



The Ministerial Segment of *renewables 2004* involved the participation of several key dignitaries, including Gerhard Schröder, Chancellor of the Federal Republic of Germany.

RENEWABLES HIGHLIGHTS: THURSDAY, 3 JUNE 2004

The Ministerial segment of *renewables 2004* began on Thursday. Speeches were given by Gerhard Schröder, Chancellor of the Federal Republic of Germany, Klaus Töpfer, UNEP Executive Director, Margot Wallström, European Commissioner for the Environment, Peter Woicke, Managing Director of the World Bank, Tony Blair, UK Prime Minister, and several Ministers and other dignitaries. In the afternoon, Ministerial Roundtables addressed: policies for renewable energy market development; financing options; and strengthening capacities, research and technology development, and institutions. In the evening, delegates discussed the Conference outcomes. Throughout the day, numerous side events took place.

PLENARY SESSIONS

Following a performance of music and dance, Co-Chair Heidemarie Wieczorek-Zeul, Germany's Federal Minister for Economic Cooperation and Development, opened the Ministerial Segment. She stressed that the vision of renewable energy as the energy of the future must now be turned into reality.

Co-Chair Jürgen Trittin, Germany's Federal Minister for the Environment, Nature Conservation and Nuclear Safety, underscored the importance of the *renewables 2004* draft International Action Programme, which includes country programmes to increase the use of renewable energies. He noted that reducing the cost of renewables is the best way to ensure their uptake in developing countries.

Klaus Töpfer, UNEP Executive Director, recommended improving energy access in rural areas to avoid increasing urbanization. He suggested creating an "ecological stability pact," setting out clear obligations for countries to achieve renewables targets and report on their plans to achieve them.

Hama Amadou, Prime Minister of Niger, highlighted the economic burden of imported fossil fuels on least developed countries, and called for further international cooperation to foster renewable energy.

In a video address, Tony Blair, Prime Minister of the UK, said that renewable energy development is critical for mitigating climate change, which is the "single most important issue in the long term." Noting a shift toward supporting solutions at the local level, Peter Woicke, World Bank Managing Director, announced the Bank's intention to maintain 20% annual growth in funding for energy efficiency and renewable energy over the next five years.

Margot Wallström, European Commissioner for the Environment, highlighted progress toward achieving the EU target of 20% electric-

ity generation from renewables by 2010, and said targets for the period 2010-2020 were being prepared.

Gerhard Schröder, Chancellor of the Federal Republic of Germany, highlighted the appropriate timing of the conference, noting the current high oil prices. He said a diverse energy supply is important not only on economic grounds but also as a matter of security. He stressed the need for implementation of the Kyoto Protocol and urged the Russian Federation to ratify.

Dilma Rousseff, Brazil's Minister for Energy outlined the central principles of the Brasilia Platform, including: synergies between renewable energy and job creation; natural resource use appropriate to specific national circumstances; sovereignty over natural resources; and cost effectiveness. Abdulrahman Tarmoom, Yemen's Minister of Electricity stated that Yemen's biggest challenges are rural electrification and freshwater supply. He outlined the results of the *renewables 2004* preparatory meeting for the Middle East and North African region, noting that investment in renewable energy should go together with energy efficiency.

Prommin Lertsuridej, Thailand's Minister for Energy, recalled the preparatory meeting for the Asia-Pacific region, which called for an increase in renewable energy and more environmentally friendly technologies. He noted that the challenge is to implement national policy frameworks to encourage the mainstreaming of renewable energy. Syda Namirembe Bbumba, Uganda's Minister of Energy and Mineral Development, reported on the outcomes of the preparatory meeting for Africa, stressing the need for technology transfer, using the continent's rich energy resources, and promoting the sustainable use of biomass.

Dermot Ahern, Ireland's Minister for Communications, Marine and Natural Resources, stressed the need to apply the polluter pays prin-

principle to energy and to reduce administrative barriers to the distribution of electricity from renewables in the EU. Zhang Guoguo, National Development and Reform Commission, China, identified renewable energy as essential for achieving a national goal to provide electricity to more than 30 million people currently without access by 2020. Sheila Dikshit, Chief Minister of New Delhi, India, highlighted the successful reduction of air pollution in Delhi arising from a compulsory shift to single fuel compressed natural gas for all public transport, and said citizens should be “placed at the helm of decision making.”

