

UNITED NATIONS

Economic and Social
Commission for Asia
and the Pacific



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Economic Commission for
Latin America
and the Caribbean

Economic Commission
for Africa

Economic and Social
Commission
for Western Asia

Joint Statement

of the Executive Secretaries of the United Nations Regional Commissions
for the 5th International Forum on Energy for Sustainable Development

The United Nations is working to help Member States secure access to affordable, reliable, sustainable, and modern energy, in line with the Sustainable Energy for All (SE4All) initiative of the United Nations Secretary-General, and to reduce greenhouse gas emissions as well as the carbon footprint of the energy sector. Achieving these outcomes is essential if the world is to develop sustainably. However, many barriers impede our collective ambition. The state of the global economy and the economics of energy markets have prioritized short-term economic considerations, and geopolitics have moved energy security to the forefront of policy considerations. While sustainable development and better quality of life remain stated objectives, the quality of and access to energy services in many countries are insufficient or declining, the costs of energy services are rising, and greenhouse gas emissions from the energy sector are increasing. The Executive Secretaries of the United Nations regional commissions affirm that the objectives of energy sustainability are attainable, and need not contradict more short-term considerations, if the world embarks on a determined, collective effort.

- ***Energy efficiency in most countries needs to improve more quickly.*** Improving energy efficiency is one of the most cost-effective options for meeting growing energy demand in most countries. It contributes to energy security, a better environment, improved quality of life, and economic well-being. Significant potential for improving energy efficiency exists worldwide, but attempts to improve energy efficiency often fall short because of flawed national policy frameworks: policies that artificially lower energy prices encourage wasteful consumption; production and consumption subsidies distort markets; housing stocks are poorly managed; land use management is inefficient; new participants face barriers to entry; there are inadequate norms and standards; and the statistics and information to manage energy use and track progress are incomplete. In addition, there is often a lack of public awareness and education about the long-term economic and social benefits of action to improve energy efficiency and industrial productivity.
- ***Renewable energy policies need to be redesigned.*** Renewable energy resources are gradually becoming cost-competitive in comparison to conventional resources. They offer a way to reduce the net carbon intensity of the energy sector, improve energy security, and encourage economic development. Integrating renewables into the global energy mix will be important as future energy systems are optimized both on- and off-grid. However, wider uptake of renewables requires addressing barriers to fair competition vis-à-vis conventional technology, without resorting to long-term subsidies, implementing stable long-term energy policy frameworks in a future energy system context, and deploying innovative and targeted financial mechanisms. Policies should be designed in light of the economic circumstances and development challenges of countries with renewable energy potential.

- ***Equitable access to modern energy services requires mobilising adequate resources.*** Ensuring physical and economic access to quality energy services requires investment throughout the energy value chain, from primary energy development to end use. Enabling investment requires that governments have a long-term vision for providing sustainable energy services, and that they promulgate sustainable policies and regulations that allow producers and consumers to respond to a dynamically changing energy market. Such a vision should include provision of access to modern energy services for vulnerable groups as part of national poverty reduction strategies and social development policy.

We urge the respective member States of the United Nations regional commissions to accelerate the transition to a new, sustainable and fair energy system, as set forth on the following pages. The United Nations regional commissions are prepared to assist member States in the development of sustainable energy action plans that are tailored to their individual needs in the post-2015 development context and contribute to global attainment of the objectives of the SE4All initiative of the United Nations Secretary-General and the sustainable development goals on energy.

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Energy Market Reform

1. **Reshape** energy markets using a systems perspective to meet future needs comprehensively. Energy prices should reflect the full costs of energy production and use, including externalities such as proper pricing of greenhouse gases and other pollutant emissions. Energy price signals should be aligned with sustainable management of energy resources and enable accelerated uptake of energy efficiency, and renewable and clean energy technology.
2. **Implement** policies that enable the required energy transition while ensuring a high level of energy service reliability and equitable energy access, with cost-reflective pricing and stability. Strengthen capacities for long-term, strategic energy planning. Encourage the development and implementation of business models based on competitive companies offering low-carbon energy products and facilitating sustainable energy services.
3. **Deploy** policy incentives, standards, and regulations to induce desired change. Provide incentives for energy-efficiency measures along the whole value chain and promote deployment of renewable and cleaner energy technology. The approaches taken should accommodate national situations.
4. **Rationalize** the use of energy subsidies by exploring efficient and effective ways to protect vulnerable groups. Focus subsidies on overcoming short-term obstacles for the commercialization of efficient technology that can deliver national energy goals. Indiscriminate direct and indirect energy subsidies damage national budgets, distort energy markets, and severely reduce incentives for investments in energy efficiency measures and energy supply. Improve the targeting and focus of support measures to increase energy service access for specific groups.
5. **Encourage** both sustainable development of untapped national resource potential and a transition from higher to lower carbon intensity thermal generation.

