

## **Workshop on Electricity and Development**

Welcoming remarks by:

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I would like to welcome you to Nairobi and to this third and final Regional Workshop on Electricity and Development. This workshop builds on Global Workshop on the same topic that was conducted at the headquarters of the International Energy Agency in Paris in January of this year. As you might know, the Paris workshop once again highlighted the fact that far too many people in the world don't have access to electricity, that energy is needed for development, and that energy is the often forgotten input to the activities that will help us meet the Millennium Development Goals.

IEA, UNDP and UNEP took on the task of following up on the Paris event, and have since conducted Regional Workshops in Rio de Janeiro, in Bangkok, and now here in Nairobi. The intention in organizing these three events was to build support for approaches for addressing the challenge of securing investment for expanding electricity supply in a manner that also enhances electricity access to the poor.

I was happy to learn that the Rio and Bangkok workshops had good participation, with representatives from governments, electricity companies, UN agencies, the World Bank, and NGOs. The regional workshops have so far been able to get into the details and capture some of the regional nuances of the electricity for development discussion. A combined report on the findings of the three regional workshops will be prepared and we believe this will contribute to discussions at the 14<sup>th</sup> session of the Commission on Sustainable Development, which as you may know will focus on energy issues.

UNEP's contribution to the Regional Workshops has mainly been through the Global Network on Energy for Sustainable Development, which since it was founded at the World Summit on Sustainable Development has established itself as a sort of virtual global think-tank on policy issues related to Energy for Development. The Network links the leading scientific experts in a South – South and South – North partnership, with a core of 11 Centres of Excellence in developing countries. The GNESD focuses on energy for achieving the Millennium Development Goals, and provides specific policy recommendations based on global experience and analysis. It is a true partnership involving as well UNDP in all aspects of its operations.

Many of the Centres in the GNESD are here and we will hear the results of their efforts, which started with a detailed look in developing countries at the consequences of power sector reform on energy access and affordability by the poor. Conclusions are quite clear that while reforms have made some progress in improving efficiency, they have often had quite negative effects on the poor. What distinguishes good from bad reform efforts is the degree to which attending to the needs of the poor is an explicit goal in the reform process.

I would like to raise a little flag of caution and urge you to work to bridge the gap between what I see as two separate camps in the electricity and development community. The first holds that large scale energization is the key to development. This group is concerned with financing for central power plants and transmission lines, approaches to grid extension, improved utility models, and regulatory reform issues. The developing country partners in this discussion are mostly governments, and the challenge they see is how to entice the private sector into providing its money and expertise to large scale investment projects.

The other camp is interested in bringing small amounts of electricity to rural communities. It tends to discuss electricity as enabling communication and access to information and providing lighting for schools and health clinics, using off grid or mini-grid approaches that often bypass the government. The role of the private sector is often fatally ignored, as is the importance of local financial institutions. Too often these groups talk past one another when really they have to see that there are many different facets to the electricity and development problem, that these require different solutions, and that each group can learn from the other. It is not a case of one approach or the other but blending different approaches in an effective manner.

I would like to take the opportunity for thanking our friends at IEA and UNDP for all their support in making the Regional Workshops possible. Thanks as well go to AFREPREN for all the hard work in putting this event together. As I look across this room I feel confident that this final regional Workshop on Electricity and Development will give us a good chance to learn from each other.

Thank you.