Delegates then heard a statement from José Antonio Ocampo, UN Under-Secretary General, Department of Economic and Social Affairs. He identified an urgent need to increase the scale of energy production from renewables, and supported the internalization of environmental externalities and the provision of subsidies for renewable energy.

David Hales, Stakeholder Forum for Our Common Future, reported from the Multi-Stakeholder Dialogue. He noted general agreement that the poor in developing countries have the greatest needs, and women are suffering most. He said civil society supports energy prices that reflect all related costs, while not all government delegates could agree on this.

Hermann Scheer, Chair of the International Parliamentary Forum, reported that over 300 members of parliament from eight countries had agreed that renewable energy, *inter alia*, needs to be developed without delay, is a “common good” of mankind, and brings various macroeconomic benefits. He also called for the establishment of an international renewable energy agency.

DISCUSSION OF CONFERENCE OUTCOMES

In the evening, delegates met to discuss the Conference outcomes in a session co-chaired by Jürgen Trittin and Heidemarie Wieczorek-Zeul. Conference Facilitator Mohammed El-Ashry presented the draft Policy Recommendations for Renewable Energies. He underlined that the recommendations contained a non-prescriptive menu of options. Micheal Hofmann and Rainer Hinrichs-Rahlwes, Co-Chairs of the International Steering Committee (Germany), presented the draft International Action Programme, which includes 150 voluntary programmes and actions. Several countries also presented additional projects and programmes.

Conference Facilitator El-Ashry then presented the latest draft of the political declaration. Responding to the draft, UGANDA called for a clarification on the definition of renewable energy and, with SOUTH AFRICA, ETHIOPIA, BRAZIL, CHINA and SENEGAL, recommended that medium and large hydropower be included in the definition. SOUTH AFRICA, SWEDEN and DENMARK called for references to gender mainstreaming and women’s participation. IRAN, supported by INDIA and SAUDI ARABIA, called for the deletion of text on the internalization of external costs and the removal of barriers. Supported by DENMARK and BRAZIL, INDIA called for the inclusion of the principle of common but differentiated responsibilities and respective capabilities. SAUDI ARABIA said all references to follow-up work by the Commission on Sustainable Development should be removed. MEXICO said the need to promote local research and development capacities should be recognized. The US opposed prescriptive text on ODA, offering an alternative formulation which notes that financial incentives and a higher share of ODA as catalytic funding should be considered. DENMARK

expressed concern that language in the document had been weakened, particularly regarding renewable energy targets. Supported by the EC, he proposed re-inserting text on the need for a level playing field, and maintaining text on the internalization of external costs and the removal of barriers. The EC said the declaration should recognize targets set by countries and regions. NGOs called for the inclusion of the Extractive Industries Review target of increasing financing from International Financial Institutions. In closing, Co-Chair Wieczorek-Zeul called on participants to commit themselves to the goals of eradicating poverty and promoting peace and sustainable development.

MINISTERIAL ROUNDTABLES

POLICIES FOR RENEWABLE ENERGY MARKET DEVELOPMENT

Co-Chair Simone Probst, Germany’s Federal Ministry of the Environment, introduced the Roundtable on policies for renewables by outlining Germany’s Renewable Energy Act, which establishes tariffs and guarantees framework conditions for renewable energy. Noting that increased oil prices have encouraged a departure from oil resource dependency, Co-Chair Serge Lepeltier, France’s Minister of the Environment and Sustainable Development, described national policies that oblige grid operators to purchase electricity from renewable energy sources and guarantee distribution. He noted that a White Paper currently under discussion in the French Parliament proposes the imposition of energy saving standards on suppliers, and the establishment of certifications for energy saving.

Noting that current carbon prices do not reflect the true costs of fossil fuels, keynote speaker Svend Sigaard, Vestas Wind Systems A/S, stressed the need to internalize the external costs of energy to create a level playing field.

Ministers and other senior officials then presented their perspectives on policies for renewable energy market development.

TUNISIA supported an appropriate legal framework that provides incentives for renewables, while MOROCCO expressed its interest in green certificates. ALBANIA noted efforts to establish regional grid sharing and its support for the Kyoto Protocol. ICELAND discussed its geothermal energy policies and efforts towards capacity building in developing countries.

