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Investing in energy and industrial development: challenges and opportunities

Mr Chairman

The Johannesburg Plan of Implementation (JPOI) called for energy that is ‘reliable, affordable, economically viable, socially acceptable and environmentally sound’. Events and publications made available at this session of CSD show that nuclear power does not meet these criteria, and nor does it provide an answer to climate change. Nuclear energy is inflexible, generates waste, is inherently dangerous and poses unacceptable security threats from terrorism. And relevant to our session this morning, it has hidden costs and undermines economic development. In diverting resources from sustainable and renewable energy, investment in nuclear energy and associated subsidies would erect obstacles to sustainable energy.

Nuclear energy does not and cannot compete in a liberalized electricity market. Nuclear energy relies on subsidies, including underwriting for construction cost or caps on construction costs, operating performance, non-fuel operations and maintenance cost, nuclear fuel cost and decommissioning cost, liability caps and guarantees that the output will be purchased at a guaranteed price. Usually absent from consideration are decommissioning costs, the long-term costs of dealing with waste and external costs such as environmental damage, effects on human health and social costs. This makes nuclear power plants a particularly risky for developing countries, due to exposure to cost overruns, downtime, the cost of dealing with waste and dependence on foreign technology. Nuclear power is quite simply the wrong answer, and would divert scarce resources from investing in renewable energy and energy efficiency. It doesn't add up.

Consideration of nuclear energy must weigh the opportunity costs: every dollar invested in nuclear is a dollar that could be invested in the solutions – clean and renewable energy. In the context of these sustainable development criteria established by governments, it is clear that human and economic resources are best invested into energy efficiency and the numerous renewable technologies available to guarantee the right to safe, clean and affordable energy, which has shown remarkable growth since 2000.

One panelist mentioned new nuclear build. It should be noted that the IAEA, renowned for its optimism, has projected an increase in projection of global nuclear capacity, but that most of this increased capacity will come from plant life extensions and not new build. The Agency also expects that $\frac{3}{4}$ of existing capacity in OECD countries will be retired by 2030 because reactors will have reached the end of their life or because governments will have adopted policies to phase out nuclear power.

Rather than to include nuclear power in the 'mix', countries need to focus on implementing the commitments made in the World Summit in September 2005 to take action to promote clean energy and energy efficiency and conservation, accelerate the development and dissemination of affordable and cleaner energy efficiency and energy conservation technologies, and promote and support greater efforts to develop renewable sources of energy, such as solar, wind and geothermal.

For all these reasons we call for the recognition on the international level of the right to sustainable and renewable energy.