

No smoke while the sun shines this Earth Day

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April 22nd is celebrated around the world as 'Earth Day' and while a lot more low-key, is seen by many as preferable to the corporate-dominated World Environment Day on 5 June. What we don't have, however, is an energy day.

One might be tempted to propose a 'switch-off' day, but if half the citizens in the big cities were to switch off all electrical appliances at the same time, it would probably damage the distribution system that we generally take for granted. If we want to ensure a life-sustaining earth for our children and beyond, it is high time everybody had a basic understanding of where our energy comes from (fuels as well as electricity), where it is going (mostly to waste heat) and what our options are.

Energy experts around the world are unanimous that the days of cheap energy are numbered, even if we continue to externalise most of the real costs of our energy use; the areas of dispute are how soon and how quickly prices will rise. Diminishing fossil fuel reserves, massive security costs of sustaining access to fossil fuels, accelerating climate change, the aging of energy infrastructure and increasing demand through population growth are some of the factors driving up energy costs even without triple bottom line accounting.

At the World Summit on Sustainable Development (WSSD) 19 months ago many corporations committed to making business decisions based not only on economic, but also social and environmental costs and benefits. While there is now a burgeoning market for "corporate social responsibility" services and some petrol stations now run their lights off photovoltaic panels that convert sunlight to electricity, our thirst for oil is undiminished and America is proposing to build over 60 new coal-fired power plants. While global energy use per capita has been declining since 1979, the consumption of the affluent leads to projections of energy demand growing at around 2% per annum.

As promised at the conclusion of the WSSD, the German government will host an intergovernmental conference on renewable energy over 1-4 June in Bonn, a major event for the Johannesburg Renewable Energy Coalition (JREC), of which SA is a member. It was first announced as a 'coalition of the willing' (those willing to make meaningful and measurable commitments, rather than simply endorsing the mealy-mouthed rhetoric that survived in the 'Plan of Implementation'). George W Bush was not willing – his administration was one of the main obstacles to progress on energy at the WSSD - but he co-opted the name for the invaders of Iraq; hence the new appellation: JREC.

A key challenge for 'Bonn renewables 2004' and JREC members will be financing the transition to sustainable energy that must come sooner or later. Those who make only smoke while the sun shines will have 'cheaper' energy in the short term; those who concentrate solar energy with renewable energy technologies (RETs) will achieve benefits for all, but at their own cost. The scene has been set by release at the end of 2003 of a two-year study commissioned by the World Bank - the Extractive Industries Review (EIR).

The EIR has established that oil and coal projects in particular do not serve the mandate of poverty reduction and recommended that WB lending for fossil fuel development be phased out by 2008. The European Parliament is urging all development banks to adopt the EIR recommendations, which include provisions to empower local communities through good governance and to increase investments in renewable energy projects. The resolution of the Parliament further: “Calls on the New Partnership for Africa's Development to take an active role in encouraging African governments to take on board the principles of the report and set high standards for achieving total transparency in dealings with extractive industries.”

It is increasingly understood that it is not only for the health of the earth, but for the survival of people and cultures, that the extractive, centralised and hierarchically structured fossil fuel economy must yield to a distributed and localised energy web based on renewable resources. The Bonn conference will be a test of the political resolve of nations and the true intent of international financial institutions, as it is designed to allow the willing to lead, rather than requiring consensus on all commitments. The transition to a new energy regime must start now if it is to be achieved without massive accompanying loss.

The grim fact is that our ecosystem will not wait for the costs of conventional energy to rise to the point where RETs are directly competitive – particularly as we keep finding ways to subsidise fossil fuels, whether by refusing to tax fuel used for international trade, bailing out airlines or giving concessionary loans that are supposed to reduce poverty. As long as the fossil industries’ economists are in denial of geologists’ conclusions that oil production will peak very soon, the market will not bring change in anticipation of ecological or supply constraints. The long lead times for developing energy infrastructure require decisions to be made before the queues form at petrol stations and black-outs shut down production and stock markets.

Hopefully it will not only be Eskom staff that represent South Africa in Bonn, or that only short-term financial interests will be served. The JREC should be a vehicle to support technology transfer for the development of local SA industries in RETs, for which there is a rapidly growing international market. For this we will need to show commitment in Bonn. Desmond Tutu is one of the Nobel laureates who has written to the World Bank in support of the EIR recommendations. This Earth Day, let’s follow his example and let our government and development institutions know that we want sustainable energy.