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**Statement by
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TO THE 14TH SESSION OF
THE COMMISSION ON SUSTAINABLE DEVELOPMENT
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Mr. Chairman,
Distinguished delegates,

Let me welcome you to this 14th session of the Commission on Sustainable Development, set to review progress on the interlinked issues of energy for sustainable development, industrial development, air pollution/atmosphere and climate change. The central task before us is to identify constraints and barriers that must be addressed by the international community in order to advance implementation across this complex cluster of issues. This will set the stage for policy discussions next year at the Commission's 15th session.

Action need not wait, however. In the next two weeks, we have an opportunity to plant the seeds of new partnerships and initiatives to tackle the common challenges we confront. All of the main implementation actors are represented here: governments, local authorities, the private sector, NGOs and other major groups; the UN's Regional Commissions, Programmes and Funds, and Specialized Agencies; and other international and regional organizations. I thank you all for your contributions to the Commission on Sustainable Development. I would also like to extend special thanks to you, Mr. Chairperson, and the entire Bureau for your considerable efforts in preparing for this session.

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In the Commission's previous two-year cycle, we addressed key prerequisites of healthy community life: clean water, sanitation and decent, affordable housing. This creates a certain continuity of focus in this session, for access to electricity, clean cooking fuels and other modern energy services are also important contributors to poverty eradication and to social and economic development.

Beyond meeting some of people's basic needs, energy is required by societies in their pursuit of industrial development and improved standards of living. However, industry and energy use also contribute to air and atmospheric pollution. Indeed, the combustion of fossil fuels for energy and industry remains the single largest global contributor to greenhouse gas emissions—and hence to climate change. Yet, if development is to prove sustainable, we must reduce these negative impacts. And we *are* finding ways to do so, from improved energy efficiency to pollution control technologies and cleaner production methods.

Looking broadly at the thematic cluster, we can see a number of noteworthy achievements since the 2002 World Summit on Sustainable Development at Johannesburg: marked if uneven global progress in increasing electrification rates and reducing biomass fuel dependence; elimination of lead from gasoline by Sub-Saharan African countries; cooperation to eliminate substances that deplete the ozone layer; entry into force of the Kyoto Protocol to the UN Framework Convention on Climate Change; implementation of the Protocol's Clean Development Mechanism; increased use of renewable energy; and a resurgent interest in funding energy access projects, especially in the electricity sector. Still, much work lies ahead. I would like to highlight just a few priority areas, beginning with access to energy and energy security.

As many as 2.4 billion people—that's about half of all households and 90 per cent of rural households—today lack access to modern energy services for cooking and heating. They have to rely instead on traditional, non-commercial energy sources, which contribute to indoor air pollution and poor health. For all these people, we must facilitate the transition from traditional, non-commercial energy sources to modern, commercially-traded sources. Moreover, despite progress in extending national electricity grids and installing decentralized systems, 1.6 billion people still lack access to electricity. This is a special concern for sub-Saharan Africa, the region with the world's lowest access rates.

Renewable energy technologies can offer “win-win” solutions for making energy services available with minimal air pollution and climate change emissions. But the costs are still relatively high. As the Secretary-General's report notes, the per kilowatt hour cost of wind, geothermal, biomass and mini-hydro energy, which averages 4 to 12 cents, generally exceeds that of conventional electricity, which averages only 2 to 5 cents. Clearly, lowering these costs should be a priority.

At the same time, we must reckon with legitimate concerns about energy security, exacerbated by high energy prices, temporary or perceived disruptions in energy supply and uncertainties about the future. More efficient use of limited energy resources can be achieved partly through increased trade in energy. But this will depend in turn on well-developed and sophisticated energy infrastructure, which requires significant new investments. Strengthened cooperation to manage shared energy infrastructure and to promote the smooth functioning of energy markets can thus make an important contribution to energy security. So can enhanced dialogue and other forms of collaborative action, such as improved energy data sharing through vehicles like the Joint Oil Data Initiative.

