



Ulla Tørnæs' tale ved konferencen "Renewable energy and development"

Taler

Ulla Tørnæs
Minister for udviklingsbistand

Dato

27. april 2005

Sted

København

Omstændigheder

Konferencen blev holdt af Nordic Dialogue Meeting med Verdensbanken.

[Welcome and background]

I am pleased to welcome you to this dialogue meeting between the Nordic Countries and the World Bank.

At the meeting in Oslo last year with the Nordic governors to the World Bank, President Wolfensohn called for a closer dialogue between the Bank and the Nordic countries in the area of renewable energy and development.

The share of energy produced from renewable energy sources is still marginal in the total world energy supply. But the potential is great. Promotion of renewable energy, therefore, is an obvious part of the solution for meeting the energy needs in developed and developing countries in a climate-friendly way.

Over recent years, the efforts to promote renewable energy in the context of development have been strengthened:

First, at the Johannesburg World Summit on Sustainable Development, in 2002, agreement was reached to substantially increase the global share of renewable energy sources and ensuring that energy policies support eradication of poverty.

Second, the conference on Renewables in Bonn last year marks another important milestone in the efforts to promote renewable energy

As a third factor, let me mention the World Bank initiated Extractive Industries Review. The review pointed to the need of promoting environmentally friendly energy solutions in developing countries.

[Past experience]

For years, improved energy supply for economic and social development has been part of development cooperation. However, our efforts have been insufficient and too often biased towards large urban-based power systems and fossil fuels.

Little attention has been paid to the needs of rural areas and poor people in the city slums. Today, an estimated 1,6 billion people do not have access to electricity.

We need to change the course. We need to create win-win opportunities

through promotion of environmentally sound energy services. And we also need to attract investment from the private sector.

Let me mention three major reasons for this.

[1. Economic and social reasons]

Firstly. Provision of energy is not an end in itself, but a necessary tool to reach our development goals. To create social and economic opportunities, to raise productivity and to eradicate poverty we need a reliable and affordable supply of energy.

Most people in developing countries still rely on biomass for cooking and heating. Batteries, candles or kerosene for lighting. And human or animal based power for tilling, weeding and agricultural processing.

Farmers in Ghana, entrepreneurs in Nepal, school children in Ethiopia, health workers in Bolivia. They all need access to modern energy. For better productivity, for transport, for better opportunities in education - and not least to improve facilities for health.

Therefore provision of modern energy services must be an integrated part of our development efforts.

[2. Environment and health perspective]

Secondly. Renewable, modern, and environmentally friendly energy sources are available. So - let us use them.

Today, 2,4 billion people rely on traditional biomass fuels such as wood, crop waste, and dung. Used in inefficient stoves to cook and keep warm results in high levels of lung and eye diseases. Studies by WHO have shown that smoke in kitchens kills up to 1,6 million women and children every year.

Intensive use of traditional fuels also leads to environmental degradation and loss of local forests. This again leads to longer time to collect and transport fuel wood. In many parts of Africa a mother and her children may spend several hours per day only for collecting fuel wood.

_Renewable energy, including sustainable ways of using biomass, offers clear win-win opportunities by benefiting local communities as well as the global environment through mitigation of climate change.

[3. Energy security]

Thirdly. Today many countries experience how vulnerable they are in depending on fossil fuels for energy supply. Increasing oil prices have a serious negative impact on the economy. Especially in poor and oil importing developing countries.

Renewable energy offers opportunities to reduce dependency on oil, coal, and gas and not least of making a more reliable and sustainable strategy for energy supply.

[The Millennium development Goals, barriers to promotion of energy]

To meet the basic needs of the poor in our partner countries, modern energy services are needed. Without such efforts, the achievement of the Millennium Development Goals is at risk.

Indeed, access to energy services should have been included as a Millennium Development Goal. But it is not the only reason why energy has had a low priority in development cooperation over the last 10 to 15 years.

The political commitment has not been strong enough among partners. Consequently, the institutional, financial, and legal framework enabling promotion of access to energy has also been weak. Compared to fossil fuels, the playing field for promoting renewable energy is still not leveled.

[The way forward]

What can be done about it?

Let me mention some areas where increased efforts are needed:

0. Priority to energy services in Poverty Reduction Strategies

0. Promotion of energy sector reforms;

0. Development of low-cost renewable energy technology_0 such as solar systems, wind farms, small hydro-power, and improved cooking stoves;

0. Financing of the higher than usual costs for renewable energy projects

0. Engaging the private sector in public-private partnerships.

These are only a few key examples. The challenge is big, and as we move forward, CSD 14 and 15 will offer opportunities for taking stock off our efforts.

[This meeting, the Bank's commitment, and Denmark's contribution]

Today, we are here to exchange views on how we can move forward in these and other areas. And we are here to focus on how the Nordic countries and the

World Bank can strengthen their dialogue on promoting renewable energy for development.

The Danish government recognises the important role of the Bank in this field. We welcome the commitment by the Bank to scale up its annual lending by 20 percent in the area of renewable energy. This surely is a step in the right direction. And we encourage the Bank and others – ourselves included - to do even more.

In this regard, and as a concrete step in our partnership with the Bank, I am considering a financial contribution in the order of 45 million Danish kroner. The contribution will be earmarked for the promotion of renewable energy in developing countries through the Energy Sector Management Assistance Program (ESMAP).

[Closing]

In closing - let me reiterate: Renewable energy is important in giving more people access to energy services and at the same time taking a climate-friendly approach to energy and development.

In this regard, the Nordic countries are well positioned with relevant experience.

It is my hope that this meeting will lead to an even stronger partnership between the Nordic countries and the World Bank in promoting sustainable

and renewable forms of energy services.

Thank you!

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Tags

Politisk tale, Venstre

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