PAKISTAN supported the proposal for an international renewable energy agency and proposed the establishment of a world renewable energy bank located in a developing country. COSTA RICA highlighted national policies in support of the Clean Development



Hama Amadou, Prime Minister of Niger, reported on national experiences with solar energy technologies.

Mechanism as a key element in its efforts to ensure technology transfer and greenhouse gas reductions.

SAUDI ARABIA stressed that OPEC is not responsible for high oil prices and disputed the suggestion that oil is a problem in electricity generation, as its share of the market is small compared with nuclear and coal. He also called for an end to coal and nuclear power subsidies.

Summarizing the discussions, Christopher Flavin, WorldWatch Institute, said he sensed a “political momentum we would not have found five years ago.”

FINANCING OPTIONS FOR RENEWABLE ENERGY

The Roundtable on Financing Options for Renewable Energy was co-chaired by Janez Kopac, Slovenia’s Minister of the Environment, Spatial Planning and Energy, and Alan Ganoo, Mauritius’ Minister of Public Utilities. Jamal Saghir, World Bank, presented a report on the Plenary session on financing options held on Wednesday. This was followed by a keynote address by Enrique Iglesias, Inter-American Development Bank, who listed barriers to renewable energy, including uncertainties over capital, and lack of institutional capacity. He called for, *inter alia*: support from bilateral and multilateral sources for capacity building in the area of renewable energy; an increased role for the state in reducing uncertainties and in limiting and sharing risks; and partnerships between multilateral institutions, the private sector, and stakeholders.

In the discussion that followed, BENIN suggested a levy on oil and electricity to finance renewables. SWEDEN drew attention to various obstacles, such as fossil fuel subsidies and trade barriers for renewable technologies. INDONESIA suggested that the political declaration should include a 20% target for funding institutions’ total energy portfolios. He said high priority should be given to local development and production of renewable energy technologies in developing countries that are appropriate to their particular needs. KENYA highlighted the challenge of fulfilling donors’ policies that require private sector involvement in renewable energy projects.

MALI and NIGERIA called for affordable renewable energy technologies for developing countries through market creation and cost reduction. ANGOLA noted that its recent war had destroyed forests and reserves that had provided the country’s energy sources, and stressed the need to rebuild the country. He emphasized the potential for hydropower. FINLAND emphasized the need to reinforce existing policies and measures to promote renewable energy and energy efficiency. The EUROPEAN COMMISSION (EC) noted that the European Bank of Reconstruction and Development is committed to increasing its financial support for renewable energy and energy efficiency, but stressed the need to put in place clear national legal frameworks.

BRAZIL reported that 91% of its renewable energy comes from hydroelectric power and, noting the decline in external finance for this energy source, urged multilateral financial institutions to increase their funding. Iglesias highlighted Latin America’s hydropower potential, but stressed that multilateral institutions have become increasingly reluctant to finance dams because of public resistance due to potentially harmful environmental and social impacts. Peter Woiacke, World Bank, emphasized that dams will be built in developing countries even without the assistance of multilateral institutions. However, he added that if multilateral institutions are not involved, it is likely that the dams built would cause even more severe social and environmental impacts than might otherwise have been the case.

STRENGTHENING CAPACITIES, RESEARCH AND TECHNOLOGY DEVELOPMENT, AND INSTITUTIONS

This Roundtable was co-chaired by Mohammed Boutaleb, Morocco’s Minister for Energy and Mines, and Moritz Leuenberger, Switzerland’s Head of the Federal Department of Environment, Transport, Energy and Communications.

Noting that the world has finite fossil fuel resources and a limited capacity to cope with the emissions resulting from their use, David Garman, Acting Under-Secretary, US Department of Energy, said we must look to emissions-free energy sources, including renewable energy.

IRAN recommended the establishment of an international renewable energy agency under the supervision of the UN to assist technology transfer to developing countries. SWEDEN emphasized the need for institutional capacity building and the establishment of good governance as a prerequisite for effective renewables investment. She also called for gender impact assessments. EGYPT urged greater consideration of small, decentralized energy systems, in addition to large-scale renewables. MOROCCO stated that renewables can only be made competitive by establishing appropriate financing mechanisms. Calling for “less talk and more action,” JAMAICA urged ministers to integrate renewable energy policies into their national plans. SINGAPORE underscored its commitment to cooperate with other nations in pursuing innovative renewable and clean energy solutions.

