

Dialogue Report
“Energy: Local Action, Global Impact”
Thursday 22 June, 2006

Moderator

Kevin Newman, News Anchor, Global National, Canada

Panellists

Vijay Modi, Professor, Mechanical Engineering, Columbia University, USA

Harriette Amissah-Arthur, Director, KITE, Ghana

Mark Jaccard, Professor, School of Resource Management, Simon Fraser University

Enrique Penalosa, Visiting Scholar, New York University, USA; former Mayor, City of Bogota, Columbia

Mary Jane C. Ortega, Mayor, City of San Fernando, The Philippines

Todd Litman, Executive Director, Victoria Transport Policy Institute

Anumita Roychowdhury, Coordinator Policy Research and Advocacy on vehicular pollution in India for the “Centre for Science and Environment” (CSE), India

Objectives

The main objective of this dialogue was to contribute to the debate on the importance of sustainable energy and transport solutions for sustainable human development and for achieving the Millennium Development Goals (MDGs). The dialogue was structured in to two modules.

The first module focused on access to modern energy services and a sustainable energy future. Its main objectives were to discuss affordable and successful energy solutions, and the constraints cities face with implementing such solutions.

Sustainable transport was the focus of the second module of the Dialogue. The key aims of this module were to consider the shape and form of a new urban transport which takes into account the needs of all urban dwellers, how cities can take the lead in promoting energy efficient and cleaner transport and the types of technology options available.

Module 1: Energy services and sustainable energy

Major Issues and Concerns

Following introductory remarks by the moderator, panellists identified key challenges in energy efficiency and the provision of affordable, reliable and sustainable energy to the urban poor.

Professor Vijay Modi felt the principal challenge was to identify reliable and affordable energy supplies and technologies for poor slum dwellers, most of whom rely on

unsustainable energy sources such as firewood and charcoal which also have adverse health consequences. He particularly highlighted the acute energy requirements of the urban poor for the purposes of cooking. He noted that the poor pay disproportionately high prices for energy.

Mrs. Harriette Amisssah-Arthur identified a number of constraints in the provision of affordable and reliable energy to the poor in developing countries. These included the lack of leadership at different levels of government, the absence of long-term planning and vision, unreliability of energy service provision and consequent unwillingness of the public to pay for those services, the inadequacy of present systems to effectively communicate the right information to stakeholders and the public at large.

Mr. Mark Jaccard stressed that the key issue was not the rapid depletion of fossil fuels but rather the finite availability of *easy oil*. The extraction and consumption of fossil fuels were likely to remain the cheaper option for the foreseeable future but the challenge was to use these resources efficiently. He noted that whilst the need for energy efficiency and greater use of renewable energy was evident, we should not do away with non-renewable energy sources. In his view, cleaner use of non-renewables remained a cheaper option for energy provision in developing countries.

Debate

The debate that followed examined key issues relevant to the provision of affordable, reliable and clean energy services including climate change, international declarations, multinational companies and their investment strategies, government subsidies, decision making and leadership as well as public awareness and engagement.

The importance of political responsibility on the part of developed countries and their commitment to international declarations (including the Kyoto Protocol) was highlighted. In this respect, Professor Modi noted that whilst the poor in developing countries were victims of climate change, they were not the key contributors to green house energy emissions.

In terms of the role of multinational oil companies and their investment strategies in renewable energy sources, Mr Jaccard noted that the bulk of their research and development still focused on fossil fuels.

Mrs Amisssah-Arthur felt the main responsibility in the provision of affordable and reliable access to energy services lay with the government which should be held accountable in this regard. She stressed the importance of the government in mobilising key actors to develop relevant energy policies thereby creating the necessary environment for the different players to do their part.

Regarding the role of government subsidies in promoting access to reliable and affordable energy sources by the poor, Professor Modi noted that the privileged segments

of society, rather than the poor, often benefited from such schemes. He noted that energy subsidies could still play a crucial role because the strategies to ensure that they reach the poor existed. For instance, in Brazil, the state has over a matter of two or three decades, enabled the public to use liquefied petroleum gas (LPG). Recently, they cancelled subsidies for the rich and increased those for the poor.

Mrs. Amissah- Arthur identified the lack of adequate management of information as a key leadership challenge in developing countries and called for adequate public information and awareness with a view to enlisting effective community participation. She pointed out that the civil society was increasingly engaged in raising awareness on energy issues, solutions and potentials although the question is whether they are adequately resourced to be effective.

