



# **Global Energy Policy: Transforming Governance for the Transition to a Sustainable Energy Future**

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## Outline



Introduction

Global public goods and the energy system

Global providers of sustainable energy

Global governance of energy efficiency

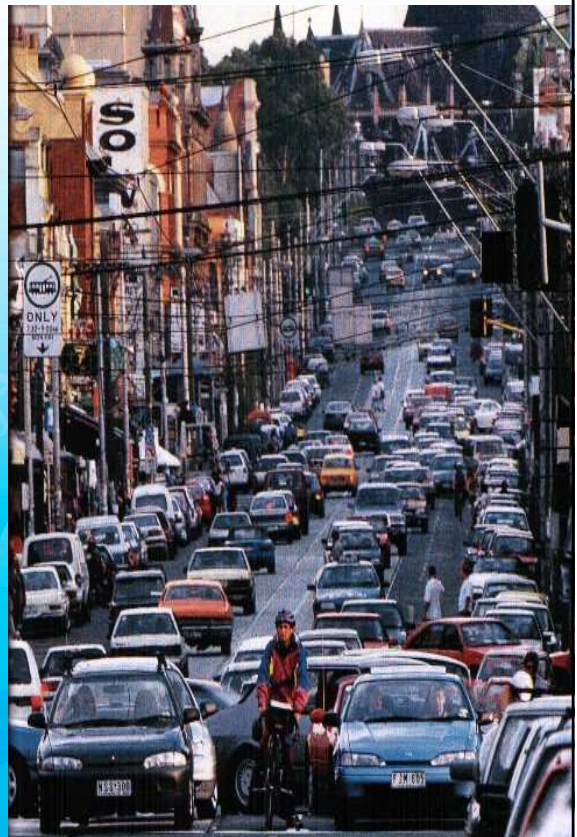
Global governance of renewable energy

Conclusions

## The need for a world-wide energy transition

Energy (mostly fossil fuels) is the *key* driver behind human contributions to climate change

- 2,4 billion people lack access to modern cooking fuels (half of all households and 90% of rural households)
- 1,6 billion lack access to electricity (one quarter of world population)



