



institut du développement durable et des relations internationales

BRINGING DEVELOPING COUNTRIES INTO THE ENERGY EQUATION

**Energy, development
and climate change**

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IDDRI Paris

The Iddri (1/2)

***Institute for sustainable development and international relations
(Institut du développement durable et des relations internationales)***

- A non-profit, nongovernmental think-tank founded in 2001 to help develop policy dialogue and research on international governance and regulation matters
 - Led by Laurence Tubiana
- Supported by:
 - Main French research institutions
 - Private sectors
 - Government agencies (research, environment, foreign affairs)
- Iddri provides forums and networks creating common culture on sustainability issues among stakeholders, following 4 objectives:
 - Contribute to building up a more equitable and effective global governance
 - Reduce controversies by initiating dialogues among stakeholders
 - Promote scientific research and multidisciplinary expertise on sustainability
 - Gather timely information and knowledge to improve decisions-making processes

The Iddri (2/2)

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- Focal areas are those requiring collective international actions:
 - Climate change,
 - Agriculture and forestry,
 - Biodiversity and natural resources
- Cross-cutting issues :
 - Environmental and social responsibility,
 - International trade,
 - Cooperation and development,
 - Global governance of sustainable development,
 - Uncertainty, precaution and expertise
- In 2004, Iddri created a research Foundation with public and private partners providing funding for sustainability-related research projects
 - Main areas of interest: Climate change, delivery of essential services & urban development, Sustainable agriculture in global trade



MAIN FINDINGS from the **IDDRI-AFD** report
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World Energy Context

- Oil shocks (70's) revealed fragility of energy-intensive industrialized countries without generating significant change in their model of development.
 - Today, strong development of emerging countries adds tension on energy markets, where the poorest countries are the first victims
 - These tensions provide new impetus to develop alternative energies, but the future growth in energy demand will still be primarily satisfied by coal
- ⇒ Given climate change perspective, a future « business as usual » is not sustainable
- ⇒ Urgent need for radically reassessing the energy dimension of the development models of industrialized and emerging countries
- ... but the strong difficulties revealed in the context of the 70's are still there

Energy in developing countries & Climate Change negotiation

- Kyoto Protocol successfully introduced innovative instruments and project-based financial tools
 - CDM projects are expected to provide up to 10 Billions Euros of carbon finance up to 2012
- “Kyoto dynamic” as a whole is very valuable and induced many progress for both developed and developing countries
- However, present Kyoto framework is not at the right scale to tackle long term climate change
 - Present Kyoto mechanisms will not radically shift investment trends in energy supply
 - Any kind of “pure carbon finance” unable to significantly affect infrastructures choices (urban planning, house buildings, transportation..)

Perspective(s) for a future of sustainable energy

The report identifies conditions and criteria for stimulating a radical shift in the relations between development, energy consumption and greenhouse gas emissions:

1. Explicitly allow for progress in reforming energy models
2. Provide an action framework suited to the diversities of countries' situations (the national policy level is crucial)
3. Provide an action framework building up on the countries' development priorities (mainstreaming energy and climate change issues into the countries' priorities)

Perspective(s) for a future 'climate change regime'

The report is gathering diverse options illustrating the open nature of the framework for post-2012 actions. But some convergence can be found among these perspectives:

- New initiatives needed to unlock present stalled negotiations (burden of costs and emissions, equity...)
- Breaking-down the problem taking into account development trajectories and specificities might help... (leading to partial coalition or sectoral approaches)
- ...but does not preclude to build up coordination of public and private actors (i.e. regulations + policies + markets + finance....)
- The credibility of such package-deals will be strongly improved by an overarching global agreement on long term climate objective