

ENERGY PACT CONFERENCE
Energy Environment Development

International Conference Centre Geneva, Switzerland
March 16-17, 2009

*The first annual multi-stakeholder conference on global energy issues
gathering visionaries and high-level participants from governments,
industry, UN bodies, NGOs, academia and civil society*

Concept – Objectives – Uniqueness – Themes

1. The scope for action

Our choices in global resource management, especially energy and water, are placing increased stress on many parts of the world: they affect the habitability of major regions and large cities and the productivity of a growing world population.

Many issues require attention:

- Access to affordable fossil fuels is likely to become an increasingly severe problem.
- Air and water pollution from fossil fuel use, agricultural practices, and urban crowding are becoming crucial concerns, to which the risks of global warming must be added.
- A failure to meet the basic human needs of a majority of the global population suggests that new approaches to economic and social development are needed.

However, we do have the potential to act. If we can effectively manage a structural shift in the global energy landscape, taking into account energy, environment and development constraints, we have the capacity to ensure continued access to reliable and affordable energy in the future.

The sooner we act, the greater our potential to avoid a worsening of current concerns. Action now will speed up the process of bringing equitable solutions to those in emerging economics who rely on energy supplies to support their economic and social development. It will also allow us to capitalize on the goodwill of individuals and governments around the world who are seeking ways to adjust their energy consumption in order to reduce their negative impact on the planet.

Until now, no international, non-partisan platform existed to bring together decision-makers from a range of sectors to develop shared solutions. The Energy Pact Conference provides this opportunity.

2. An ideal time to take stock

The current global economic crisis has caused many countries to use unprecedented amounts of public money to support their national economies. Inevitably, this raises concerns that less funding will be available to support innovative research and technologies in the field of energy, environment and development.

Yet such projects are sorely needed. The International Energy Agency (IEA) anticipates that in the next 20 years energy needs will have risen by at least 50%, and at this stage, no viable alternative to fossil fuels exist.

There is also concern that related projects, to limit the consequences of global warming, provide development assistance to poorer countries, and provide clean water and electricity to one quarter of the world's population, will be similarly threatened.

An intelligent approach to the current situation must include a careful consideration of which activities should continue to be supported in order to ensure long-term sustainability of energy supplies. It is also an appropriate moment to take stock. Worldwide reductions in production and consumption may bring unexpected benefits in terms of reduced green-house gas emission, and the changing landscape for business might shift the balance of power away from previously influential industrial lobbyists.

3. Three interdependent issues: energy, environment and development

Increasingly, it is recognized that the solutions we develop to address energy needs must also take into consideration their impacts on the environment and social and economic development.

Energy and climate change are two sides of one coin: we cannot consider one without the other. The global solution to energy needs must also be the global response to climate change.

Energy must also be a means to support development. Growing populations in developing countries and emerging economies demand, and have the right to, energy to support and encourage their economic and social development.

Energy

Cheaper oil prices reduce incentives for investment in alternative energy sources. Such an approach is short-sighted, however, given our current understanding of predicted energy needs:

- Today, fossil fuels account for approximately 80% of energy consumption.
- The steep rate of decline in output from conventional oil fields means that "peak oil" might be reached sooner than anticipated.

It is widely believed that a price of at least \$75 per barrel is needed to sustain investments in both conventional production as well as research into alternatives.

Implementation of a new energy mix, including energy conservation measures and the development of alternative energy sources, would support our current quality of life and reduce inequalities across the globe.

Environment

There is increasing political will to address current concerns about the environment, as evidenced by the widespread adoption of the Kyoto protocol. Previous scepticism about our role in causing global warming is gradually being replaced with an acknowledgement that lifestyles need to change. Individuals and governments are seeking guidance on what changes to institute.

The adoption of a new, forward-looking energy mix offers a concrete way to address the consequences of climate change. According to the IEA, reductions in fossil fuel consumption from 80% to 67%, and the use of carbon capture and storage, are minimum requirements.

