

## Energy Access for All

### Background

Energy has been one of many contentious issues in the Rio+20 process. The Summit must grapple with how the world can deliver universal energy access and wean itself off polluting fossil-fuel energy sources, which are driving climate change.

Access to energy is fundamental for human survival and ending poverty – for lighting, cooking, growing food, and earning a living – yet today one in five people have no access to electricity and two in five people cook on open fires. Women and children tend to suffer the most, inhaling dangerous fumes over smoky fires and spending hours a day collecting firewood and other fuel. And whilst millions of people in the developing world are denied access to basic energy, big energy users continue to guzzle polluting fossil fuels, which are causing greenhouse gas emissions to soar. Only two months ago, the International Energy Agency warned that unless energy models change we are heading for a 6 degree increase in average global temperature by 2100.<sup>1</sup> This spells disaster for the world's poorest people who live on the front line of climate change.

Attention in Rio will centre on the UN Secretary General's Sustainable Energy For All (SE4All) initiative: a voluntary platform aiming to catalyse action so that, by 2030, everyone has access to modern energy services, the rate of energy efficiency improvements doubles, and the share of renewable energy in the global energy mix doubles. There are several issues at stake at Rio+20, including:

1. **Tackling climate change:** Burning fossil-fuels causes the lion's share of global greenhouse emissions. The world is way off-track in shifting to clean, efficient energy models.
2. **Delivering universal energy access:** 1.3 billion people lack electricity, and 2.7 billion people use wood, charcoal, animal waste or coal to cook their meals and heat their homes. Delivering energy access for all would have a negligible impact on global emissions (less than 1%), but on current trends the number of people without access to energy in 2030 will be about the same as today.<sup>2</sup>
3. **Coping with surging and volatile oil prices.** Rising oil prices were a huge factor behind the 2008 spike in food prices, which drove the number of hungry people over the billion mark and triggered protests in 61 countries.<sup>3</sup> In Africa, many countries are running to standstill as the cost of oil imports is outstripping aid received.<sup>4</sup>
4. **Ending harmful energy subsidies.** Governments around the world are spending hundreds of billions dollars each year subsidizing fossil fuels, which makes it harder for renewable energy sources to compete. In 2010, the G20 committed to phase out subsidies, but progress has been slow. A key challenge is to ensure that the removal of subsidies does not harm poor people, who are most vulnerable to rising prices. At the same time biofuels mandates and subsidies in the EU and North America are driving food price volatility, as crops are diverted from stomachs to petrol tanks. But, under pressure from biofuels lobbies, governments are resisting reform.

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<sup>1</sup> 'IEA urges governments to seize the opportunity to accelerate clean energy deployment', 25/4/2012. [http://www.iea.org/press/pressdetail.asp?PRESS\\_REL\\_ID=436](http://www.iea.org/press/pressdetail.asp?PRESS_REL_ID=436)

<sup>2</sup> Data from IEA (2011) 'Energy for All' World Energy Outlook 2011, Paris: IEA. Available at: [http://www.iea.org/Papers/2011/weo2011\\_energy\\_for\\_all.pdf](http://www.iea.org/Papers/2011/weo2011_energy_for_all.pdf)

<sup>3</sup> Oxfam, 2011. Growing a Better Future.

<sup>4</sup> IEA figures cited in the Guardian Newspaper, 1/4/2012:

<http://www.guardian.co.uk/world/2012/apr/01/overseas-aid-africa-oil-imports-costs?newsfeed=true>. Last year Sub-Saharan Africa received about \$15.6bn in overseas development aid but this was outweighed by the \$18bn cost of importing oil

## What is happening in the formal negotiations?

The disputes in the formal negotiations are not about hard commitments – which, as in other areas in Rio+20, are simply not on the table – but more around the overall tone and emphasis. Positions largely mirror those in climate negotiations and are shaped by countries' own particular domestic energy sources and energy security interests.

For instance, the EU is pushing hard to align energy with climate change goals, promote energy access and more rapid fossil-fuel subsidy phase-out. These positions are supported at different times by countries like Norway, New Zealand, the Republic of Korea, Kazakhstan, Australia and Switzerland. However, efforts to wedge-in references to promote *renewable, low-carbon or sustainable* energy sources or plans, and reinforce existing climate targets (to keep global temperatures rises within 2 degrees Celsius), are opposed by countries like the US, Canada and the Russian Federation. On energy subsidies, the G77 group of developing countries want to remove any mention, whilst countries like Canada and Russia want a softer stance than the 'medium term phase out' phase out proposed by the EU.

The SE4All initiative is a particular bone of contention and may not survive the final text. The EU, Republic of Korea and Norway want the Rio+20 outcome document to give explicit positive backing; whilst the G77 is seeking to delete any mention from the text. For the G77 – who are keen on energy access and want financial support for it – the fear is that supporting SE4All and its three goals could lead to new targets on renewable energy and energy efficiency being introduced by the back door.

If the current negotiation path continues, the most likely outcome is a bland compromise in the final text with a (welcome) emphasis on energy access, a splattering of references to renewables, perhaps a 'noting' of SE4All and some mention of subsidy-phase out but without a real sense of urgency. Biofuels stand little chance of a specific mention – since no governments are pressing this – though they are implicitly folded in under a general banner of shifting harmful energy subsidies.

SE4All will do better outside the formal negotiations than in. Strongly driven by the UN Secretary-General, it is expected that a number of governments will announce their support for SE4All. This may come in the form of national energy plans announced by developing countries – likely to be mainly from Sub-Saharan Africa - with pledges of finance to support these from donors, like the EU and Norway.

Campaigners on poverty and the environment have mixed views on SE4All. On the plus side, SE4All has created very welcome political attention on the critical but long neglected issue of energy access. It keeps energy high on the agenda even as UN climate negotiations falter and potentially helps bridge developing and developed countries divides on climate targets by focusing on an area which all countries agree is an undisputed good: energy *access*. But SE4All has also been critiqued for its level of ambition and approach. A 'High-Level Panel' appointed by Ban Ki Moon to design the initiative had heavy representation from large companies, including big fossil-fuel polluters. Consultation and involvement of civil society has been extremely weak: this is a major problem given the prime beneficiaries are supposed to be energy users and people living in poverty. Concerns have been raised about whether the renewable energy and energy efficiency targets are really ambitious enough to meet climate goals, and about the 'anything goes' stance of the initiative with respect to difference technologies, which could include projects with social and environmental risks, such as large-scale biofuels and hydropower.

## Oxfam's view

Transforming our energy systems is fundamental to cut poverty, meet the Millennium Development Goals, tackle climate change and help countries cope with volatile fossil fuel prices.



The Rio+20 conference is a crucial moment for all governments to commit the new money, policies and support needed to deliver energy for all whilst cutting greenhouse gas pollution globally. At Rio+20, governments should:

- Provide concrete pledges of technical and financial support to developing countries to deliver clean energy and access to energy for all.
- Support a strengthened UN Sustainable Energy for All initiative that delivers universal access to clean, modern energy services. This must include proper consultation and involvement of civil society, social and environmental safeguards to exclude risky technology choices and a strong framework of accountability.
- Commit to a timetable for a rapid phase-out of environmentally and socially harmful energy subsidies, like fossil fuels and biofuels - backed by technical and financial support to assist developing countries and protect the vulnerable.

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Oxfam's Grow campaign is committed to creating a better future, ensuring food security and prosperity for all in a resource-constrained world. For more information go to [www.oxfam.org/grow](http://www.oxfam.org/grow)