

## OECD FORUM 2005

### FUELLING THE FUTURE: Security, Stability, Development

#### Opening Session

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It is a great honour for me to represent the Swedish Government - and the chairmanship of this year's Ministerial council meeting – and to welcome you all to this OECD Forum. It is a great opportunity to discuss some of the most demanding and interesting issues of today.

Two of these are:

- How do we ensure that the benefits of globalisation can be shared by all?
- How do we build a long-term view on the energy sector that focuses on sustainable development and responds to the challenge of global climate change?

Of course, we will not have all the answers to these key issues today. But time is running out and we need to take action!

To me, the Forum agenda is very much about sustainable development. Moreover, the necessary policies, measures and international collaboration on sustainable development provide a constructive perspective on the Forum themes.

We face many challenges when looking ahead, but I do believe it is possible to turn unsustainable trends into sustainable ones. However – there is not a choice of if, only how and when. Our vision must be a sustainable society with a sustainable energy system. That is an energy system that in the long term is completely based on renewable energy sources. To me, that is the only way for us to take real responsibility for future generations. This is clearly an enormous challenge and it will take both time and effort to reach it. But this challenge will be met by new and better products and services that will be put on the market. Meeting the challenge will actually be a part of real development, creating better living conditions and contributing to employment as well as the creation of new companies and economic growth!

The sustainable global society and the sustainable energy system is our long-term goal, our vision. We have, however, already started. Many countries have made good progress so far. But stronger commitment and more forceful actions are clearly needed, individually and jointly. I am sure that international collaboration, and discussion between stakeholders at such events like this, will contribute to this process!

The Forum, as well as the ministerial meetings of the OECD and the IEA, has a strong focus on energy. There is a very strong connection between energy and sustainable development, and with the themes of the OECD Forum.

Obviously, the energy sector has a large impact on the environment and climate. But access to energy is also instrumental for economic growth and poverty eradication. We

need to ensure that citizens in all parts of the world have adequate and affordable access to energy. We need clean energy for industry and transport, for housing and heating, for production and distribution of food, for health care, and for most of the basic human needs. Equal access to energy is also a prerequisite for equality between men and women.

We face an increasing demand for energy for sustainable development. These increasing needs will have to be met in a very near future when the governments of the world will also have to take on the task of global climate change mitigation.

The ambitious market access outcomes of the Doha Development Agenda are the most effective way to realise the potential of trade as a tool for development, including poverty reduction and sustainable development! The gains will be the largest where developing countries themselves are engaged in the process of market opening.

But increased trade and investment across borders also bring new challenges for responsible behaviour. For the Swedish Government, Corporate Social Responsibility is a decisive part of a development that will help reverse the trend of declining trust in both the business sector and in globalisation itself.

Coming back to the energy issue - there must be two parallel paths in the approach to a sustainable energy system. One approach is energy efficiency; the other is renewable energy technology. Energy will always be needed, in the short run as well as in the future. In the long term, energy must be supplied in a sustainable way. This means that renewable energy sources must be developed to supply our needs.

More efficient use of energy makes it possible to use less supply to meet demand. Energy efficiency measures will be crucial in making it possible to depend increasingly on renewable energy sources. It is clearly shown in the analysis of the IEA that energy efficiency can give a large contribution to limit our energy demand and our carbon dioxide emissions in the time frame of 2030. Increased energy efficiency is crucial and we should all increase our efforts in this area. Energy investments are of great importance in this context. The IEA has estimated that meeting global energy demand will require investment of around \$16 trillion from now and to 2030. These investments will be decisive for the development of our societies throughout a large part of this century. If we make the right choices we will facilitate the transition into a low carbon future. If we make the wrong ones, we will be stuck in the past!

Broad research and development efforts are needed to give us the technical solutions for the future. We must commit ourselves to support research and development for a sustainable future in collaboration with industry! Governments can do more – and so can the industry.

As I said in the beginning, and I will end now, in my view, the Forum on Fuelling the Future is about creating a sustainable development for all of the countries in the world. I have pointed to some issues that are crucial in order to meet this challenge. I offer these remarks in the hope that they can in some way Fuel our discussions today and tomorrow

here in the OECD Forum. I hope we all can enter these discussions under the vision of a sustainable future.