemes to developing and transitional economies would be one of the priority targets in order to provide at least an initial impetus. In addition, it is important to make economic interventions transparent and consistent in order to build market confidence and ensure continued public and private support for green economic transition.

Mr. Chair,

Infrastructure development and industrialization will for sure remain an important foundation for economic growth in all countries. This should be taken into consideration while we are on the way towards post-2015 agenda. Inclusive and sustainable industrial development concept, as being put forward by the UNIDO Director General deserves most serious attention as we discuss possible future sustainable development goals.

In conclusion, our goal is to deliver enough energy, taking into account both people and environment. In order to achieve it, we have to find balance - that golden line, hard to achieve, simply called sustainability. Potentials should be exploited for providing new and renewable energy resources and defining goals for getting closer to green energy. As we already know, green energy is mighty engine to generate progress in all three pillars of sustainable development urgent social issues, environmental and economic.

Let me also point out that cooperation is the only way allowing us to reconcile economy and energy goals with environmental protection and direct them towards lasting safety and prosperity of people.

Thank you.