The 2005 World Summit recognized meeting energy needs, promoting clean energy and tackling climate change as interconnected challenges that must be approached in the wider context of sustainable development, with its economic, social and environmental dimensions. Crucially, this sets the stage for the integration of climate change issues into national development strategies, as well as for their mainstreaming into international development cooperation.

In facing the core issues of emissions limitation and adaptation to climate change, some countries have focused mainly on the potential of scientific advances and technological innovations, such as affordable low-emission energy options and techniques for capturing greenhouse gases. But given strong evidence of threats posed by climate change, and in light of

the Rio Declaration's precautionary principle, the international community should consider a mix of the technological approach with other measures and options.

Experience with the Kyoto Protocol, along with other initiatives in several countries, suggests the effectiveness of giving markets clear incentives to reduce GHG emissions. The Clean Development Mechanism (CDM) offers, in particular, an opportunity to contribute to the emissions reduction process and to increase resource flows that can make a difference to developing countries' energy and transport infrastructure, as well as their technology choices. Facilitating "bankable" CDM projects in many more developing countries, including sub-Saharan Africa, would thus represent a significant achievement.

Creating incentives to increase efficiency in energy production, transmission and consumption can be another powerful tool, in all countries. For developing countries, facilitating the transfer of efficient energy technology is critical and can help advance their processes of industrialization. Renewable energy can be an effective option to address climate change. These options, along with adaptation measures, constitute the essential elements of a long term response to climate change. As impacts of climate change on socio-economic systems are increasingly apparent, adaptation remains essential for both developed and developing countries. This issue is particularly important for small island developing states (SIDS) and least developed countries (LDCs).

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As a citizen of a country from the developing world, I welcome the attention that this Commission will give to the issue of industrialization. Indeed, it is in relation to this process that we see most vividly the interlinkages among all the issues that will be addressed by this two-year cycle of the Commission. We understand today much better the importance of developing modern services and how globalization has opened up new opportunities for service economies. Nonetheless, the strong association between economic development and industrialization underscored by classical development economics has stood very well the test of time.

Although many developing countries have enjoyed episodes of growth over the past several decades, only a relatively small number of them have sustained high growth rates over extended periods. In all these successful stories, industrial development has been rapid, and poverty rates have tended to decline—often steeply. Yet these same countries, and even some where industrialization has not been so rapid, have often experienced significant pressures on the environment, from air emissions, waste water discharges and hazardous industrial waste.

This history turns on its head the idea that environmental issues can somehow be postponed until later in the development process. As interdependent and mutually supportive pillars, economic growth, social development and environmental protection must be considered together in an integrated way. Through this lens, we now see that environmental issues can become major economic and social problems relatively early in the development process. Industrialization cannot make an enduring contribution to development when it worsens climate change and air pollution. And measures to guard against air pollution and GHG emissions, such as those aimed at boosting energy efficiency, are actually *good* for industrialization.

Let me elaborate on this last point. As shown in the Secretary-General's report, cleaner production methods are being adopted more widely, and they are bringing significant economic efficiency gains, as well as environmental improvements. Moreover, success in stimulating industrial development while mitigating its negative side effects offers valuable lessons for those coming late to the process of industrialization. This is not only good for the environment; it is good for the competitiveness of those industries in developing countries. We need to identify ways to encourage a more rapid global diffusion and transfer of more energy- and material-efficient technologies, thereby enabling industries in developing countries to converge rapidly towards international best practice in any given sector. We also need to explore cleaner energy options across a range of uses.

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I trust that these two weeks will provide for stimulating discussions, new thinking, and concrete and innovative proposals for action, grounded in a thorough review of best practices and lessons learned.

Let me assure you that the Commission's work is of high priority to the Economic and Social Council in its effort to advance integrated implementation of the internationally agreed development goals, including the MDGs. With the United Nations in the midst of another wave of significant reform, the work of this Commission on Sustainable Development—and its innovative working methods—clearly underscore the distinct role and impact that the United Nations and its intergovernmental processes can have in the search for solutions to pressing global issues. I wish you a most productive session and look forward to its outcome.