

Session: Promoting Affordable and Renewable Energy for All: The Contribution of Trade and Quality Infrastructure to the Green Transition (session 75)

Time: Thursday 4 July 2019, 17.45-19.00

Location: Room W in the main WTO building

Summary

Speakers emphasized the key contribution of clean, affordable and abundant sources of energy to economic diversification, empowerment and inclusive and sustainable development. They saw Sustainable Development Goal 7, which sought to ensure access for all to affordable, reliable, sustainable and modern energy, as a catalyst to meet many other SDGs.

It was noted that the world was undergoing a transition towards renewable energy, driven largely by technological innovation and government policies. The business case for renewables was strong, reflecting sharp reductions in the cost of solar and wind power, and was expected to improve further in the coming years. Since 2012, over half of total electricity generation capacity added around the world had been in renewables.

The energy transition had brought multiple economic, environmental and social benefits to developed and developing countries alike. Worldwide, 11 million people were employed in the renewable energy sector, one-third of them women. One speaker noted that in remote parts of northern Nigeria, communities with access to clean and efficient cookstoves had seen significant fuel savings and a reduction in indoor air pollution. Moreover, access to renewable electricity had enabled communities to use electronic communication tools for the first time, resulting in sizeable economic and social benefits. Changing behaviours was identified as a priority step to ensure the widespread acceptance of renewable energy technologies. It was also noted that poor roads and other logistical difficulties increased the cost of bringing renewable energy equipment to remote locations.

Several speakers highlighted that an open and transparent global trading system could support the clean energy transition, not least by accelerating the diffusion of the goods and services that underpin renewable energy production. International trade opened opportunities for countries to join global value chains, from the production of renewable energy equipment components to the provision of maintenance and other key services needed to make renewable energy equipment function properly. It was important to intensify efforts to reduce barriers to trade in renewable energy goods and services. These efforts should be accompanied by the simplification and modernization of customs procedures. It was also noted that trade in electricity along "renewable energy corridors" could help make grids carrying power from variable sources (such as wind and solar power) more stable and resilient.

Speakers underscored the key role of a well-functioning quality infrastructure system as a risk mitigation tool essential to promote trade and accelerate investment in renewable energy. To be effective, quality infrastructure needed to comprise the entire renewable energy system, from design and installation to operation, maintenance, services and disposal. International standards and conformity assessment procedures, including those developed by the International Electrotechnical Commission, reflected best global practice and were a cornerstone of quality infrastructure systems. Markets with significant renewable energy potential needed support in their efforts to engage actively in the development of international standards for renewable energy.

Overcoming obstacles to the development and implementation of quality infrastructure called for coordinated action among stakeholders. Public-private partnerships could make a positive contribution by strengthening credibility and bringing to bear local expertise. Aid for Trade was a powerful instrument to galvanize stakeholders into action, enable the diffusion of renewable energy worldwide and bring the multiple economic, environment and social benefits of the energy transition to developing countries.