



## **Industrial Development Board**

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### **UNIDO activities and events related to energy and environment**

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### **Report by the Director-General**

The present document provides information on certain international meetings being hosted by UNIDO, in cooperation with relevant partners, in the area of energy and environment during the week of 21 June 2011: the Vienna Energy Forum 2011, the Ministerial Meeting on Energy and Green Industry, and the Meeting of the Círculo de Montevideo.

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## I. Introduction

1. In 1992, the United Nations Conference on Environment and Development (the Earth Summit), helped to revolutionize the global development agenda by introducing the concept of “sustainable development” as a policy framework based on the three pillars of economic, environmental and social sustainability. This concept has gained in relevance in the intervening years as the global commitment to the reduction of poverty, as embodied in the Millennium Development Goals (MDGs), has underscored the critical importance of promoting economic growth as a vehicle for wealth creation and social progress. At the same time, the threat of environmental degradation, resource depletion and climate change has heightened the need for the adoption of sustainable approaches to development. A number of initiatives have therefore been taken in recent years to operationalize the concept of sustainable development within the context of a variety of international frameworks and processes, including, inter alia, the MDGs, the United Nations Commission for Sustainable Development (UNCSD) that emerged from the 1992 Rio Earth Summit, and the United Nations Framework Convention on Climate Change (UNFCCC).

2. In accordance with its constitutional mandate and its mission statement, UNIDO has sought to contribute actively and effectively to the goal of sustainable development by supporting its Member States in their quest for sustainability in their industrial development. In particular, it has promoted enhanced access to energy in accordance with the widely shared recognition that an adequate availability of energy is a prerequisite for the achievement of economic development and poverty reduction. In doing so, it has emphasized sustainability by focusing on renewable forms of energy and on the promotion of energy efficiency. This approach is fully consistent with the recommendations of the United Nations Secretary-General’s Advisory Group on Energy and Climate Change (AGECC), which was chaired by the Director-General of UNIDO. Its report, issued in April 2010, calls for a global commitment to two ambitious, but achievable global energy goals:

- (a) Ensure universal access to modern forms of energy by 2030;
- (b) Reduce global energy intensity by 40 per cent by 2030.<sup>1</sup>

3. While promoting sustainable energy access, UNIDO has also sought to encourage resource-efficient and cleaner production processes, both to increase the competitiveness of its project beneficiaries through a reduction in their wastes (and

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<sup>1</sup> The full objectives of the AGECC report, *Energy for a Sustainable Future*, issued in New York on 28 April 2010, can be summarized as follows:

1. Ensure universal access to modern forms of energy by 2030: Provide universal access to clean and affordable energy with low greenhouse gas emissions for cooking, lighting, heating and cooling, and productive uses, through both centralized and decentralized energy technologies and systems. This will help to ensure sustainable livelihoods and be consistent with the need for affordability by the poorest countries and communities.

2. Reduce global energy intensity by 40 per cent by 2030: Establish an internationally coordinated energy efficiency programme. The effort should focus on developing in-country capacity to implement effective policies, markets, business models, investment tools and regulations. This goal should be met by doubling the average rate of global energy intensity improvement to 2.5 per cent per year.

hence costs), and to reduce the environmental pressures arising from their industrial activities. In this context, the Organization has supported, in partnership with the United Nations Environment Programme (UNEP), an international network of National Cleaner Production Centres, and has promoted the adoption of best available technologies and best environmental practices (BAT/BEP) through many of its programmes. It has also developed a “green industry” approach as a complement to the global quest for greening of economic processes.

4. Against this background, UNIDO has decided, with relevant partners, to host a suite of distinct but thematically related high-level meetings in Vienna in the week beginning 21 June 2011. At the core of these meetings is the Vienna Energy Forum (VEF), to be held from 21 to 23 June, which is seen as a successor to the highly successful Vienna Energy Conference (VEC) of 22 to 24 June 2009, and as intended the foundation for a regular biennial event in the future. The VEF will serve as a platform for a Ministerial Meeting on Energy and Green Industry, which is intended to give participants an opportunity to discuss critical issues related to sustainable energy access and industrial development, and to contribute to the preparatory process of the Rio+20 United Nations Conference on Sustainable Development to be held in Rio de Janeiro, Brazil, from 4 to 6 June 2012 to mark the twentieth anniversary of the 1992 Earth Summit. In addition, the *Círculo de Montevideo*, an influential grouping of political and business leaders, as well as representatives of international organizations from Latin America, have also agreed to hold their annual meeting for 2011 within the broad framework of the VEF. The first two events address the challenges related to sustainable universal energy access and the integration of green industry into the transition to a green economy, while the third provides an opportunity for discussing these issues in the specific regional context of Latin America. Information and updates on these events can be found at [www.viennaenergyforum.org](http://www.viennaenergyforum.org). It is expected that representatives of the three meetings and other senior participants will be given an opportunity to inform the Board of the deliberations and outcomes of their respective meetings.

## II. Vienna Energy Forum 2011

5. The VEF is being convened to provide a platform for exploring the challenges of the 21st century from the perspective of energy, based on the premise that the lack of affordable access to modern energy systems is an important determinant of many societal challenges, whether related to poverty, climate change, security, health, or income. The Forum is therefore intended to bring together a diverse group of stakeholders from a broad range of disciplines — including Heads of State, policymakers, energy experts, and representatives of civil society and the private sector — to take an integrated look at the global energy challenges.

