

Intervention by Business and Industry Group on the Energy Theme

My name is John Drexhage and I am here as a delegate in the Global Business Alliance for the Post 2015 Development Agenda and representing the CEO of the International Council for Mining and Metals in these discussions. This Alliance is a successor to a series of business constituencies engaged in UN Level Discussions on Sustainable Development, the most recent of course being the Rio +20 negotiations held last year.

The Alliance aims to represent a unified voice for the business sector; one which is committed to a proactive agenda for the post 2015 negotiations and one that recognizes the critical, central role that business will play in reaching sustainability.

The view of the business alliance is that extreme poverty eradication needs to be a primary objective or result of this process. We support sustainable development as a means of achieving that objective, one that effectively promotes economic growth, social equity, environmental protection and good governance.

Energy, whether in the form of providing electricity, enhancing mobility, easing access to water or the myriad of other services it provides, is core to addressing poverty eradication and development.

We note that the message of energy access being central to sustainable development is a prominent theme in the technical paper developed for this session and fully support this sentiment.

It is also important to keep in mind, as the technical paper does, that progress has been made over the last couple of decades. As it notes, an additional 1.8 billion people gained the benefits of electrification, while 1.6 billion people secured access to generally less-polluting non-solid fuels. Energy intensity has dropped significantly, cutting cumulative global energy demand by more than 25 per cent over 1990–2010.

Yet, we also agree that much still needs to be done: first and foremost, affordable energy access for all needs to be the first and primary goal. Improving energy systems to create more attractive investment climates, creating effective business models and reforming financing opportunities to promote energy development are all goals that we would strongly promote as key to ensuring a sustainable energy future.

The paper also usefully notes that too often energy systems are not integrated into national or regional development strategies. Let us be clear: without fundamental policy reforms that create favorable conditions for energy investments the primary goal of energy access for all will simply not be met.

Policies and incentives should be careful to promote energy efficiency opportunities: providing energy does not come at no cost and it is vital for human kind, in both developed and developing economies, to recognize this. We should regard it as one more additional energy source on par with all other sources.

We also recognize that renewable resources in many parts of the developing world have yet to be effectively tapped and support measures that work to exploit those opportunities. However, we have also just heard this afternoon the rather startling observation by Professor Modi that the issue of energy access in Africa is likely to get worse as things now stand, not better. So let us be careful not to design and implement policies and goals that place condition or limitations on energy access, particularly in least developed economies.

In that respect, initiatives to promote 'clean energy' should be comprehensive, covering all potential sources, including technologies that promote sustainable fossil fuel use. And let's be realistic about what public policies and measures can actually achieve when compared with the forces of the market. In that respect, the sudden switch to natural gas in the US over the last few years. provides an illuminating lesson as to how quickly changes in energy systems can occur and why.

We look forward to a set of decisions and goals in this process that will work to provide the right conditions for business, governments and civil society to work together and meet one of the core conditions for eradicating extreme poverty.

Thank you Chairperson.