

# Earth Negotiations Bulletin

A Reporting Service for Environment and Development Negotiations

Online at http://www.iisd.ca/csd/csd14/

Vol. 5 No. 231

Published by the International Institute for Sustainable Development (IISD)

Thursday, 4 May 2006

## **CSD-14 HIGHLIGHTS:** WEDNESDAY, 3 MAY 2006

On Wednesday morning participants addressed implementation in the Latin American and Caribbean region and engaged in a multi-stakeholder dialogue on the role of major groups in implementation, including education, information dissemination, know-how and partnerships. Throughout the day, delegates also held interactive thematic discussions focusing, in the morning, on meeting the growing need for energy services and, in the afternoon, addressing energy efficiency.

### REGIONAL SESSION

UN Economic Commission for Latin America and the Caribbean (ECLAC): This regional session was chaired by Vice-Chair Adrian Fernández Bramauntz (Mexico). Reviewing the regional implementation meeting, he highlighted renewables and clean technology. Marianne Schaper, ECLAC, noted that environmental problems require economic and social solutions. Leida Mercado, UNDP, described the Carbon Fund and national initiatives, such as Brazil's "Light for All". Sergio Sanchez, World Bank, reviewed the progress of the Clean Air Initiative, and announced a conference on urban transport to be held in Sao Paulo in July.

BRAZIL described the role of ethanol, and ARGENTINA addressed climate change. COLOMBIA shared their experience as an energy exporter, and stressed the role of human capital and support for small and medium enterprises (SMEs). WORKERS AND TRADE UNIONS emphasized public health and joint initiatives with governments and employers. BARBADOS described its work on sustainable tourism. VENEZUELA outlined initiatives, such as PetroAmerica, to encourage democratic use of the region's energy resources. The RIO GROUP called for stronger institutions, greater energy independence, and support for national climate change adaptation.

WOMEN suggested the preparation of disaggregated data and regional energy targets, with adequate investment, and called for including regulators as stakeholders. BAHAMAS announced a SIDS conference on sustainable tourism and renewable energy

#### **MULTI-STAKEHOLDER DIALOGUE**

The multi-stakeholder dialogue on the role of major groups was chaired by Vice-Chair Javad Amin-Mansour (Iran).

Climate change, air pollution: LOCAL AUTHORITIES, echoed by SOUTH AFRICA, called for national-level support for their GHG mitigation role through, inter alia, decentralised energy infrastructure. INDIGENOUS PEOPLE, supported by CANADA, called for the replication of participatory projects, and rights-based approaches in CDM projects. FARMERS called for supportive research and incentives. AUSTRALIA described the Australian Asia-Pacific Partnership on Clean Development and Climate Change. The EUROPEAN COMMUNITY noted

the links between environmental protection, social cohesion and competitiveness. WOMEN and NGOs called for a phase out of nuclear technology.

Energy for sustainable development: BUSINESS AND INDUSTRY invited others to learn from their commitment to efficiency. WOMEN noted the links between gender, equity and development, citing the potential for women to adopt energy entrepreneur roles. SCIENTIFIC AND TECHNOLOGICAL COMMUNITY supported nuclear power while noting the need to address waste disposal, safety and proliferation.

The US described corporate innovations in stakeholder engagement and responded to an NGO question on facilitating access by the poor to medicines. KUWAIT explained the influences on energy pricing, including political instability and speculation. An NGO highlighted the UN Decade for Education for Sustainable Development.

Industrial development: WORKERS AND TRADE UNIONS said gaps in industrial planning made attaining other goals less likely, and called for a more participatory role for employees in the workplace. CHILDREN AND YOUTH reviewed a partnership approach to a small-scale hydro project in Nepal. SWEDEN stressed the role of education for sustainable consumption.

#### THEMATIC DISCUSSIONS

Meeting growing needs for energy services through increased use of renewable energy, greater reliance on advanced energy technologies, including advanced and fossil fuel technologies: This session was chaired by Vice-Chair Azanaw Abreha (Ethiopia) and Vice-Chair Adrian Fernández Bramauntz.

Jürgen Trittin, German Bundestag, stressed access to energy, focusing on renewable energy as a solution for rural areas. Noting barriers to renewable energy technology, Hiroshi Komiyama, University of Tokyo, underlined the need for commitment to reform. Suani Teixeira Coelho, Sao Paulo State, emphasized a lack of information, economic sustainability, and political and institutional capacity. To encourage take-up of renewable energy technologies, Daniel Theuri, Intermediate Technology Development Group, advocated local capacity building, market initiatives and financing. Yona Siderer, Hebrew University, stressed investment, regulation, and reform of conventional energy pricing.