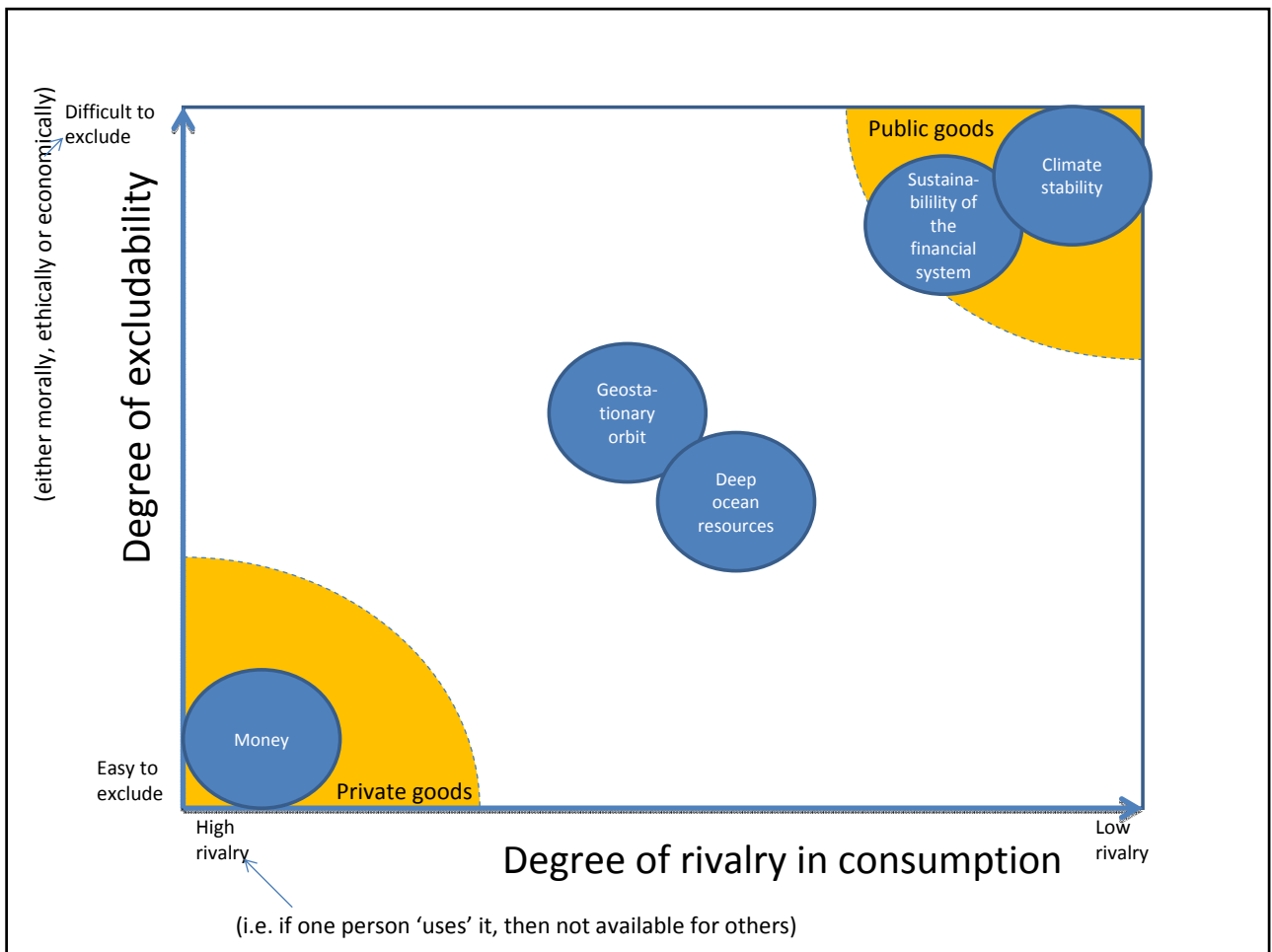
## Global public goods - definition

From Kaul and Mendoza (2003):

- Goods have special potential for being public if they have non-excludable benefits, nonrival benefits, or both.
- Goods are de facto public if they are nonexclusive and available for all to consume.
- A global public good give benefits “to all countries, people and generations”

There is a normative choice involved in assigning a good as public or private, and as global or non-global





## Energy as a global public good?



We argue that the *sustainability of the energy system* is a global public good (just as global financial stability) because it would;

- reduce the risk of dangerous climate change
- reduce the vulnerability of economic development to high and fluctuating fossil fuel price
- make energy sources cheaper and more accessible for future generations

## **A global public good needs providers**

Global public good may either not exist or be insufficiently provided due to (Conceição 2003):

- undersupply
- malprovision
- overuse

A very scattered supply can lead to both underuse and underprovision



## Global governance – when?



The principle of subsidiarity says:

- action should be taken at the level where it is most effective, the effectiveness condition;
- action at the higher level should be taken when lower levels cannot achieve the set goals in isolation, the necessity condition.

For a sustainable energy system these criteria would global governance because:

- many countries have very limited resources;
- the scale of the task is enormous and cooperation essential

## Global providers of a sustainable energy system

Three types of sources of global public goods;  
all very weak for sustainable energy



Norms (hard and soft law)

Nairobi 1981, Rio 1992 (Agenda 21),  
Johannesburg 2002, New York 2001+2006/07  
(CSD)

Intergovernmental collaboration

Some but scattered; UN-energy since 2004  
IEA, IRENA, G8

Actions by non-state actors

various multistakeholder partnerships

## Energy efficiency



Global cooperation on energy efficiency: a win-win situation, but still controversial

We suggest e.g. international standards need greater global governance and cooperation:

- Product energy efficiency performance definitions, measurement and test methods;
- Codification of energy efficiency best practices and management systems;
- Energy efficiency design checklists and guides.

