IISD

Earth Negotiations Bulletin

CSD Energy #4

A Reporting Service for Environment and Development Negotiations

On-line at http://www.iisd.ca/linkages/csd/enrexpert1/index.html

Vol. 5 No. 146 *Published by the International Institute for Sustainable Development* *Friday, 10 March 2000*

HIGHLIGHTS FROM THE *AD HOC* INTERGOVERNMENTAL GROUP OF EXPERTS ON ENERGY AND SUSTAINABLE DEVELOPMENT THURSDAY, 9 MARCH 2000

The *Ad Hoc* Open Ended Intergovernmental Group of Experts on Energy and Sustainable Development met in the morning to discuss the intersessional programme of work and provisional agenda for its next session, to be held prior to the ninth session of the Commission on Sustainable Development (CSD-9). In the afternoon, the Expert Group considered the second draft of the Co-Chairs' Summary of the discussion on key issues.

INTERSESSIONAL PROGRAMME OF WORK

Delegates began discussion on a programme of work for the intersessional period leading up to the next session of the Expert Group. AUSTRIA invited delegates to visit and contribute to the web-site <www.sustainable-energy.org>, which is to become a comprehensive online clearinghouse. He also announced the launch of a Global Forum on Sustainable Energy. The Forum will create a multi-stakeholder process to influence institutions and act as a platform for public-private dialogue on sustainable energy. The EU expressed interest in regional preparations and inputs for the Expert Group's work, to ensure dialogue among all sectors. He proposed regional workshops on pricing and subsidies, involving multilateral stakeholders and governments, with a focus on LDCs. He drew attention to DENMARK'S launch of a Sustainable Energy Advisory Facility. The G-77/CHINA welcomed the prospect of regional work, but cautioned that outcomes and research outputs should not form direct inputs but be used to inform the Expert Meeting. SWEDEN encouraged countries and international organizations to facilitate stakeholder dialogues, especially with LDCs. Supporting the regional perspective, he said these could contribute directly to preparations by the Expert Group and provide a bridge for cooperation among regional stakeholders. IRAN announced a regional workshop on energy efficiency improvements in the oil and gas sector, and invited support from UN bodies and international organizations. The RUSSIAN FEDERATION suggested that the Committee on Energy and Natural Resources for Development (CENRD), UN regional economic commissions, and multilateral institutions contribute to intersessional work. He also proposed inter-regional activity and a dedicated CSD web-page on sustainable energy and intersessional activity.

BRAZIL, with COLOMBIA and INDONESIA, outlined the benefits of working at a regional level. The ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN (ECLAC) described an inter-parliamentary project in partnership with the EU, which examines regulation of the energy sector. He noted a regional project with Germany on energy policies for sustainable development, involving national and sub-regional studies. The ECE announced a seminar on energy pricing, to be co-hosted with the OECD in June in Prague, and noted a high-level multi-stakeholder forum on sustainable energy in a competitive market. COLOMBIA emphasized the importance of developing country participation at regional discussions. The UNDP said the World Energy Assessment (WEA) report will be disseminated on the internet by the summer, and through different outreach efforts thereafter. The EU and EC outlined their commitment to dialogue on sustainable energy with African, Caribbean and Pacific (ACP) countries. UNEP noted the list of energy-related activities available on the CSD's website. AUSTRIA noted a workshop on energy efficiency in transport to be held in May, and co-hosted with the UN Department of Economic and Social Affairs (DESA). FRANCE informed the Group of a workshop with South East Asian and Latin American countries on energy policies in the context of globalization and the environment. The EU highlighted the benefits of using interactive websites.

DRAFT PROVISIONAL AGENDA FOR THE SECOND SESSION OF THE EXPERT GROUP

Chair Freudenschuss Reichl introduced the draft provisional agenda for the Expert Group's second session, based on chapters of the Secretary-General's Report on key issues and the Co-Chairs' summary. She noted that the agenda reflected the G-77/CHINA's call to address all sectoral issues, taking into account the means of implementation, capacity building, technology transfer and financial resources. She noted the inclusion of agenda items on regional initiatives, success stories, and a proposed item on the review of progress achieved since UNCED.

DISCUSSION ON PROCEDURE

Co-Chair Salamat introduced the revised draft summary and called for the identification of points that may be missing, reminding delegates not to undertake a drafting exercise.

The EU, with SAUDI ARABIA, requested more time to consider the document. Noting that the meeting had already been delayed, the Co-Chair proposed continuing with discussions to enable delegates to take account of others' input. The Co-Chair reminded delegates that the document is not a negotiating text. The meeting was adjourned at 4:45 pm in response to the EU's point of order in which he reminded

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the Co-Chairs that requests for adjournments made by groups of countries are usually respected. He said that in the absence of a group position, EU member countries would be taking the floor in their individual capacity. A G-77/China proposal to adjourn was welcomed by the EU. The Expert Group resumed discussion at 5:55 pm to exchange views on the Draft Co-Chairs' Summary.

GENERAL COMMENTS ON DRAFT CO-CHAIRS' SUMMARY

The EU noted the purpose of the Co-Chairs' Draft is to reflect the results of the discussion, including points upon which delegates could not agree. He called on the Co-Chairs to consider the EU's background paper, noting in particular the issues of market reform, liberalization, and internalization of externalities. The G-77/CHINA expressed concern with these proposed additions. The G-77/CHINA, EGYPT, BRAZIL and AUSTRALIA, emphasized the need to reflect areas lacking consensus. BRAZIL expressed concern with the downturn in discussions and with the EU's imposition of its own political agenda. He proposed refraining from heavily politicized debates that block discussion, calling for a return to the positive tone of the morning. The Co-Chair recalled the earlier call by the US for a discussion on process issues.

