

## **CSD-14: Investing in energy and industrial development: challenges and opportunities**

### **WHO statement by Eva Rehfuss, Public Health and Environment**

Mr Chairman,

The figure of US\$ 17 trillion to address the world's energy crisis, as introduced by Fatih Birol, is difficult to comprehend. Yet, as with many challenging tasks, such a figure can be cut into sizeable and achievable targets.

We have heard many times over this past week that access to modern cooking fuels and more efficient cooking technologies – and not just electrification – is both a major obstacle for development and a major public health concern due to indoor air pollution from burning solid fuels. Investing in reducing this particular aspect of energy poverty is achievable and, in addition, generates real economic benefits.

Yesterday, the World Health Organization launched a new report entitled “Fuel for life: household energy and health”. This report includes the findings of a recently conducted cost-benefit analysis of different household energy scenarios. In the context of the voluntary MDG target “to halve, by 2015, the population using solid fuels for cooking and to make improved cooking stoves widely available” I would like to present to you the results of two of these scenarios:

To meet the above target by providing people with access to liquefied petroleum gas would cost US\$ 130 billion over the course of ten years. Yet, this investment would produce a seven-fold economic return and generate health and productivity gains worth US\$ 910 billion. Similarly, our cost-benefit analysis shows that improved stoves are a good investment. Providing people with access to cleaner burning and more efficient stoves could generate immediate cost savings of US\$ 340 billion and generate US\$ 1 trillion in health and productivity gains. In both cases, the vast majority of costs is borne at the household level.

Nevertheless, we urgently need public sector investments to catalyse the process of providing the poor with access to modern household energy. Fatih Birol has called upon governments in industrialized countries to make money available and it is encouraging to hear that Norway has made energy one of the priorities in its development cooperation. Lack of funding from industrialized countries certainly represents one major barrier to be overcome. Yet a second major barrier is that developing countries will need to make energy provision to the poor a priority themselves. Money will only flow if developing countries demonstrate their commitment to the issue through poverty reduction strategy papers, national development plans or commitments, such as the declaration by the Forum of Energy Ministers of Africa.

Thank you.