## Renewable energy

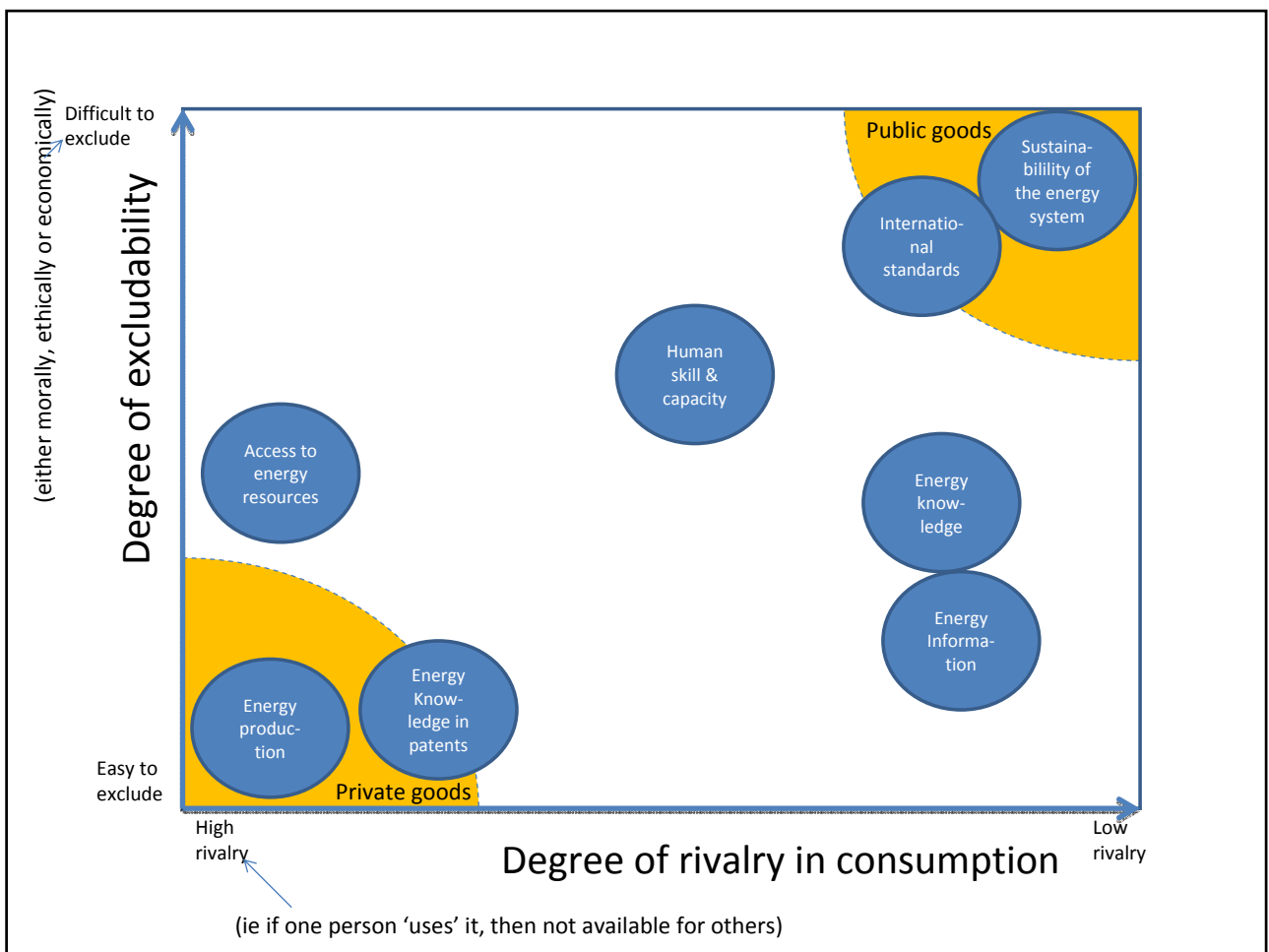
Johannesburg Summit in 2002: first global semi-quantitative goal to increase the share of renewable energy in the global energy mix, but no follow-up

The global landscape of actors supporting renewable energy is growing but complex and scattered

We argue there is need for global norms and coordinated action:

- Many countries need support
- Efficiency gains to be made from sharing information, best practices, technology, joint research etc.





## Conclusions



- The climate regime needs support from stronger global energy governance
- The sustainability of the energy system should be approached as a global public good and attention given to the role of both global and national providers of this good
- What type of global energy governance would be most valuable should be subject to more academic analysis and be more openly discussed in a broad academic and multilateral framework.



Thank you!

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