Energy Efficiency

1. **Create** structural, institutional and regulatory framework conditions that enable substantial investments in energy efficiency throughout the value chain, including large-scale energy efficiency programmes with implementing mechanisms, and national markets for energy efficiency projects.
2. **Explore** ways for energy suppliers to sell energy services rather than energy products to accelerate energy efficiency uptake and promote the creation of strong energy services companies through public-private partnerships to implement large-scale energy efficiency programmes. These companies can channel public funding dedicated to energy efficiency and develop and supervise networks of specialized subcontractors.
3. **Enhance** cross-sectoral urban planning to improve energy efficiency in cities, including housing, transport, water, and municipal utility infrastructure.
4. **Establish** technology-driven energy performance standards and pursue ever-tightening, enforced minimum energy performance standards in all sectors. Institute testing and labelling standards and procedures that meet recognized international requirements and that generate fair and transparent information about them. Implement official energy efficiency labelling for mass consumer equipment.
5. **Limit** commercialization and sales of appliances and equipment that do not meet internationally-agreed minimum standards.
6. **Establish** education programmes that train architects and engineers on ways to reduce energy use and provide information to the public with respect to energy efficiency and family budgets.

Renewable Energy

1. **Ensure** full and fair access to the existing grid for electricity produced from renewable energy.
2. **Consider** the energy system of the future in planning grid infrastructure development or replacement.
3. **Decrease** systems costs with market reforms, normative instruments (such as standards), and business models that embrace demand responses, supply flexibility, emerging storage, energy efficiency, and efficient transmission and distribution.
4. **Develop** targeted instruments to reduce renewable energy financing costs. Business and financial models should integrate the perspectives of grid management, load forecasting, financial planning, trading, and regulation. Encourage the involvement of the financial sector to reduce perceived risks related to the deployment and integration of renewable energy in existing national systems.
5. **Remove** barriers faced by new generation, non-conventional renewable-energy technology and promote their penetration into national energy systems to gain experience with their deployment.
6. **Promote** micro-, mini- and off-grid renewable energy options for remote areas.
7. **Promote** decentralized direct uses of renewable energy as a way of providing on-site energy services.
8. **Promote** international, regional and national collaboration on long-term research and development of energy efficient technology and knowledge exchange on lessons learned about large scale deployment of renewable energy capacity.

Energy Access

1. **Acknowledge** that ensuring universal access to modern energy services requires mobilization of public and private resources. Extending energy service coverage to populations with insufficient income to cover costs may require public support for initial investments as well as targeted income support. Encourage proper integration of other sectors and other development goals into plans for attainment of the SE4All objectives (e.g., the water-food-energy-ecosystems-health nexus).
2. **Recognize** that both off-grid rural populations and peri-urban dwellers in settlements with precarious or informal connections to existing grids face energy access issues, and adapt the policy solutions required to address them accordingly.
3. **Develop** regional, national, and sub-national programmes to accelerate the provision of access to modern energy services through innovative policies and financing schemes.
4. **Promote** the use of quality-of-service regulation as a means of aligning the needs of suppliers and consumers of energy services.
5. **Accelerate** provision of electricity for lighting, communications, appliances, and manufacturing.

Energy Security

1. **Develop** regional and international standards or other normative instruments throughout the energy system, including for interconnectedness, interoperability and trading, as a tool for governments to accelerate the transition to a sustainable energy system and to allow the private sector both to invest and to benefit from uniform standards.
2. **Maintain** an open dialogue among energy-producing, -transit and -consuming countries on energy security, technology and policy on neutral platforms.
3. **Promote** regional connectivity of energy infrastructure projects to enhance energy efficiency, to integrate renewable energy, and to optimize energy resource utilization.
4. **Enhance** efforts to make regional energy integration a reality. Encourage interconnection infrastructure projects among countries with complementary energy resources as a cost-effective way to enhance mutual energy security and stabilize energy systems.

Finance and investment

1. **Engage** in dialogue with financial institutions to explore ways to align investment incentives with the objectives of the SE4All initiative.
2. **Promote** investments in flexible resources based on the full costs of grid enhancement, capacity and other measures.
3. **Promote** the involvement of development banks and the commercial banking sector in creating specialized credit lines, credit guarantees, contracts, and other products required to service the unmet financing needs of bankable energy project opportunities in all countries.
4. **Create** structural, institutional and regulatory framework conditions that enable investment throughout the value chain that reward efficient provision of energy services rather than use of energy resources.
5. **Explore** tools that reduce the perceived risk of energy efficiency and renewable energy projects and that provide guarantees that leverage private investments.
6. **Promote** efficient, net low carbon projects in all economic sectors. Encourage project developers and industry to exchange information on projects with financial institutions.
7. **Create** financing instruments designed for non-institutional end users.

Technology

1. **Support** research and development and the commercial introduction of new technology, capital, and management skills to support needed transitions.
2. **Encourage** local manufacturing of energy-efficient and cleaner energy equipment that contributes to cost-effective job creation.
3. **Establish** capacity building and qualification programmes for technicians and workers involved in the design and implementation of energy efficiency and cleaner energy solutions.

Energy Data, Indicators and Analysis

1. **Establish** energy statistics programmes that monitor and report key energy production and consumption variables, and that are fully integrated into other economic and social national statistical efforts.
2. **Collect** data on energy production and consumption patterns consistent with the desired future energy system. Monitor or make reliable estimates of energy consumption patterns in all economic sectors per energy source and for each of the main end uses.
3. **Undertake** long-term planning for national energy options based on a sustainable development perspective, integrating increased uptake of energy efficiency and renewable energy, encouraging careful management of energy resources, ensuring access to modern energy services, and addressing the needs of energy consumers and energy suppliers.
4. **Strengthen** analytical capacity of the different interactions involving energy policy, especially the water-energy nexus and the water-food-energy nexus, in order to provide innovative sustainable policy approaches to address these multidisciplinary energy-related issues.