

## Summary of the Chair

### Conclusions and Recommendations of the Parliamentarian Forum on Energy Legislation and Sustainable Development

#### Introduction

1. We, parliamentarians and legislators of African and other developing and industrialized countries, representatives of national and local governments, United Nations organizations, programmes and agencies, non-governmental organizations, business associations, utilities and civil society, having met at the [Parliamentarian Forum on Energy Legislation and Sustainable Development in Cape Town, South Africa, 5-7 October 2005](#), reaffirm our shared commitment to implement the outcomes of the United Nations Conference on Environment and Development (UNCED), the United Nations World Summit on Sustainable Development (WSSD) and the United Nations 2005 World Summit.
2. Recognizing that each country is responsible for developing its own appropriate legislative and regulatory framework to promote sustainable development, we also reaffirm the recommendations contained in the Final Declaration of the Parliamentary Meeting held on the occasion of the WSSD in Johannesburg in August 2002. Bearing in mind our common but differentiated responsibilities in implementing the Johannesburg Plan of Implementation (JPOI), we call for continued collaborative local, national and international action to provide energy for sustainable development with a view to achieving accelerated poverty eradication, greater economic progress, welfare and social inclusion, in particular but not only for the people of Africa.
3. We recognize that as lawmakers, parliamentarians have a special responsibility to promote sustainable development in energy, as in other areas. We are preparing ourselves to address these challenges.

#### Energy for sustainable development

4. We agree that access to affordable, modern, reliable and environmentally benign energy services is an indispensable precondition for sustainable development. Therefore, we note with profound concern that even today worldwide 2.4 billion people rely on traditional biomass for cooking, and 1.6 billion people do not have access to electricity. The persistent energy divide is particularly affecting Africa, where it perpetuates poverty, constrains the delivery of social services, limits opportunities for women, and erodes environmental sustainability at the all levels.
5. We note with concern recent trends in global energy markets pointing to sustained price increases for energy and for energy-intensive commodities or services. Energy import-dependent developing countries are already faced with additional economic

constraints resulting from increased energy import costs and higher foreign exchange requirements.

### **Natural resources and energy development laws**

6. We underline that the New Partnership for Africa's Development (NEPAD), a Programme of the African Union, fosters the adoption of policies, standards and practices that lead to and maintain political stability and enhance prosperity. We reaffirm the NEPAD priority objective of significantly increasing access to modern energy services in Africa.

7. We welcome the decisions of the G8 Gleneagles 2005 Summit and its renewed commitment to Africa. We also pledge to contribute our efforts to achieve good governance through greater transparency and public participation in all essential legislative decision making processes.

8. We note that in some African developing countries some existing oil, gas and coal resources have not yet been developed. We recognize the importance of natural resources laws. In many countries legislators face considerable challenges seeking to provide attractive investment conditions for national and international investors whilst also taking other national and social development concerns as well as environmental considerations into full account.

9. We fully recognize the importance of public participation at all stages of preparation, design and implementation of natural resources and other energy infrastructure development projects.

10. We also recognize the importance of fair public benefit sharing in natural resources and energy development projects, in particular for the benefit of local communities that may otherwise be negatively affected.

11. Revenues from oil, gas and mining operations should help to drive broadly based economic growth and social development. Countries highly dependent on extractive industries can benefit from a establishing a public process of consultation aimed at transparency of payments and revenues. Parliamentarians have an important role to play in initiating such processes. We welcome the Extractive Transparency Initiative (EITI) and call for expanded international cooperation within its framework.

### **Power sector reforms and efficiency in energy supply and demand**

12. We emphasize the urgent need for expansion and modernization of the power sector infrastructure in Africa, including projects to increase efficiency in power generation and projects to reduce power system transmission and distribution losses. We call upon the international financing institutions to significantly increase their engagement in these areas.

13. As parliamentarians, we will continue to improve the regulatory framework through reforms, as appropriate.

14. We recognize the importance of consolidating utility financing including through management reforms and through gradual electricity tariff adjustments in those cases where utility revenues do not cover the long run marginal costs of electricity supply.