Module 2: Sustainable Transport

Major Issues and Concerns

Mary Jane Ortega made a strong statement of how mayors can use information, education and advocacy to change the transport structure in cities. In her home town, Mayor Ortega convinced the operators of two-stroke tricycles to use four stroke engines and renew their fleet. This led to a significant reduction of health problems due to air pollution and at the same time reduced greenhouse gas emissions. No new legislation had to be introduced to achieve this.

In his statement Todd Litman advocated for mixed use plans for cities. He said that current planning was focussed on the automobile leading to perverse subsidies, roadway capacity expansion, price distortions, and zoning codes that prohibited mixed use. Instead, smart win-win transportation solutions would result in reduced tax costs, less accidents, help non-drivers, improve the health of urban residents, reduced air pollution and energy consumption.

Anumita Roychowdhury said that one death took place every hour due to air pollution in India. This was caused in fact by the rapidly rising number of vehicles running on conventional fossil fuels. She argued that it was necessary for developing countries to leapfrog and instead of repeating the mistakes of developed countries, to capitalize on their own appropriate solutions. For example, the fact that there was still a high reliance on non-motorized transport should be used to the advantage of public transport solutions. She also drew attention to inhibiting regulatory measures, such as higher taxes on public transport than on private cars.

Debate

The ensuing debate focused on questions such as conflicts between local and central government, the barriers to adopting sustainable transport solutions, how to steer consumers' choices towards environmentally friendly behaviour, and fiscal instruments.

Enrique Penalosa responded that transport in the developing world was a matter of status. It posed Mayors with huge political conflicts and marketing challenges to convince the rich to move to public transport. Todd Litman cautioned that every city was unique and required its own solution. But it was a mistake to accommodate unlimited private vehicles. This would lead to a social trap which would leave everyone worse off in terms of security, health, costs, and climate change. There were a number of smart growth solutions to improve urban density and attract families to live in old, high density neighbourhoods, for example by providing affordable housing, services, schools and work places.

Mary Jane Ortega made the point that Mayors could do a lot even if the central government had an opposing policy. She urged local governments to become members of the World Mayors Council on Climate Change or join mayors' associations in their countries. A way to solve conflicts between levels of government was to achieve local autonomy through decentralization.

Fiscal instruments were highlighted as another form of effective measures to boost sustainable transport. Anumita Roychowdhury said that a lot could be learned from congestion taxes, which were being used with some success in Europe to reduce traffic jams in city centre. Enrique Penalosa gave the example of Bogota where a 25% surcharge on gasoline paid for road infrastructure and where cross-subsidies (rich pay more for public services than the poor) on energy costs had led to full coverage of energy and gas in the city. Todd Litman added that there was a benefit to market reforms.

Enrique Penalosa noted that the issue of sustainable transportation in developing countries is a political one where the vested interests of privileged segments of society are likely to be prioritised at the expense of those of the urban poor.

Summary and Conclusions

Cities in developing countries require a rapid increase in energy production and consumption to accelerate economic development, alleviate poverty and meet the basic needs of low-income urban populations. The primary challenge is to provide equitable and affordable access to clean, modern energy services for all urban residents in an economically efficient and environmentally sound manner.

Land use planning, urban transport service provision and energy consumption patterns in human settlements must be at the forefront of responsible planning in order to minimize trip distances and reduce the ecological footprint from transport. While rapid urbanization is associated with an attendant rise in energy demand and its problems, many of the negative effects of urbanization can be, at least, partially mitigated by innovative and more environmentally responsible energy policies such as densification and co-locating business, residential and commercial land uses.

The following are among the most salient recommendations:

- Leadership was seen as crucial to the successful promotion of access to both sustainable energy and transport services.
- In searching for sustainable solutions to energy services for the urban poor, there is a need to explore and develop advanced technologies now to get immediate impact on their lives.
- The world will depend on fossil fuel technologies for some time to come. Therefore, measures to encourage energy conservation and efficiency in both the developed and developing worlds need to be considered alongside renewable energy options.
- There is a pressing need to promote non-motorised transport infrastructure in cities by building pedestrian and cycling ways. Congestion charging was highlighted among best practices for improving transport systems in both developed and developing countries.
- Urban transport policies should be put in place to stop the aggressive expansion of car-friendly cities.
- Every city is unique and should have energy and transport solutions that are appropriate to the local context.

Word Count: 1753