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MOTION FOR A RESOLUTION

further to Question for Oral Answer B7-0000/2010

pursuant to Rule 115(5) of the Rules of Procedure

on the World Bank's Energy Strategy for developing countries

Eva Joly

on behalf of the Committee on Development

European Parliament resolution on the World Bank's Energy Strategy for developing countries

The European Parliament,

- having regard to its resolution of 18 May 2009 on the EU Policy Coherence for Development and the "Official Development Assistance plus" concept,
 - having regard to its resolution of 13 March 2008 on the Global Energy Efficiency and Renewable Energy Fund,
 - having regard to the climate and energy package adopted by Parliament on 17 December 2008,
 - having regard to its resolution on the World Bank-commissioned Extractive Industries Review of 31 March 2004,
 - having regard to the World Development Report 2010: Development and Climate Change,
 - having regard to Rules 115(5) and 110(2) of its Rules of Procedure,
- A. whereas access to modern energy services is a prerequisite for poverty eradication and economic development,
- B. whereas some 1.5 billion people are currently without access to electricity, four out of five of whom live in sub-Saharan Africa and South Asia, mainly in rural areas and whereas nearly 2.4 billion people still use traditional biomass fuels for cooking and heating, causing health problems from indoor pollution and ecologic damages from unsustainable use of natural resources¹,
- C. whereas according to the reference scenario in the International Energy Agency's *World Energy Outlook 2008*, the world's primary energy demand will increase by 45% by 2030, and non-OECD countries will account for 87% of that increase due to rapid economic development; whereas this rapid increase in energy demand in non-OECD countries is expected to contribute some 97% of additional CO₂ emissions in the same scenario,
- D. whereas the World Bank (WB) is currently preparing a new Energy Strategy, expected to be finalized in mid 2011, which seeks a multi-stakeholder input and where the concept of efficient, affordable and clean energy supply for poverty reduction and economic growth is a pivotal component,
- E. whereas in 2008 the WB committed to make half of its energy investments 'low carbon' by 2011², but still more than half of the Bank's renewable energy and energy efficiency

¹ UNDP & WHO (2008) *The Energy Access Situation in Developing Countries*. New York

² World Bank Group (2008) *Strategic Framework on Development and Climate Change*.

portfolio in 2009 related to improving the efficiency of fossil fuel power, and the greater part of its renewable energy programs are still funded by specific donor funds and are not a structural part of WB energy lending¹,

1. Welcomes the Strategy and recalls that it should specifically address how access to energy services can help lift people out of poverty;
2. Welcomes, in line with the G-20 leader's commitments in Pittsburgh in September 2009 and renewed in June 2010 in Toronto, its strategic goal to phase out lending to fossil fuel project by 2015;
3. Calls on the WB to lead the development and implementation of innovative regulatory frameworks and private sector norms and standards in order to protect the rights of communities and ensure that they receive the full benefits from energy sector development;
4. Emphasises the importance of internalizing the costs related to climate change in order to accurately assess the trade-offs between meeting its energy investments and the greenhouse emissions (GHE) associated with them;
5. Considers that the best way to resolve potential trade-offs is to develop a framework of decision criteria that includes supply security, health and environmental impacts, economic impacts on local communities and the development and transfer of technology needed both at governmental and community level to avoid further lock in to carbon-intensive fuels;
6. Encourages the WB to focus its Strategy on making low-carbon technology projects commercial and competitive through innovative financing and institutional development programmes in order to promote low-carbon development as a viable and attractive option;
7. Instructs its President to forward this resolution to the World Bank, the Council and the Commission.

¹ The World Bank Annual Report 2009