15. We emphasize the constructive contribution that the private sector participation can play in power generation, transmission and distribution projects. We call for a continued international exchange of experiences on public-private partnerships in utility management and development. We call upon concerned sub-regional and regional organizations in Africa to expand their technical cooperation programmes in this field.

16. We further emphasize the importance of rural electrification which will require continued and expanded public sector and international financial support. We call for the inclusion of rural electrification programmes in Poverty Reduction Strategy Papers (PRSP), where applicable, and for their financing from international sources.

17. We call for increased efforts in industrialized countries to implement JPoI recommendations concerning changing of unsustainable pattern of consumption and production.

18. We call upon all countries in Africa to adopt legislative measures promoting the increased use of energy conservation and energy efficiency in all sectors of the economy, particularly road transport, industry, buildings and domestic appliances. We recognize that the measures to be adopted will be influenced by each country's level of economic development.

19. We call for a continuation and for additional capacity building, technical training and information exchanges programmes for African countries in the following fields: energy planning, demand analysis and management, standards and labelling of electrical appliances and energy efficiency codes for commercial and institutional buildings.

20. We encourage lawmakers in all countries to periodically review existing fiscal and taxation policies with a view to establishing or increasing financial incentives for energy efficiency and energy conservation.

### **Improving and modernizing biomass utilization**

21. We note with great concern that in sub-Saharan Africa the majority of households in rural areas still rely on traditional forms of biomass use to meet their cooking energy needs. This continuing widespread use of firewood, dung and charcoal in inefficient indoor fireplaces is unsustainable in many ways. Wherever firewood is used faster than it can re-grow, it is the women and children who spend more and more time on fuel wood collection, time that is lost for other productive activities. Inefficient use of biomass in

indoor open fireplaces also causes smoke, indoor air pollution and respiratory diseases, again affecting mostly women and children.

22. African developing countries require urgent and effective assistance to switch to more efficient forms of rural energy supply, including petroleum or natural gas use or modern and more effective forms of biomass and biofuel utilization. More serious fiscal commitments to the sector are needed.

### **Access to modern energy services in a human rights framework**

23. We note that the right to water, housing and food supplies are already recognized by the United Nations as a human right. As these rights cannot be satisfied without access to modern energy services, we call for such access to be recognized as human right and for the contents of such a right to be elaborated by the United Nations Committee on Economic, Social and Cultural Rights. The United Nations Commission on Sustainable Development may also consider access to energy in a human rights framework as a part of its up-coming review on JPoI implementation related to energy for sustainable development, air pollution / atmosphere, climate change and industrial development.

### **Energy development and gender**

24. We call for energy development which empowers women, particularly poor women, with more options and better choices of energy for household use, also providing them with energy for income earning activities, existing and new. We call for action to enable and assist women's groups and women's NGOs to become shareholders in renewable energy projects and rural energy service companies.

25. As parliamentarians, we are committed to fully consider gender issues as we develop new legislation or review existing laws.

26. Expanding access to energy provides societies with opportunities which can ensure women's economic empowerment in both rural and urban areas. This empowerment will only be realized if mechanisms are put in place, that create an enabling environment for women to participate in the economy which will ensure their moving out of poverty into sustainable livelihoods. We call for the setting of specific and realistic targets to increase women's involvement in economic life, including ownership, production, distribution, retail and as consumers. We call for monitoring and evaluation mechanisms to ensure that targets are met. Regular impact analysis should be made on the effect of interventions on women's economic empowerment. The Special Advisor on Gender Issues and Advancement of Women (UNDESA) should promote the development of such mechanisms and their adoption and implementation by UN member states.

### **Promotion of renewable energy**

27. We recall that the Johannesburg Plan of Implementation calls upon governments, international organizations and other stakeholders to with a sense of urgency significantly increase the share of renewable energy in total energy supply (JPoI para 20e).