It would seem that current measures are unlikely to be enough: the IEA estimates that even if every policy under consideration for supporting renewable energies and improving energy efficiency were to be adopted, the share of fossil fuels to the world's energy mix would only fall by about 5%.

Development

Access to more efficient forms of energy could have a decisive impact on health and safety, and be a crucial factor in alleviating poverty. Better quality energy has often been shown to have many desirable consequences: it can help reverse the trend toward migration from rural to urban areas, support education, facilitate income-generating activities and provide convenient access to clean drinking water.

The need to act is clear:

- According to the World Energy Council, some 1.6 billion people, living mainly in rural areas of developing countries, have no access to electricity or any other modern form of energy.
- 17% of the world's population lacks access to clean drinking water.
- According to World Bank estimates, two million deaths annually in developing countries can be attributed to indoor pollution from poor quality cooking fuels.
- Demand for energy is expected to grow strongly as a result of economic development in emerging markets, especially China and India.

4. The Energy Pact Conference: building common ground

The Energy Pact Conference has been designed to provide an enabling environment for stakeholders and decision-makers to address the issue from a multi-polar perspective. Until now, many platforms, institutions and conferences have been limited to specific stakeholder groups, such as the energy industry, environment action groups or development interests. A mutual understanding and non-partisan approach is a prerequisite for the design of effective solutions.

Five objectives

- Build common ground for understanding the interrelated energy, environment and development issues, to define a realistic and achievable path for the future.

- Define an integrated approach that will address current and foreseeable needs and supplies as well as environment and development issues.
- Discuss the worldwide energy framework in 2030, develop ways to achieve a balanced energy policy on a global scale, and reduce the negative impact of energy production/consumption on the environment while taking into account development needs of emerging nations.
- Increase our knowledge of the interactions between energy production and consumption, the environment and economic development.
- Build a platform for scientific and technological innovation, providing an inspiring basis to address an acutely critical time for our planet and our next generations.

A unique platform

- A recurrent institutional platform gathering all representative stakeholders that transcends partisan interests does not exist on the international stage.
- The conference will bring together four highly interdependent core players: producing countries, consuming countries, NGOs and civil society.
- A strategic focus taking into account all interconnected dimensions of the issue: energy, environment, development constraints as well as finance.
- An approach that will allow to build a common ground of understanding.
- A pragmatic and long term approach: the conference will be held on a yearly basis reviewing progress made and developments in all major areas.
- Concrete outcomes will include a conference declaration, a number of initiatives, measures to be implemented such as the definition of tracking parameters – the setting-up of a targeted energy mix, measures to improve energy efficiency, etc.

The approach

- Open-minded discussions without partisan interests
- Simultaneous integration of the energy, environment and development dimensions during all discussions and workshops
- Mix of expertise and backgrounds during all sessions

Format

- This conference is initiated by the Energy Pact Foundation, a Swiss non-profit and non-political organization under the supervision of the Swiss Federal Authorities.
- One and a half day conference
- Plenary sessions with keynote speakers providing a global view
- Interactive workshops on energy resources, environment, development requirements

5. Key issues and themes

Energy

- Optimization of the energy mix and development of new technologies
- Investments to secure alternative energy supplies
- Energy policies, energy savings and technologies to reduce greenhouse gas emissions, taking in to consideration the particular challenges associated with their specificities and implementation time
- The future of fossil fuel and carbon sequestration issues
- Incentive systems, such as a carbon emission pricing, and their effectiveness in securing sufficient investments in oil and alternative sources of energy

Environment

- The impact of increasing greenhouse gas emissions on the physical and biological environment and their induced impacts on society
- Technological and economic proposals to mitigate or adapt to climate change
- Industrial response to climate change
- Impact evaluation and elaboration of policy responses to climate change
- Review and assessment of economic instruments and policy options to mitigate climate change

Development

- The challenge of sustainable development: potential contradictions between development goals and climate change mitigation
- Development of an adapted energy concept for developing countries, integrating an appropriate transfer of technologies
- Water, nutrition, health and labor issues
- Industrial proposals for sustainability
- Implementing sustainable development policies
- Organizing sustainable development policies on climate change