

SPEAKING POINTS FOR COMMISSIONER DIMAS AT CSD14 PLENARY SESSION TITLED ‘THE WAY FORWARD’ Wednesday 10 May (between 15-18)
Main Topic: Sustainable Energy

- Thank you Mr Chairman. I would like to stress what I see as the three most pressing global energy challenges this CSD cycle must tackle. I will also briefly describe how we in the European Union are pursuing the sustainable energy path.
- Firstly : more than 1.6 billion people still lack access to electricity and 2.4 billion people use traditional biomass. Providing access to reliable, affordable, environmentally sound energy services for them is essential for poverty eradication and sustainable development.
- Secondly : urgent action is needed to tackle the negative environmental impacts of unsustainable energy consumption and production, especially in relation to climate change and air pollution, but also to soil degradation and nature protection.
- Thirdly : we need to ensure affordable, secure and sustainable supply of energy in the long term. In recent years, global energy production has failed to keep pace with rising demand, producing dramatic price rises, and in some cases, shortages. This hampers economic growth and sustainable development, especially in poor countries. This development can also be an early indication of dwindling low-cost resources of oil and natural gas. Basing our economies on these energy sources alone will not be economically sustainable in the medium and long term.
- I believe these three challenges are interlinked. Our task at CSD is to exploit the synergies and identify the win-win options of dealing with them in an integrated manner.
- The basic foundation for a sustainable energy path must be efficient use of energy in all sectors and end-uses. Much energy use today is in-efficient. Experience has proven the need for strong policies to avoid waste. Improved energy efficiency can help solve all the key energy challenges.

- Another key priority in this area is increasing the share of renewables. While many renewables are still more costly than fossil fuels, they emit no CO₂ and little other air-pollutants and they often have a much more limited impact on the environment in general. Moreover, they are also the only long-term option as they are not limited like oil or coal. They also improve energy security by decreasing dependency on imported energy sources. They increase ownership and they create a variety of opportunities for employment – something which is very important also in developing countries. By giving clear political backing to renewables we can delay price increases on fossil fuels, decrease dependency on imports, and secure cost-reductions for these new energy forms – gradually making them competitive.

- Let me now briefly describe how the EU is pursuing sustainable energy at home and globally.

- First of all, we have a number of policies, targets, and tools to promote sustainable energy production and consumption in Europe. Targets play a key role for us to stimulate action. Let me give you some examples. By 2010, we aim to :
 - increase the share of renewable energy to 12% of gross inland consumption;
 - have 21% of electricity in the EU coming from renewables; and
 - increase the use of liquid bio-fuels for transport to 5,75%.

- Secondly, we are also working to improve energy efficiency. The European Commission has proposed to Member States to cut energy consumption by 20% by 2020 compared to business-as-usual – an ambitious but achievable target. This would boost competitiveness, living conditions as well as the state of the environment. We have already adopted regulations to improve energy efficiency in appliances and buildings. These are having a sensible impact on the development of new energy technologies that are also reaching global markets.

- The European Union is also very active globally. The EU Energy Initiative (EUEI) and the Energy Facility, worth 220 million euros, promote access to energy by the poor in Africa, the Caribbean and Pacific Island States. A call for proposals for projects will be published this June. This will be a major contribution to achieving the Millennium Development Goals.

- The Johannesburg Renewable Energy Coalition (JREC), launched by the EU, has been successfully promoting renewable energy on the basis of national or regional targets and timetables. It now has 95 member countries from all regions. It provides an excellent opportunity for co-operation and co-ordination in this area. With the Johannesburg plan of implementation in mind and in line with the activities promoted by the Johannesburg Renewable Energy Coalition, the EU is developing a private-public funding mechanism that will bridge financing gaps for renewable energy businesses. It will include SMEs, particularly in developing countries. It will aim at boosting investments in renewable energy. We intend to have this mechanism functional by mid 2007 – so watch this space.

- To conclude, next year's CSD must make policy decisions that will in a concrete way improve access to energy for the poorest, increase energy efficiency as well as the share of renewable energy. This can help us to secure, environmentally sound and affordable energy supplies now and in the future.

- Finally, if CSD is to have a real and lasting impact, we must start thinking about an effective arrangement to monitor and follow up our commitments on energy after CSD15.