**Discussion:** *Obstacles and constraints:* The DOMINICAN REPUBLIC said high oil prices pose difficulties for the achievement of the MDGs. CAPE VERDE and MAURITIUS noted the need for technology transfer and financial assistance to reduce fossil fuel reliance. THAILAND, with CAPE VERDE, underlined the high up-front costs associated with renewable energy. NGOs emphasized the impacts of energy systems on biodiversity. To meet current constraints, Trittin advocated making renewable energy competitive through scaling up technologies, and Coelho emphasized South-South and South-North cooperation.

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Peter Doran, Ph.D., Twig Johnson, Ph.D., James Van Alstine, Cecilia Vaverka, and Andrey Vavilov, Ph.D. The Digital Editor is Leila Mead. The Editor is Pamela S. Chasek, Ph.D. <pam@iisd.org> and the Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. The Sustaining Donors of the *Bulletin* are the Government of the United States of America (through the Department of State Bureau of Oceans and International Environmental and Scientific Affairs), the Government of Canada (through CIDA), the Swiss Agency for Environment, Forests and Landscape (SAEFL), the United Kingdom (through the Department for International Development - DFID), the Danish Ministry of Foreign Affairs, the Government of Germany (through the German Federal Ministry of Environment - BMU, and the German Federal Ministry of Development Cooperation - BMZ), the Netherlands Ministry of Foreign Affairs, the European Commission (DG-ENV) and the Italian Ministry for the Environment and Territory General Directorate for Nature Protection. General Support for the *Bulletin* during 2006 is provided by the United Nations Environment (UNEP), the Government of Australia, the Austrian Federal Ministry for the Environment, the New Zealand Ministry of Foreign Affairs and Trade, SWAN International, the Japanese Ministry of Environment (Intrough the Institute for Global Environmental Strategies - IGES) and the Japanese Ministry of Economy, Trade and Industry (through the Global Industrial and Social Progress Research Institute - GISPRI). Funding for translation of the *Earth Negotiations Bulletin* into Spanish has been provided by the Ministry of Environment of Spanis. The opinions expressed in the *Earth Negotiations Bulletin* into Negotiations Bulletin into Spanish has been provided by the Ministry of Environment of Spanish the Earth Negotiations Bulletin may be used in non-commercial publications with appropriate academic citation. For infor



Lessons learned: The US highlighted the use of modeling tools to support deployment of renewable energy technologies. ITALY stressed the importance of a market framework for successful diffusion of renewable energy technologies, and GERMANY highlighted job creation. AUSTRALIA outlined experiences in promoting renewable energy for off-grid applications, emphasizing community involvement and training. CHINA described initiatives to improve the share of renewable energy in the national energy mix, emphasizing regulatory frameworks, a sound market environment, and industry loans. SWEDEN underscored the role of sustainable consumption and production patterns in promoting energy efficiency. PAKISTAN noted the importance of renewables in rural electrification.

Next steps: Underlining the role of South-South cooperation, BRAZIL and BARBADOS called for assistance from the international donor community. SOUTH AFRICA emphasized innovative financial solutions, government subsidies and green markets. Noting high oil prices, the EUROPEAN COMMUNITY highlighted the momentum for serious action in the renewable energy field. BRAZIL noted that public policy is vital to creating a sustainable energy mix. SAUDI ARABIA maintained that renewable energies cannot meet the growing global energy

The thematic discussion continued in the afternoon, with a focus on advanced energy technologies, including advanced, clean technologies for fossil fuels. The resumed meeting was chaired by Vice-Chair Adrian Fernández Bramauntz, and was joined by a new panel. Robert Dixon, International Energy Agency, stressed the contribution of all energy sources to sustainable development, and commended carbon capture and sequestration. Hisham Al-Khatib, Jordan Regulatory Commission, emphasized the potential of high temperature technologies. Vincent Kitio, UN-Habitat, discussed how local action can help reduce urban air pollution.

**Discussion:** *Renewable energies:* Several developing countries and SIDS shared renewable energy experiences and called for technological and financial assistance.

BRAZIL discussed biodiesel and alternative energy incentive programmes. SPAIN highlighted its success in wind power generation. JORDAN noted the need to invest in renewable energies given the rise in oil prices. GUATEMALA and SRI LANKA outlined institutional, technical and market barriers for renewable energy projects. BUSINESS AND INDUSTRY emphasized stable investment and capacity-building frameworks. INDIA, supported by AZERBAIJAN, stressed that renewable energies can only complement fossil fuel use. SCIENTIFIC AND TECHNOLOGICAL COMMUNITY noted that renewable energy costs will decrease as markets grow, and WORKERS AND TRADE UNIONS highlighted the generation of new jobs. INDIGENOUS PEOPLE stressed the significant social, economic and environmental benefits of wind power.