INTRODUCTION: The US proposed emphasizing that the document is for decision-making on a cross-sectoral level. The US, with the UK and the EU, expressed reservations about language implying that the draft enjoyed the full support of the Expert Group. The UK recalled the proposal by CANADA for text indicating when only "some countries" had supported various proposals. The UK and DENMARK expressed concern with the reference to the World Solar Programme. DENMARK queried the lack of reference to other international initiatives, and expressed surprise with the suggestion that advice to the Expert Group be limited to that "based on the best scientific and technical analysis," noting the need for other input.

KEY ISSUES FOR CONSIDERATION BY CSD-9

Noting the role of existing energy systems in promoting economic development, the G-77/CHINA, with SAUDI ARABIA, disputed the statement that "current energy systems do not support the goals of sustainable development." ICELAND, with the UK, expressed its preference for the earlier draft in which reference was made to the "current unsustainable pattern of production and use of energy." VENEZUELA, with COLOMBIA, recalled its earlier emphasis on the role of fossil fuels and the need for R&D, diffusion and transfer of decarbonization and energy efficiency technologies.

The NETHERLANDS queried the removal of earlier wording with a more detailed description of what the Expert Group was expected to produce. EGYPT expressed surprise that the document does not refer to "common but differentiated responsibilities."

Accessibility of Energy: On the contribution of energy to social and economic development, the G-77/CHINA added "poverty reduction." He questioned a reference to "increased" international support, given the current absence of support. The RUSSIAN FEDERATION recalled his proposal that the draft refer to access to electric power markets. SAUDI ARABIA, opposed by SWITZERLAND, requested deletion of a reference to the contribution of diversification to the security of energy supplies. FINLAND called for the restoration of text on access to fuel. The UNITED KINGDOM proposed to reinsert reference to enhanced transparency. He also voiced concerns about the categorical tone of the Second Summary. DENMARK added a reference to the promotion of environmentally sound and economically advantageous solar, wind, biomass and ocean based technologies.

Energy Efficiency: EGYPT emphasized "energy for sustainable development" rather than "sustainable energy." The RUSSIAN FEDERATION added reference to institutional frameworks, and FRANCE underlined the importance of long term planning. DENMARK stressed the major gains from energy efficiency for industrialized countries.

Renewable Energy: EGYPT said increasing the renewables available to LDCs was too ambitious. The UNITED KINGDOM pointed out that considerable amounts of research have already been conducted on renewables. SAUDI ARABIA asked for the deletion of a paragraph on investment initiatives for renewable energy technologies, describing them as subsidies.

Advanced Fossil and Nuclear Fuel Technologies: Co-Chair Salamat explained that the Co-Chairs were unsure how to reflect views on this section. IRAN said the issues were adequately addressed in the Secretary-General's Report and the draft WEA. The RUSSIAN FEDERATION, supported by IRAN, said nuclear power contributes substantially to sustainable development. CANADA supported nuclear technology as an option for sustainable development. The US drew attention to reference to the role of nuclear energy for a sustainable energy future in a CENRD Report. ITALY, supported by AUSTRIA, DENMARK, IRELAND, BELGIUM, REPUBLIC OF KOREA, and the NETHERLANDS, expressed concern at consideration of nuclear power as a means to achieve sustainable development, and recalled his Government's rejection, at FCCC COP-5, of the eligibility of nuclear technology under the Kyoto Protocol's Clean Development Mechanism. SAUDI ARABIA questioned further spending on nuclear technology, in the light of its drawbacks. BRAZIL, supported by INDONESIA, suggested that advanced fossil fuels and nuclear technology should be located in separate sections in the draft. COLOMBIA said one nuclear accident is more lethal for the environment and health than an accident involving other energy sources.

Rural Energy: FRANCE said that rural energy systems should be designed to meet local needs "in particular, water."

Energy and Transportation: In response to the US query about whether the establishment of a common standard refers to national, domestic or international standards, CANADA said the intention was not to create new standards, but to acknowledge existing standards related to the transportation sector. SAUDI ARABIA suggested deleting reference to "negative environmental and social impacts of transportation."

Technology Transfer: FRANCE proposed inserting "technology adaptation" to address concerns expressed by some delegates. On the intensification of international cooperation, SAUDI ARABIA preferred not to specify "North-South and South-South" cooperation.

Capacity Building: FRANCE suggested including "legal" capacity building. Noting that the acceptability of new technology is dependent on public awareness, he stressed the need to support the participation of civil society.

Mobilization of Financial Resources: The US said substantial new and additional financial resources will continue to be required "to support" developing countries to move towards sustainable energy systems. He said language implying that all developing countries are hampered with debt problems was incorrect, and with FRANCE, but opposed by BRAZIL, he proposed specifying "some countries."

COLOMBIA, supported by the UK, suggested making a distinction between the different opinions expressed, rather than try to find compromise text.

The EU called for emphasis on domestic resources. FRANCE said structural reform in the energy sector should be encouraged "under appropriate regulation by governments."

International and Regional Cooperation: There were no comments on this section.

Chair Salamat thanked the Group for their flexibility and closed the meeting at 8:00 pm.

THINGS TO LOOK FOR TODAY

***AD HOC* EXPERT GROUP:** The Expert Group is expected to meet at 10:00 am in Conference Room 2 to consider the third Draft Co-Chairs' Summary, which will include the intersessional programme of work and the provisional agenda for the next session.