



Canadian Renewable Energy Alliance

promoting a transition to renewable energy

International Cooperation – Moving Toward a Sustainable Energy Future

For environmental and equity reasons, renewable energy has become a global imperative – a means of transforming economies from fossil fuels to sustainable energy, and as a means to providing modern energy services to those currently without.

More than 1.6 billion people live without access to electricity and 2.4 billion lack modern energy services for cooking and heating. Millions more are connected to the grid but experience poor power quality and frequent power outages. Women, the elderly and children will benefit the most from access to renewable energy technologies as they are most often burdened with the collection of fuel wood, the pumping of water and exposure of harmful emissions from customary cooking methods, which is the leading cause of respiratory illness. In 2005 the richest 20 percent of the world's population consumed 58% of the world's energy while the poorest 20 percent consumed less than 4% - the majority of whom live in sub-Saharan Africa and Asia.

Access to basic, clean energy services is essential for sustainable development and poverty eradication, and provides major benefits in the areas of health, literacy and equity. Simply put, the developing world needs more access to energy while at the same time the world as a whole needs to rely on less polluting forms of energy. Energy services have a critical role in achieving the Millennium Development Goals (MDGs). The UN Commission on Sustainable Development has called access to renewable energy a "prerequisite" for halving poverty by 2015. International cooperation in the area of renewable energy is needed to help fill the gap and improve energy equity.

Climate change and the threat of peak oil are also leading to a greater focus on energy issues at the international level. Fossil fuels, large hydro dams and nuclear energy are all current sources of conflict and are implicated as prime causes in future wars. International cooperation to expand renewable energy, a relatively conflict-free and secure energy source, is increasing but needs greater political will in order to transition effectively from a fossil-fuel based economy.

Internationally, Canada has not been a leader to date in promoting supportive policies and committing to international cooperation that actively promotes renewable energy. However, as a member of the G8

which is focusing increasingly on energy issues, a participant in various international renewable energy conferences (Bonn, BIREC, CSD), a nation committed to meeting the Millennium Development Goals, and as a signatory to the WSSD, Bonn Declaration and Kyoto Protocol, Canada has the opportunity to increase its international cooperation profile by following through on its commitments and moving forward toward a sustainable energy future.

Recommendations for Federal Enabling Policies and Support

In Official Development Assistance

In an effort to meet the Millennium Development goals and improve energy equity, the federal government should:

- ▶ Recognize in its ODA portfolio the key role of renewable energy and efficiency for the developing world and poverty eradication. Canada should phase out support of fossil fuel development projects and shift toward the sole support of renewable energy (RE) and energy efficiency (EE) initiatives through CIDA. CIDA should highlight renewable energy options as a priority in its bilateral and multilateral ODA programs and provide substantial funding for EE/RE programs.
- ▶ In supporting access to energy in developing countries, give ODA priority to renewable energy projects that support national targets, greater energy security, poverty reduction and maximize local benefits. Make ODA accessible to community level projects, the rural poor and women.
- ▶ Support research and development, capacity building programs (such as technology training programs, small business support, tech transfer, community consultation) and micro-finance schemes with partners in developing countries underlining support for local private sector renewable energy initiatives, networks, renewable energy associations and partnerships.

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- ▶ Advance Clean Development Mechanism (CDM) policies to enforce sustainable development criteria and support renewable energy technologies, in particular small-scale decentralized initiatives. Support the development of these projects through capacity building and project development support with an emphasis on the rural poor and women.
- ▶ Fund South-South collaboration initiatives that can provide significant benefits in terms of technology transfer and capacity development for renewable energy.

To Level the Playing Field for the Renewable Energy Industry

In order to maximize the full potential of renewable energy, the markets need to be redesigned to support its development. The federal government should:

- ▶ Agree to an international agreement that calls on all governments to set nationally binding targets for renewable energy. Work with other countries to develop a set of internationally agreed metrics for the setting of comparable targets and the measuring of progress on renewable energy deployment globally.
- ▶ Support and implement international agreements, programs and policies that phase out perverse subsidies and lending to non-renewable energy sources, with a transition plan to avoid undue hardships on developing country economies that currently rely on non-renewable energy sources. This includes implementing para 19. (p) and (q) of the Johannesburg Plan of Implementation.
- ▶ Use Export Development Canada (EDC) to actively encourage growth in Canada's renewable energy technology sector and set a target to increase EDC's total energy portfolio to RE/EE projects. Simultaneously phase out EDC support for unsustainable sources of energy such as fossil fuels, nuclear power and large-impact hydro by 2008 and encourage all international financial institutions (IFIs) to do likewise.

Domestic Policies that Support International Cooperation

In order to strengthen Canada's leadership in the international arena, it needs to develop a national renewable energy strategy and strengthen its domestic portfolio. The federal government should:

- ▶ Implement the Bonn Policy Recommendations call of mainstreaming renewable energy into other sectors such as agriculture, forestry, transportation, economic development, poverty alleviation, education, urban and land-use planning and infrastructure development – both nationally and internationally. Canada must also meet or exceed its current commitments as outlined in the Bonn Action Plan.

- ▶ Foster greater communication and collaboration across departments, in particular between CIDA, Environment Canada, DFAIT, NRCan and Industry Canada, to negotiate and better implement international agreements, policies and programs that call for reductions in perverse subsidies and increases in renewable energy. The establishment of a National Renewable Energy Secretariat would facilitate this and provide crucial support for international efforts.

For Participating in International Dialogues and Cooperative Programs

The United Nations, G8, international financial institutions and other international bodies have been charged with supporting and coordinating the development of renewable energy and energy efficiency. The federal government should:

- ▶ Effectively prepare for CSD 15 by involving civil society, the private sector and government in preliminary consultations on energy as well as reporting on our commitments within the Bonn Action Plan. Canada must also ensure adequate representation at these meetings and involve relevant departments.
- ▶ Support the development of local, regional, national and international networks addressing renewable energy, MDGs and global climate change objectives; and support the development of an International Renewable Energy Association (IRENA) or other international renewable energy agency that will provide a monitoring role.
- ▶ Initiate a consultative process for a global agreement on sustainability criteria for bio-energy.
- ▶ Recommit to Canada's Kyoto targets and a post-2012 international agreement.
- ▶ Cooperate globally to set standards and labeling for energy efficiency.
- ▶ Champion and support the development of international financial instruments that support renewable energy and energy efficiency programs through the Clean Development Mechanism of the Kyoto Protocol, the Global Environment Facility and the World Bank (such as the BioCarbon Fund and Community Development Carbon Fund).
- ▶ Provide financial and more active Canadian participation in the Global Village Energy Partnership (GVEP), REEEP and RN21, and establish a Canadian renewable energy trust fund at the GVEP, UNDP or other multilateral organization supporting community based RE projects.

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