Advance copy fo the Chair and Moderator ONLY.

U N I T E D N A T I O N S **N A T I O N S U N I E S**

KEYNOTE ADDRESS
BY
MR. SHA ZUKANG
UNDER-SECRETARY-GENERAL FOR ECONOMIC AND SOCIAL AFFAIRS
SECRETARY-GENERAL OF THE 2012 UN CONFERENCE
ON SUSTAINABLE DEVELOPMENT

13th International Energy Forum Ministerial Meeting

5th International Energy Business Forum

Session 1: Meeting Future Energy Demand: Planning and Investing for the Long-Term

Kuwait City, 13 March 2012

Your Excellency Minister Hani Hussain,
His Royal Highness Prince Abdulaziz Bin Salman Bin Abdulaziz Al-Saud,
Distinguished Ministers,
Excellencies,
Ladies and Gentlemen,

First of all, I would like to thank the International Energy Forum for this kind invitation. It is an honor to address such an extraordinary group of energy policy makers and experts.

Energy is of strategic, geopolitical, economic and social importance. It is the lifeblood of any modern economy.

Today, I wish to share the United Nations perspectives on energy, in particular from the lens of sustainable development.

Energy is very much on our minds.

The UN General Assembly declared 2012 as the "International Year of Sustainable Energy for All."

Earlier this year, the Secretary-General launched the "Sustainable Energy for All" initiative, calling for "universal energy access by the year 2030."

Energy issues will also feature prominently at the **United Nations Conference on Sustainable Development, or Rio+20,** which will take place in Rio de Janeiro in June.

So you see, energy is at the top of the UN development agenda.

From the UN perspective, we try to keep a few global factors in mind in assessing the future demand for energy.

Here are a few trends impacting our energy needs:

1. According to UN projections, the global population is expected to reach 9 billion by about 2050.
2. More than half of the current population now lives in urban centers and urbanization is expected to grow rapidly in much of this century.
3. With strong economic growth in developing countries, increasing shares of population have moved to higher levels of energy demand in recent years. In the meantime, developed countries continue to enjoy high per capita energy consumption.

Figuring out the right balance of both the amount and types of energy needed for sustainable development will be extremely complex. For that reason, the two themes selected for this session – "Planning" and "Investment" for the long-term- are very timely.

They allow us to look at the demand and investment needs based on an integrated analysis of the economic, social and environmental dimensions of energy.

Allow me to elaborate.

In planning for future energy demand, we must consider accessibility and affordability of modern energy services, especially for the poor.

Energy is critical for health. Ensuring access to modern energy services, including electricity, gas and energy efficient cooking stoves, saves lives.

Energy empowers girls and women, affording them a chance to go to school and to undertake entrepreneurial activities.

In the economic dimension, energy drives growth, production and consumption. Indeed, in many cases, energy demand serves as an indicator of the rate and prospects of growth. That is why much of development aid is targeted at addressing energy poverty.

Today, as we grapple with the impacts of climate change, a greater focus is on reducing energy intensity, including in the industrial, commercial, service, residential and transport sectors.

Indeed, energy efficiency is a key plank of a green economy – one of the two themes of the UN Conference on Sustainable Development, to which I will return in a minute.

At this point, I should mention that Secretary General Ban's initiative on Sustainable Energy includes a second goal: "doubling the rate of improvement in energy efficiency by 2030."

So it's not just about supplying energy, but supplying and consuming it efficiently.

In the environmental dimension, the threats of climate change are becoming more and more evident. And energy systems are responsible for a major share of global greenhouse emissions and other negative environmental impacts.

Consequently many countries are embarking on energy diversification programmes that stress the need for increasing the use of low-carbon technologies and for developing advanced cleaner fossil fuels technologies.

The results? Greener growth, cleaner consumption and production, and ultimately sustainable development.

Over the last decade and in particular the last five years, we've also witnessed a growing trend in the development and use of renewable energy, including power generation, heating and cooling, and transport fuels.

That is why the Secretary-General's Sustainable Energy for All initiative includes a third major goal: "doubling the share of renewable energy in the global energy mix."

In planning for future energy demand, we must therefore take a multi-dimensional approach, addressing security, and demand and supply issues, as well as the social and environmental dimensions.

Conventional planning approaches based on demand and supply calculus alone, while necessary, are no longer sufficient.

Energy planning must therefore address the imperatives of economic growth, the impacts on climate change and the environment, and the needs of the poor.

To achieve all of these, we need increased investment.

Which brings me to the second theme of this Session, - "Investment." It is clear that if we are to meet the social, environmental and economic objectives of the energy sector, major long-term investments are necessary.

In particular, we need investments that can help build the appropriate infrastructure, making the future energy systems environmentally sound and socially inclusive.

One of the main areas of concern for the United Nations is meeting investment requirements for universal energy access.

The International Energy Agency estimated that in 2009, $9.1 billion was invested globally in extending access to modern energy services. Thanks to that investment, 20 million people obtained access to electricity and 7 million people were provided with advanced biomass cooking stoves.

But that was not sufficient.

The cumulative investment estimated to provide universal modern energy access by 2030 is about $1 trillion, or an average of about $48 billion per year. Obviously, support from the public and private sectors is necessary to bridge the gap.

Public-Private Partnerships are needed most.

To make it all happen, coherent and stable public policies, as well as regulatory reforms, will also be needed to create a supportive investment climate.

At the same time, the private sector should go beyond supply and demand calculus alone and address the social and environmental imperatives in energy investments.

Excellencies,

A key message that has emerged from the Rio+20 preparatory process is that we need to deal with energy in a nexus fashion. Every issue - from water to transport to urbanization to health - intersects with energy.

Indeed, energy is the golden thread that runs through today's development challenges.

Not surprisingly, energy is one of the Seven Plus priorities for Rio+20, and featured heavily in submissions to the Compilation Document – the text which provides the basis for the Rio+20 outcome document.

Many Member States have also expressed the hope that the three energy-related goals – access, efficiency and renewable – will be adopted as sustainable development goals at Rio.

Excellencies,

Rio+20 has been called "the Conference for the Future". It is certainly one of the most important events in the history of the United Nations – a once-in-a-generation opportunity for setting our world on a path to global sustainability.

Let's use this opportunity to make Sustainable Energy for All more than a dream. Let's make it a reality.

As senior policy makers and experts, you can make a decisive contribution.

In my capacity as Conference Secretary-General, I invite you all to come to Rio and help make it happen.

Thank you, and I wish you fruitful discussions.

******