6. It is expected that the Forum, which will be organized jointly by UNIDO, the Austrian Development Cooperation (ADC) and the International Institute of Applied Systems Analysis (IIASA), will be held regularly every two years. It builds on the positive momentum created by the Vienna Energy Conference held at the Hofburg Palace in Vienna in June 2009. That meeting brought together 778 participants from 93 countries, including 20 ministerial-level participants, energy representatives and experts, as well as representatives from United Nations

agencies, bilateral organizations, the private sector, academia and regional and international non-governmental organizations.

7. The upcoming VEF will take the global energy debate further by focusing on energy poverty in developing countries and on key building blocks for putting together a strategy to prioritize the energy access agenda. The discussions will also focus on energy efficiency and on reducing global energy intensity as the second main theme of the Forum. It is anticipated that the debate on these topics will generate recommendations for the creation of an action-oriented road map and international architecture to facilitate the achievement of the related goals on universal energy access and the lowering of energy intensity as proposed by AGECC.

8. In this context, the VEF will also serve as the venue for the launching of the Global Energy Assessment (GEA) — an initiative to define a new global energy agenda for a rapidly changing world involving more than 500 scientists and experts around the world. Since the Forum will take place about one year before the Rio+20 Conference, its programme is also designed to allow a diverse and rich dialogue on the following key elements that closely overlap with those of the Rio+20 Conference:

- (a) Strategies, policies and options for decarbonising the energy system in support of a green economy and achieving universal access to modern energy carriers;
- (b) Technologies and institutions for cleaner energy supply;
- (c) Investment in infrastructure and supporting institutions; and
- (d) Financing the energy transformation in decades to come, with a particular focus on energy access for all, decarbonisation and clean development.

### **III. Ministerial Meeting on Energy and Green Industry**

9. Given the centrality of energy issues with regard to every aspect of the sustainable development agenda, particularly with regard to industrial development, and recognizing also the broader need to promote greater resource and energy efficiency in industrial production, a Ministerial Meeting on Energy and Green Industry will be held in parallel with the Forum. This meeting will be organized in coordination with the United Nations Department of Economic and Social Affairs (UN DESA), which has been designated to host the Secretariat for the preparatory process of the Rio+20 Conference. It is intended to provide an opportunity for policymakers from Member States to consider the critical issues pertaining to sustainable energy and the green industrial transformation as integral components of the shift towards sustainable, low-carbon economic growth, and in particular to the need to decouple industrial growth from material and energy intensity, ahead of the Rio+20 Conference.

10. To address these issues and challenges the ministerial discussions will focus on the key policy responses that are needed to:

- (a) Expand access to clean energy;

(b) Enhance industrial energy and resource efficiency;

(c) Support green industry as an integral component of the transition to a green economy in the context of sustainable development and poverty eradication.

The meeting will also address key challenges with regard to supportive regulatory policies and frameworks, finance and technology, the role of the private and public sector and international cooperation.

11. An important objective of the meeting will be to provide Member States with a platform to share opinions and approaches on industrial development that they may find useful in their intergovernmental preparations for the Rio+20 Conference and their consultations on the intended outcome document. It is therefore proposed that the ministers will meet in round-table discussions on 21 and 22 June to share information on best practices, programmes and other steps in support of scaling up access to clean energy and greening industrial development. It is also expected that a document stressing the importance of clean energy access for sustainable development and recognizing the role of green industry in the green economy model will be endorsed by the meeting participants, and may be used to inform the preparatory discussions for the Rio+20 Conference.

#### **IV. Meeting of the *Círculo de Montevideo***

12. The influential *Círculo de Montevideo* (CdeM) has also been invited to hold its annual meeting for 2011 in Vienna from 22 to 24 June, in parallel with the VEF and the Ministerial Meeting on Energy and Green Industry. The CdeM acts as a permanent forum for reflection among its prominent membership, with the objective of reviewing and identifying strategies and means for promoting sustainable industrial development in Latin America. Members of the CdeM include current and former Heads of State and Government, policymakers, academics, leaders of international agencies, and leading representatives of the private sector.

13. The Director-General of UNIDO, in cooperation with the United Nations Development Programme (UNDP) and the Government of Austria, has taken the initiative to invite CdeM to hold its annual session for 2011 in Vienna to coincide with the other important meetings scheduled for the week of 21 June. CdeM will contribute substantively to promoting the green industry and sustainable energy access agenda through an active participation of its members in the high-level panels of the Vienna Energy Forum and through its own CdeM round-table discussions on how to promote green industry and energy in the context of sustainable development in Latin America. The outcome of their deliberations and the final report of their meeting will greatly benefit the work that UNIDO undertakes in this area.

#### **V. Action required of the Board**

14. The Board may wish to take note of the information contained in the present document and the initiatives taken by UNIDO in hosting these events. The Board may also express its support for the efforts undertaken by UNIDO to promote sustainable energy access as the foundation for accelerated development and the

integration of its green industry programme into the global transition to a green economy within the framework of the Rio+20 preparatory process.

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