



**Swiss  
Confederation**

## **SWITZERLAND**

### **CSD 15**

#### ***Interlinkages and Cross-cutting issues, including means of implementation***

***May 2, 2007***

#### ***Speaking Points***

Mr. Chairman,

Switzerland refers to the policy options of the Chairman's draft negotiating document. We will focus on following four cross-cutting issues:

- Means of implementation and enabling environment
- Mountains and Energy/Climate Change
- Health and energy
- Gender and Energy

##### A) Means of Implementation and enabling environment

Private sector funding is essential to meet the large energy investment needs. Governments are responsible for setting stable and foreseeable investment frameworks: including rule of law, good governance, clear and transparent regulation, non-discriminatory trade and investment policies, predictable tax policies, respect of Intellectual Property Rights and offering risk-sharing mechanisms to leverage private capital. The often heard calls for mobilizing additional financial resources are justified, but one should equally acknowledge that there is significant capital in search of good projects. Therefore governments should set the framework conditions for good projects to be developed. Merely three scattered bullets in the Chairman's draft negotiating document refer to investments in a vague fashion. The text needs to be reinforced to give sufficient weight to the paramount importance of adequate investment frameworks.

Public financial funds have to be integrated appropriately and timely into the national budget and Poverty Reduction Strategy (PRS) processes, thereby giving particular attention to provide access to environmentally sound, reliable and affordable energy services for the rural and urban poor. According to a recently published UNDP study, only 28 out of 30 countries in Africa currently address energy in their Poverty Reduction Strategies. This reflects that without an improved access to energy the Millennium Development Goals can hardly be achieved. The Chairman's draft negotiating document should therefore include the recommendation that energy issues are prominently addressed in PRS.

##### B) Mountains and Energy/Climate Change

Mountains have direct or indirect significance for a large range of issues related to sustainable development: around 10% of the world population live in mountain regions and moun-

tains provide freshwater resources for nearly half of the global population. Because of this importance, the CSD-15 outcome document should refer to following policy options.

Firstly, the document should reflect that mountain environments will be among the most severely impacted ecosystems from climate change and an early indicator of what may come to pass in lowland environments.

Secondly, the document has to reflect that mountains have a tremendous potential for renewable energy, particularly hydro power.

Thirdly, it has to stress that decentralised production of energy is particularly appropriate in mountains, due to the distance between settlements and the high costs of constructing and maintaining distribution networks.

Fourthly, it has to call for policies which ensure that those living in the mountains also benefit from the energy-potential in the mountains.

An example from Switzerland illustrates how mountain communities are stakeholders and beneficiaries in the generation of hydropower. Under Swiss law, hydropower plants pay a royalty to regional or local governments for the use of water. In many mountain communes, water royalties are the largest source of revenue. In general terms: Marginalised communities – such as mountain dwellers – should be paid for the environmental resources and services they offer to the lowland community.

#### C) Health and energy

The negative consequences for health and the environment caused by the use of traditional instead of modern energy are enormous. Particularly women and children are suffering most from “indoor air pollution”. Therefore, the negotiated text should recognize indoor air pollution as a serious factor for child mortality and women’s health in developing countries.

#### D) Gender and Energy

The Chairman’s draft negotiating document does not yet sufficiently address following two issues on gender and energy. The excellent side event yesterday by our Swedish colleagues showed to which extent women around the world live in a more sustainable way than men. Women leave a smaller ecological footprint and cause less climate change.

Second, women's micro enterprises are an important factor in household income as well as in women's welfare and empowerment. Many micro enterprises are heat-intensive, labor-intensive, and light intensive. The lack of adequate energy supplies affects women's ability to carry out these micro enterprises profitably and safely. The provision of affordable energy can be a key factor in enabling rural enterprises for women.

Thank you, Mr. Chairman.