

BUSINESS ACTION FOR ENERGY

Working for Sustainable Solutions

BUSINESS AND INDUSTRY MAJOR GROUP STATEMENT

15th Session of the UN Commission on Sustainable Development (CSD15)

MEANS OF IMPLEMENTATION

2 MAY, 2007

Mr. Chairman, distinguished delegates,

It is my pleasure to contribute to our discussion on Means of Implementation on behalf of the major group Business and Industry, through Business Action for Energy.

When you talk about Means of Implementation, you are simply using another term for Major Groups. All the groups here are essential, governments cannot do it alone. Thank you for including us.

Business is at the heart of implementation. We have been engaged on many fronts and in myriad ways in driving progress in the cluster of issues before us. Widespread efforts on eco-efficiency and cleaner production are just the beginning in the evolution of delinking commercial activity from environmental impact and in increasing societal benefits.

- Business regards energy for sustainable development, atmosphere/air pollution, climate change and industrial development as **interwoven priorities** that require **balanced, integrated and cooperative implementation** involving civil society, governments and business. These issues should be actionable through integrated policies that promote cleaner and more sustainable investment and technology innovation and transfer, with supportive policies in export promotion and market access, financing, trade liberalization and Intellectual property right protection.
- Sustainable energy strategies must **be innovation friendly** and **advance competitiveness, energy access and security and environmental protection**. Achieving economic, social and environmental objectives requires efficient frameworks that allow market forces to operate and increase long-term certainty to support the increased investment that is so clearly necessary. Key features of enabling frameworks include open markets; strong institutions and good governance; human rights protection; science- and risk-based regulations that are enforced; and protection of private property.
- Innovation, technology deployment, good management systems and capacity building come in significant part from business and are key to implementation. The business community recognizes the **urgency to act swiftly** in these areas and is committed to engage with governments and other societal partners to develop and implement energy-related investments and technological cooperation and advancement.
- Governments should support business technological development and deployment by funding R&D; Assisting capacity-building initiatives through streamlined processes for international cooperation and participation; Supporting R&D and technology transfer across borders; Providing an R&D friendly environment through a workable patent system and engaging stakeholders on innovation and new technologies.
- The business community works with partners to identify, develop, commercialize and deploy technologies suited to individual national and local priorities, situations and development strategies. Business will continue to work to find solutions, within its sphere of responsibility, in partnership with other stakeholders.

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- Governments, business and civil society need to partner to leverage resources to provide training, share knowledge and skills, share more sustainable energy technologies and cooperate to accelerate their dissemination. Empowerment and inclusion of women is essential in this regard.
- Infrastructure development is a priority concrete area for partnerships, where public and private sectors can work together through public private sector partnerships. For such partnerships (PPPs) to succeed:
 - The legal framework needs to enable the entrance and operation of private entities in what are often state-controlled industries;
 - The coordination of preparatory measures for efficient PPP start-up and implementation is necessary;
 - The allocation of risks through contractual agreements is important. Project profitability is a vital prerequisite for private sector involvement, especially if the project requires long-term engagement.
- To move consumption and production patterns in more sustainable directions, the international community should:
 - - stimulate innovation through competition in the marketplace and strengthening markets for environmentally friendlier products
 - - provide consumers with information and choices
 - - enable market access for developing countries

We are ready to continue to our work in support of this effort.

Thank you for your attention.