



**STATEMENT BY MR. SUDHIR MITAL, JOINT SECRETARY, MINISTRY OF ENVIRONMENT & FORESTS, ON THEMATIC DISCUSSION: ENERGY FOR SUSTAINABLE DEVELOPMENT, 15<sup>TH</sup> SESSION OF THE COMMISSION ON SUSTAINABLE DEVELOPMENT ON MAY 01, 2007**

Excellencies, distinguished delegates, ladies and gentlemen,

At the outset let me convey my delegations confidence that with the Chair's guidance and stewardship we should be able to move ahead in a time bound manner in fulfilling our obligations and commitments as enunciated in principle 7 of the Rio Declaration on common but differentiated responsibilities with developed countries taking the lead as reaffirmed in the preamble of the draft negotiating document in this policy session of CSD 15.

Madam Chair,

We recognise that energy security is a pre-requisite for sustainable development and in this context we associate ourselves with the statement made by Pakistan on behalf of G-77 on the thematic area of energy for sustainable development.

Madam Chair,

The Indian perspective on energy is shaped by the fact that the per capita supply of energies in India is only 530 Kg oe, against a world average of 1770 as such much higher levels of energy input, doubling every decade, over the next 3 decades are necessary to ensure that the MDG targets are met and a sustained target of 8% growth rate of GDP is maintained, as poverty eradication remains the greatest challenge in India's sustainable development programme.

Madam Chair,

I would like to briefly highlight that with an annual growth rate of 7 to 8 % in last decade the electricity has grown by barely 5% and overall energy consumption less than 3% per year. This has led to India's energy intensity in terms of total primary

energy supply per unit of GDP in PPP dollars to decline steadily and reach a level of 0.18 which compares quite favourably with the OECD countries figures of 0.19. We believe this decoupling has been achieved as a result of growing share of services sector which is less energy intensive; vigorous energy efficiency improvements in the manufacturing sector such as cement and steel and an aggressive national policy to promote energy efficiency and renewable which account for 6 to 7 % of the total grid power installed capacity with a share of over 2.5% in the electricity mix. We expect that this mix of market pulls and policy push will continue to spur further improvement in India's energy intensity. However given the abundance of coal reserves in the country the fuel remains in the main stay of the Indian energy sector accounting for over 50% of the total energy supply.

Madam Chair,

Though India does not subscribe to any quota targets for the renewal energy and we do not accept any outside monitoring of the same we have set an aim of 14000 mega watts for renewals in the period 2007-2012, apart from ambitious projects for solar water heating and remote village lighting.

Madam Chair,

The development of renewal energy technologies, cleaner energy efficient technologies and energy conservation technologies require concerted global action through joint research, design and development so as to reduce higher development cost and providing conducive policy framework to encourage mainstreaming of renewal energy. The developed countries need to play a proactive role in facilitating transfer of new and renewable energy technologies by reducing technical and licensing costs in the short term but with the cap of 0.7% of turn over with eventually rolling back of these costs to zero Ultimately developed countries should provide excess to researchers and technologists from developing countries to the research institutions and also place such technologies in the public domain in the medium term.

Madam Chair,

Regarding the Carbon capture and storage, our position has been that these technologies are yet to become commercially viable and there are serious safety concerns regarding the storage of CO<sub>2</sub>. Further the cost of electricity generated could go up very substantially if the CCS technologies are adopted in the present stage of development. We however, agree to international collaboration in R & D of CCS technologies.

Finally, Madam Chair, on the issue of subsidies, the provision of targeted subsidies including financial assistance for demonstration projects and financial incentive for promoting private investment in the renewal sector, has been one of the

major prongs of our policy to improve access to cleaner fuels and in providing energy at affordable prices. The aim has been to increase production, expand the network of distribution and to ensure that the final consumer price is affordable for the poor. However, we do accept that at times there is a downside to such subsidies and Government is taking initiatives to both rationalize subsidies and improve the targeting.

Thank you, Madam Chair, we assure you of our full cooperation.

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