Greater quality and quantity of energy services lead to the achievement of the MDGs



THE PROPOSITION

While there is no MDG specific to energy, it will be impossible to achieve the Goals without improving the quality and quantity of energy services in the developing world. It is hard to imagine reducing poverty in the LDCs without addressing their lack of access to electricity and modern, affordable fuels. For UNDP, the types of energy services (i.e. heat, motive power, refrigeration), rather than energy supplies (i.e. fossil fuels, renewable energy, biomass etc), are highly critical to the achievement of the MDGs. These services, their delivery systems and their costs to the end user, must be quantified and explicitly recognised within national development strategies, such as the PRS. To date, the role of energy — both positive and negative — has been analysed mainly from an angle of environmental sustainability (MDG 7). However, the positive aspects of energy as an instrument to support economic and social development outcomes, must be better understood and advocated. Specific energy indicators in relation to all relevant MDGs, especially MDG1 on poverty and hunger, and MDG3 on gender equality, must be required. Country operations to support MDG efforts, including national MDG campaigns, should reflect these points. Factoring the contribution of energy services to development outcomes will significantly help reach all of the MDGs.

THE CONTEXT

Following the establishment of the MDGs in 2000, the <u>UN's World Summit on Sustainable Development (WSSD)</u> reached an agreement in 2002 that governments must work to "*improve access to reliable and affordable energy* services for sustainable development sufficient to facilitate the achievement of the millennium development goals, *including the goal of halving the proportion of people in poverty by 2015*". The Ninth meeting of the Commission for Sustainable Development in 2001 concluded that access to energy services is a "prerequisite" to achieving the MDGs.

It is possible to map energy inputs to all of the MDGs. To illustrate the three most critical linkages:

<u>MDG1: Eradicate extreme poverty and hunger</u>. Energy inputs such as electricity and fuels are essential to generate jobs, industrial activities, transportation, commerce, communication micro-enterprises and agriculture outputs. Almost all staple foods must be cooked, requiring heat and fuels, to be compatible with human nutritional needs.

<u>MDG3:</u> Promote gender equality and empower women. Adult women are responsible for the majority of household cooking and water boiling activities. This takes time away from other productive activities. Without modern fuels and stoves and mechanical power for food processing and transportation, women often remain in drudgery due to lack of energy services. Many children, especially girls, do not attend primary schools in order to carry wood and water to meet family subsistence needs.

<u>MDG7:</u> Ensure environmental sustainability. Energy production, distribution and consumption could have many adverse effects on the local, regional and global environment, including indoor air pollution, local particulates, land degradation, acid rain, and global warming. Cleaner energy systems are needed to contribute to environmental sustainability.

THE EVIDENCE

Studies link increases in energy services (through access to modern fuels and electricity) to improved levels of human welfare, as measured by the Human Development Index (HDI). This relationship varies depending on the income level of families/regions. For the poorest people and countries, small increments in basic energy services have led to dramatic increases in the HDI. Once basic needs are met, the relative impact lessens. A recent <u>three-country study jointly conducted by UNDP and the Columbia University</u> established positive causality between investments in energy services delivery and impacts on MDG indicators. The UNDP Global Environment Facility (GEF) programmes have demonstrated that reductions in greenhouse gas emissions —through energy efficiency and the adoption of cleaner fossil fuel technologies— can expand the use of renewable energy (Go to: www.undp.org/gef). For UNDP analysis on energy and the MDGs, read the <u>"World Energy Assessment: Overview 2004 Update"</u>. Analysis on the correlations between energy and the HDI can also be found in a report titled: "<u>Energy for Sustainable Development</u>". Other resources include: the final report of the UNDP-Columbia University Research Project on Energy and the MDGs; and the DFID report, "<u>Energy for the Poor: Underpinning the Millennium Development Goals</u>".