International Conference on Renewable Energies, Bonn 2004

First Meeting of the International Steering Committee 11-12 June in Bonn

Welcome Address

by Erich Stather, State Secretary, Federal Ministry for Economic Co-operation and Development

Ladies and gentlemen,

I am honoured to welcome you to the first meeting of the International Steering Committee. The German Federal Government has installed this committee because of the need for guidance in the preparations for the International Conference on Renewable Energies, planned for the first week of June 2004 here in Bonn. I am delighted that eminent representatives from the spheres of energy, environment and development have accepted our invitation to join this Steering Committee. I want to thank everyone for finding the time to participate in this effort.

I also welcome you on behalf of the Minister for Economic Co-operation and Development, Heidemarie Wieczorek-Zeul. She is visiting Latin American countries at this time, and she regrets that she cannot be here. She has been following the preparations for this conference with great interest and enthusiasm, and she hopes to meet you at a later meeting.

The conference was announced by Federal Chancellor Gerhard Schroeder during the World Summit in Johannesburg last year. In the spirit of the Summit's conclusions, the conference is intended to promote renewable energies through actions on the international and national levels, and to increase access to sustainable energy systems for the poor. Some of you might be aware of the International Conference on Freshwater, which also took place here in Bonn in the year 2001. The recommendations of that conference were broadly accepted by all stakeholders – governments, the private sector, international agencies and NGOs – and they facilitated in a very fruitful way the international debate and concrete action at all levels. The German government hopes that this experience will also be supportive in our common efforts to pave the way for a sustainable energy future.

To date, our energy systems are not sustainable either in the North or in the South.

- Two billion people have no access to energy. This is a serious obstacle to development and part of the problems we need to tackle if we want to make real progress in reaching the Millennium Development Goals.
- And the energy supply for those people in the North and in the South who have access to energy is inefficient and based on fossil sources of energy to such an extent that they already constitute a serious threat to the environment and the global climate today.

Thus, we are faced with two equally important tasks.

- Firstly, the two billion "energy-poor" people need access to modern and sustainable energy. This is an enormous challenge. Energy is needed to cook, to make work more productive, to bring products to the market.
- Secondly, the global energy system must be "decarbonised": Growth and development must be decoupled from the consumption of unsustainable energies.

In Germany and other parts of Europe, we have seen success in meeting this challenge mainly through two innovative strategies:

- energy efficiency has been increased substantially, and
- renewable energies have taken on an increased role in the supply of electricity.

Many believe that access to energy for the poor and the "decarbonisation" of the energy systems are two objectives which contradict one another. I think that this is not true. On the contrary, if we succeed in developing the markets for renewable energies and efficiency technologies and in lowering their costs, they will become affordable also for the poor.

We must eliminate the market barriers which hamper energy technologies that are suitable for sustainable development. We must establish a market environment where such technologies are not discriminated against. In particular, we must tackle the price differential between these technologies and conventional energy systems.

On the global scene there is still some resistance to such a sustainable energy future. Not everyone is convinced that such a future is a key issue for humankind in the 21st century. But this International Conference which we are preparing will bring us closer to energy for sustainable development: energy that serves the needs of our generation in the North and South without compromising the needs of future generations.

German development co-operation has sent a significant signal for such a future. At the Johannesburg Summit, Germany has committed itself to making available 1 billion euros over the coming five years under German bilateral development co-operation, of which 500 million euros each will be channelled to renewable energies and to energy efficiency. This commitment is the core of a comprehensive"Energy for Sustainable Development" Programme which integrates the energy-related activities of German development co-operation.

With this programme, we do not only intend to strengthen bilateral cooperation in the energy sector, but also to prepare new ways for publicprivate partnerships and establish more strategic partnerships in international co-operation to promote "Energy for Sustainable Development".

Within the framework of this programme, German development cooperation has, for example, given active help to the birth of three important energy initiatives launched in Johannesburg:

- The Global Village Energy Partnership
- The Global Network on Energy for Sustainable Development
- The EU Initiative Energy for Poverty Eradication and Sustainable Development.

Ladies and gentlemen,

The German Federal Government has set up this International Steering Committee to secure broad participation from all parts of the world, from governments, international and non-governmental organisations, civil society and the private sector. The participation of all stakeholders is indispensable to achieving concrete results. You are invited to give guidance and advise on substantive and procedural issues during the preparation.

I fully realise that there is at least as much potential for controversy and conflict as there is opportunity for consensus and co-operation. Many of

you have participated in the difficult negotiations in Johannesburg. It was unfortunate that we allowed controversy to dominate this important issue. Access to sustainable energy for the poor is a key objective for our development co-operation, and we do not regard it to be in conflict with environmental objectives, nor in conflict with a preference for renewable energies. We know that choices have to be made which match national or local needs, and that in many cases renewables need more time and maturity to compete with other energy options. We also recognise the primary responsibility of the developed countries to push ahead with technological and market development so that energy from renewable sources can become affordable to the poor in developing countries.

The challenge for a mother in Uganda who collects firewood, a renewable resource, to cook a meal for her family is quite different from that for a European power utility executive who intends to improve the environmental performance of the company.

Ladies and gentlemen,

At the end of the day this committee should answer the key questions:

- What should be the specific contribution of this conference to a more sustainable energy future?
- What is the value added?
- What can we do <u>together</u> to accelerate the use of renewable energies that we cannot do better by ourselves?

My own answer is certainly influenced by my responsibility for development co-operation. In my view, the most important contribution of this conference could be to bring together our experiences of good policies and good practices, and to determine actions to make them available for those who need access to energy most. These may be actions which we undertake together, as well as actions undertaken individually or in partnerships in our countries and our communities. Renewable energies have now passed the stage of research and technological development; many applications are mature. The future challenges are market development, finance and appropriate legal and policy frameworks. Governments, as well as the other stakeholders represented in this committee, can and must act upon their responsibility to meet these challenges.

Ladies and gentlemen,

Let me close by welcoming you here once more on behalf on the German government. I want to ensure you that your contributions are most appreciated. I wish this important first meeting of the committee fruitful discussions and substantive results.

Thank you very much for your attention.