Advanced energy technologies: The US described funding for advanced technology investment programmes, and AUSTRALIA emphasized an industry initiative for clean coal technology. NORWAY outlined a carbon capture and oil recovery project. CANADA discussed development of wind power and a biodiesel initiative. SAUDI ARABIA referred to the dominance of fossil fuels, and KUWAIT sought to focus on improvements in fossil fuel technologies. The International Atomic Energy Agency noted that many countries no longer view nuclear energy as incompatible with sustainable development. CHILDREN AND YOUTH underlined the need for carbon sequestration guidelines that meet environmental concerns.

In concluding the discussion, the Vice-Chair highlighted the impact of consumer choices, and removal of legal and institutional barriers to promote renewable energy technologies, and proposed studying the potential for carbon capture and sequestration.

Enhancing energy efficiency to address air pollution and atmospheric problems, combat climate change and promote industrial development: The parallel thematic discussion focused on transport and technology dissemination and was chaired by Vice-Chair Mansour.

Diego Arjona Arguelles, National Commission for Energy Conservation, Mexico, discussed efforts in the transport sector, the importance of correct tire pressure on heavy trucks, and regulatory approaches to commercial building and lighting standards.

Walter Hook, Institute for Transportation Development Policy, reviewed the efficiency of alternative transport systems and described the Bus Rapid Transit System initiative. Francois-Regis Mouton, World Bank, reviewed the issue of gas flaring which currently emits the equivalent of 30 percent of European emissions and reviewed efforts of the Global Gas Flaring Reduction Coalition. Maria Elena Sierra Galindo, Energy Secretariat, Mexico, discussed the deployment of more efficient and cleaner technology, highlighting the importance of an enabling environment and noting barriers raised by political risk, lack of technical knowledge and public awareness.

**Discussion:** *Transport:* JAPAN underlined the critical role of dialogue with the motor industry, citing the successful example of a government target to promote low emission and energy efficient vehicles. SWITZERLAND described a levy on the haulage industry to encourage a modal shift to rail, endorsed by popular vote. WOMEN noted the impact of privatization on transport infrastructure. PAKISTAN cited the absence of cycle lanes

Energy efficiency: The US underlined the cost effectiveness of standards and labelling, noting the impact on product design. WOMEN called for clear labelling on energy efficient appliances, training in the use of energy efficient equipment, and measures to make equipment more affordable for SMEs. FINLAND announced a conference, "Energy Audit 06", to launch an international energy audit programme. Hook said donor and political pressure for particular mass-transit projects can lead to inefficient choices when considered in the context of larger urban needs.

*Climate change*: The UK described its target to achieve a 60 percent reduction in GHG emissions by 2050. The Central American Commission on Environment and Development described mitigation activities in the forestry sector.

Finance: BUSINESS AND INDUSTRY said lack of harmonized standards was a constraint. Participants were invited to look to the International Finance Corporation to help stimulate private sector investment. On clean technology, YEMEN noted the problem of affordability for the poor. Arjona noted that high up-front costs create a barrier to choosing efficient energy options that would mean savings over time. South Africa said the barriers created by the high initial costs required innovative approaches to financing.

#### *IN THE CORRIDORS*

CSD-14 was likened to a "talk show" by one participant yesterday, as Vice-Chairs continued to cajole and provoke their guest delegates to depart from prepared scripts and rise to the occasion in the thematic "dialogues". Behind the scenes, however, the energy theme has shifted deliberations decisively and heralded what some are describing as a significant break from the CSD's past form on energy. With energy security now in the driving seat of the debate, North and South, some detect an abandonment of ideological discussions that once cast renewables in opposition to other elements in the energy mix, including nuclear and the new generation of fossil fuel technologies. Different kinds of questions are now emerging, including the implications for food security, once significant areas of land are committed to biofuels and biomass production.

One sign of the new strategic configurations at play in the energy debate is the decision by CARICOM and the Rio Group members to table an agreed statement at the opening meeting on Monday. Meanwhile, positions on energy sources within the G-77 are reportedly so diverse, that the group has not met during the session, settling for a framework position agreed before the CSD convened. Some have suggested using the inter-sessional period for meetings focusing on specific technology sectors, to encourage a problem-solving approach.