SIERRA LEONE provided an overview of programmes being implemented in cooperation with multilateral institutions. INDONESIA highlighted its technical and human capabilities for renewable energy, but noted the need for additional funds to maintain and develop them. ITALY identified bilateral and multilateral arrangements as the most suitable frameworks for capacity building for renewable energy, and suggested the establishment of an energy center for the Mediterranean region. The US stressed the importance of research and development to bring down the costs of renewable energy technologies, arguing that this will facilitate implementation of policies to foster renewables. The INTERNATIONAL SUSTAINABLE ENERGY ORGANIZATION called for the certification and standardization of renewables, especially in the biomass sector.

Ogunlade Davidson, University of Sierra Leone, summarized the interventions, noting comments on the need to create innovative



David Garman highlights that the US is the world’s leading producer and consumer of renewable energy, and outlines his country’s efforts to advance renewable energy in the developing world.

financial mechanisms and a stable business environment, and positive results from technical standard setting. He recommended collaborative measures for research and development and the broad distribution of results in order to facilitate capacity development.

SIDE EVENTS

Renewables, Energy Policy and Climate Targets

Organized by the European Renewable Energy Council, Greenpeace and WWF

Bill Hare, Greenpeace International, stressed the urgent need to keep the global temperature increase below 2°C to avoid dangerous and abrupt climate change. He said this was an essential motivation for a switch from fossil fuels to renewables and the adoption of energy efficiency technologies.

Gulio Volpi, WWF, called for the EU to adopt a target for 25% renewable energy by 2020. He said WWF's vision for the power sector was to make it carbon neutral in industrialized countries by 2050, and to develop an efficient and renewable-based power sector in developing countries.

Arthouros Zervos, European Wind Energy Association, addressed the options for providing half of the global energy supply from renewables by 2040, outlining the need for ambitious growth rates, additional support measures, regional actions, increased electrification for the poor, and implementation of the Kyoto Protocol.

Joaquin Nieto, Trade Union Confederation of CCOO, outlined the role of trade unions in supporting renewable energy in Spain. He said that trade unions can play an important role by facilitating the transition from the conventional energy sector to a new energy model, increasing awareness among workers and promoting skills development in the sector.

Link to more information:

<http://www.greenpeace.org>
<http://www.panda.org/epo>
<http://www.erec-renewables.org>
<http://www.istas.net>

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Increasing the global uptake of renewable and energy efficient technologies

Presented by the Renewable Energy and Energy Efficiency Partnership (REEEP)

This side event focused on REEEP, the partnership launched by the UK at the WSSD. Jeremy Eppel, UK Department for Environment, Food and Rural Affairs, outlined progress made in developing REEEP, including the recent establishment of a Secretariat based in Vienna, Austria, and the drafting of a work programme for 2004-2008.

Stephen Timms, UK Minister of State for Energy, expressed satisfaction at the momentum generated by REEEP, including the growing

international support from the US and other countries.

Participants also heard from the newly-appointed Director of REEEP's International Secretariat, Marianne Moscoso-Osterkorn, who said the Secretariat would act as an information hub, providing contacts and examples of best practice. She said REEEP welcomes new members, and seeks new funding for its members.

Regarding REEEP's work in increasing renewable energy use and energy efficiency, other speakers highlighted the promotion of good practice and capacity building, and the importance of securing project funding from various sources, including the European Bank for Reconstruction and Development and other financial institutions.

Links to more information:

<http://www.reeep.org>

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THINGS TO LOOK FOR TODAY

PLENARY: A Ministerial Panel will take place from 9:00-10:30 am to address Energy Services and the Millennium Development Goals - The role of renewable energy and energy efficiency. A second Panel will take place from 10:30 am-12:00 pm to discuss the contribution of renewable energy to meeting the climate challenge. From 12:00-1:00 pm the conference outcomes will be presented for adoption, and Ministers Trittin and Wierczorek-Zeul will close *renewables 2004*.

RENEWABLES 2004 BULLETIN: A final summary of the *renewables 2004* conference will be available online on 7 June 2004 at <http://www.iisd.ca/sd/ren2004>