



## **Statement**

**by**

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to

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Mr. Chairmen, Excellencies, Ladies and Gentlemen,

### **Context**

Energy is now clearly back on the global development agenda. Three intertwined energy issues, that is, expanding access to modern energy services for the poor, ensuring energy security and reducing burdens on the environment make energy one of the most important topics to be dealt with to achieve the Millennium Development Goals (MDGs).

In 2002, at the World Summit on Sustainable Development (WSSD), major breakthroughs were reached on the role of energy in supporting the achievement of the MDGs. At WSSD, access to energy services was recognized as prerequisite to poverty reduction. More recently, in September of this year at the 2005 World Summit, world leaders committed to supporting the development and implementation of MDG-based national development strategies and acknowledged that energy is a fundamental element of such actions.

We all know that providing access to modern energy services to the poor to meet their basic human needs is achievable. On the one hand, it is financially: it costs roughly US\$ 20 per capita to provide the needed energy services, and as detailed in the last year's Millennium Project report, such is well within our reach. On the other, providing modern energy services for the poor to meet basic human needs such as cooking, heating and lighting has a negligible impact on the climate problem. Providing cleaner cooking fuels such as LPG for 2.6 billion people who currently use traditional biomass and electricity for 1.6 billion currently without would lead to additional greenhouse gas emissions of about 0.22 GtC/year only, compared with the current global emissions of 7 GtC/year.

There is no valid technical reason to prevent progress towards universal access to modern energy services. It is completely feasible. What matters is political commitment to equity at the national and global levels.

### **Are we on track?**

No. Despite all that I described, the global perspective on energy access is very sobering. Presently, just about half the people in the developing world cook on traditional biomass and one third have

no access to electricity. The statistics are even more alarming on a regional level. For example, in Sub-Saharan Africa, only a quarter of the population has access to electricity. Similarly, in South Asia forty percent of the population has access to electricity. If the current trends continue, despite all on-going efforts to increase electrification rates, it is estimated that the population without electricity will not decrease but increase by 2030!

Sadly, the global community's recognition of this energy crisis has yet to fully stimulate the appropriate national-level strategies and investment plans needed to put an end to energy poverty. Energy access issues are conspicuously absent, leaving important linkages with productivity and cross-sectoral applications unaddressed. Less than half of all national Poverty Reduction Strategy Papers (PRSPs) in Sub-Saharan Africa include explicit targets and time lines to meet the energy priorities of the poor. Only one third of PRSPs actually allocate budgetary resources to national energy priorities in their Mid Term Expenditure Frameworks (MTEFs).

### **Can we change the status quo?**

Yes. Despite this somber situation, we do have the relevant experiences and appropriate technologies to make energy work for the poor. Some countries are already taking the leadership to move forward. From this point of view, I must commend the Economic Community of West African States (ECOWAS) for taking such strong leadership in integrating the energy access agenda into their strategic development frameworks. The establishment of a *Regional Policy on Increasing Access to Energy Services for Rural and Peri-Urban populations in order to Achieve the Millennium Development Goals*, which was articulated in the form of a White Paper, is one excellent example in this regard. By clearly defining the energy needs of the poor; setting out time-bound regional targets that are ambitious but necessary for the achievement of the MDGs; estimating the required costs for the next 10 years; and providing clear next steps to collectively move forward, the ECOWAS White Paper is an excellent expression of their political commitment and leadership that establishes a clear guiding principle in the region as a starting point for policy debates at the national level. More importantly, the White Paper compliments and accelerates on-going national efforts to integrate energy access considerations into MDG-based Poverty Reduction Strategies, which all governments have agreed to establish by 2006 at the World Summit. Most importantly, this is starting to make a real difference in terms of budget and development finance allocations.

Despite the absence of any specific energy target in the MDG framework, UNDP believes that this framework can indeed provide a powerful impetus for stepping up global efforts to provide access to energy for the poor, as illustrated by the West African example. Meanwhile, we are witnessing how carbon finance is starting to produce results in at least some emerging economies. Carbon finance could indeed provide the best opportunity for aggressively transiting to more sustainable energy systems, upon which the future of this planet depends. And, carbon finance can allow us to go beyond the limits of ODA by bringing in additional and significant resources for sustainable development. However, carbon finance will only become a truly global source of sustainable development finance if we can bridge the gap between the world of carbon and the world of MDGs. This is the rationale behind UNDP's new MDG Carbon Facility. In this regard, let me point to two key opportunities for truly bridging the gap. First, since the global community has agreed on achieving the MDGs by 2015, in the name of equity and opportunity for the least and less developed countries, shouldn't the baseline for determining access to carbon finance be set against what it would mean in terms of energy investments to achieve the MDGs? I plant this here as an idea for discussion. Second, and coming back to the point made earlier about policy frameworks such as PRSPs: In order for carbon finance to take off in any given country, policy frameworks and environmental governance systems must be made conducive. Political commitment for mainstreaming of sustainable energy development is a key prerequisite.

### **Moving forward**

Let me reiterate that expanding access to energy services for the 2 billion people currently without is a matter of political commitment to equity and is fully achievable as a part of our efforts to deliver on the MDGs by 2015. We have all the necessary experiences and tools, and there is no reason to dodge the challenge. This year's CSD is an excellent opportunity to exchange relevant experiences to learn from each other and discuss what can be done to accelerate scaling up and mainstreaming of good practices. UNDP also takes this point very seriously and will run a *Knowledge Expo on Energising the MDGs* near the UN Visitor's entrance. This is not UNDP's Expo. It is our collective experience on display, because we as UN agencies can only contribute to progress on the basis of partnerships and trust with you as governments and nations represented here at CSD. All the actions on display can help build the case for stronger political commitments at CSD 15. If we are successful in doing so, I firmly believe that CSD 14/15 will be remembered as a historic cornerstone for putting an end to energy poverty.

I thank you for your attention.