28. We emphasize that Africa has vast untapped potential for hydropower development. At present, only 5 per cent of Africa's hydropower potential is being used. If planned and implemented in an economically viable, socially inclusive and environmentally responsible manner, hydropower development and utilization offers many opportunities for sustainable rural and urban electrification. We call for greater international cooperation with and between African developing countries to increase the use of hydropower and electricity system interconnections.

29. We note that Africa offers ample potentials for solar energy use. We observe that high per unit costs of energy derived from renewables still pose considerable obstacles to widening the dissemination of renewable energy technologies beyond the level of isolated demonstration and pilot projects. We call for increased research and development efforts, in particular on the part of industrialized countries, to achieve economies of scale and lower costs of renewable energy equipment. We call for technology transfer to enable developing countries to expand significantly the use of renewable energy.

### **Regional cooperation in energy development and trade**

30. We recall that the Johannesburg Plan of Implementation adopted at the World Summit on Sustainable Development urges Governments as well as relevant regional and international organizations and other relevant stakeholders to strengthen and facilitate regional cooperation arrangements for promoting cross-border energy trade, including the interconnection of electricity grids as well as oil and gas pipeline networks.

31. We note that Africa is endowed with abundant energy resources, which are, however, unevenly distributed. Energy cooperation, system integration and energy trade will thus be crucial for the sustainable development of the region. We endorse the initial initiatives taken by sub-regional and regional organizations, including the African Union, NEPAD and the UN Economic Commission for Africa and encourage their further development. Initial achievements in JPoI implementation in Africa, best practices, as well as obstacles and gaps are due to be reviewed at the UN ECA Regional Implementation Meeting scheduled for later this month. We encourage the participation of parliamentarians in this meeting and look forward to its report.

32. We recognize the need for building trust and confidence among neighboring countries for the successful realization of cross-border and interconnection projects. We stress the importance of a sound and predictable legal and regulatory framework, both at the inter-governmental and inter-utility level. We call for studies and action to be taken towards a harmonization of the regulatory frameworks to facilitate the realization of trans-boundary energy infrastructure and cross-border energy trade.

33. We recognize the challenge of financing interconnection projects and the need for a comprehensive approach in structuring the required financing and that support is required for all phases of interconnection projects in Africa.

#### **Other follow-up action**

34. We have discussed the legislative and regulatory options available to actively promote greater access to energy, energy efficiency and renewable energy utilization. We intend to continue this fruitful information exchange in future meetings and through regional and global networks.

35. We reiterate our commitment to work together as partners in the further development of energy legislation to promote sustainable development.

36. In the development of legislation and regulatory frameworks account should be taken of the need for adaptation to the negative impacts of climate change.

37. We re-emphasise the importance of stakeholder participation in the development of legislation and caution against premature legislative action wherever appropriate enforcement can not be guaranteed.

38. We invite parliaments, governments, and relevant regional and international organizations to report to the 14<sup>th</sup> Session of the Commission on Sustainable Development (CSD-14) in 2006 on progress made in the area of energy for sustainable development, with special reference to legislative measures and the involvement of parliamentarians. We encourage the Parliament and the Government of South Africa to also report the conclusions and recommendations of this Forum to the Regional Implementation Meeting which will be organized by United Nations Economic Commission for Africa in preparation for the CSD.

39. We express our gratitude to the Parliament and to the Government of South Africa for successfully organizing the Forum and for the hospitality and warm welcome extended to all participants. We thank the United Nations Department of Economic and Social Affairs for supporting the Forum. We acknowledge with thanks the generous financial support provided by the European Union, the Wallace Global Fund, the HKH Foundation and the United Nations Foundation. Building on the regional and international cooperation established at this Forum we pledge to continue our efforts, individually and collectively to provide a legislative and regulatory environment conducive to sustainable development for the benefit of all people of Africa.

*[ Adopted at the Parliamentarian Forum on Energy Legislation and Sustainable Development,  
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