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Public-private partnerships can help bring affordable clean energy to poor – UN



Electric cars at UN as General Assembly meets on green economy

2 June 2011 –

The estimated 2.5 billion people across the world who do not have access to reliable electricity supplies can benefit from clean and renewable energy generated through partnerships between governments and the private sector, the United Nations said today.

A report by UN-Energy, an umbrella body of UN agencies working on sustainable development and their business partners, in conjunction with leading electricity companies and other partners launched outlines the conditions necessary for successful public-private partnerships (PPP) on electricity.

According to the report, choosing electricity-generating technology appropriate to local conditions is key to the success of such projects, as well as national energy-development goals and plans which have strong long-term policies enshrined in legislation, and assured cost recovery and profit potential for investors in low-carbon technologies.

Sufficient funding for research, development and deployment of emerging clean-electricity technologies and measures to maximize benefits to communities from new and expanded electrification are the other measures outlines in the report.

The report also stresses the importance of measures to enhance the private sector's ability to provide capital through various financing alternatives for electricity projects and to design,

construct, operate and maintain them. There has to be strong relationships between the public and private sectors and other stakeholders as well, according to the report.

Power purchase agreements should also be in place to offer the private sector the greatest certainty for long-term investments, the report notes.

The report was launched as the UN General Assembly convened a one-day thematic [debate](#) on the green economy

“Where sustainable development is the destination, green economy offers a pathway,” [said](#) Joseph Deiss, the General Assembly President. “This debate aims to strengthen the understanding of green economy and of what the international community, each Member State and local communities can do to transition to green economy.”

A “green economy” in the context of sustainable development and poverty eradication is one of the central themes of next year’s Fourth UN Conference on Sustainable Development, or Rio +20, which will be held in the Brazilian city in June 2012.

The report highlights electricity projects developed through PPP in Argentina which will provide power to small rural communities.

An 86-kilowatt hydroelectric station in Argentina’s Patagonia region will provide power to the tiny rural community of Cochico, while a wind and diesel hybrid system of the same size will supply the isolated village of Chorriaca. Both communities currently make do with inadequate and polluting diesel generators that operate sporadically.

The new electricity sources are the result of cooperative efforts between the communities, Patagonia’s provincial Government and members of the Global Sustainable Electricity Partnership, a non-profit organization created by several of the world’s largest utilities to promote sustainable energy development in developing and emerging nations.

“Private and public sector collaboration can bring clean, reliable electricity to those without it,” said Michael Morris, the chief executive officer (CEO) of American Electric Power and this year’s chair of the Global Sustainable Electricity Partnership (formerly known as the e8).

“By the end of 2011, we will have met with energy and finance ministers from more than 50 countries and worked on policy changes they want to make to become more attractive to investors in electricity projects.

“Strong synergies can result when power technologies that emit few or zero greenhouse gases are coupled with enabling public policies and financing. In addition to improving the lives and environment of people by supplying them with non-polluting electricity, the projects will also stimulate the growth of jobs in manufacturing and services,” Mr. Morris added.

Speaking at a news conference at UN Headquarters, Tariq Banuri, the Director of the Division of Sustainable Development in the UN Department for Economic and Social Affairs (DESA), said

access to energy was not only at the heart of economic growth, but was key to human development.

“If you do not have energy you cannot get clean water to people. If you cannot get clean water you cannot save children and infants from dying. Infant mortality... is in part related to the lack of energy services,” said Mr. Banuri. “The world needs a global programme to address this issue,” he added.

Mr. Morris stressed that the Partnership’s projects were “small in nature and huge in impact.” “They take a population which is absolutely either without energy or on very high pollution sources of energy,” he said.

“The partnership with the UN and the UN-Energy group is important because it will give all of us a broader breadth of understanding of the challenges to bring electricity to those populations that are underserved. Our mission and our goal is to continue to find those places where we can take those steps and do that in a constructive way because of the impact that it has on the human good,” added Mr. Morris.

According to Thierry Vandal, President and CEO of Hydro-Quebec, the Partnership focused on projects that made “economic sense” were “environmentally responsible” and met the immediate needs of the communities where they were situated.

Juergen Grossman, the CEO of the energy firm RWE AG, stressed the link between electricity and education.

“I don’t think that we can bring a level playing field to lots of developing nations without access to the Internet and that depends on electricity,” he told the new conference. Access to electricity could also be linked to prosperity, according to James Rogers, the chairman and chief executive office of Duke Energy.

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