

A global agency is needed for the energy crisis

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World leaders need to take action on the energy crisis that is taking shape before our eyes. Oil prices are soaring and it looks less and less likely that this is a bubble. The price of coal has doubled. Countries as far apart as South Africa and Tajikistan are plagued by power cuts and there have been riots in several nations because of disruptions to electricity. Rich states, no longer strangers to blackouts, are worried about security of energy supply. In the developing world, 1.6bn people – about a quarter of the human race – have no access to electricity.

Fundamental changes are under way in the energy field the significance of which we have not yet fully grasped. Global demand for energy is rising fast as the population increases and developing countries undergo dramatic economic growth. The International Energy Agency says the world's energy needs could be 50 per cent higher in 2030 than they are today. Yet the fossil fuels on which the world still depends are finite and far from environmentally friendly. Serious thought needs to be given now to creating viable alternatives. The need for co-ordinated political action on energy and related issues – climate change and poverty, to name but two – has never been more acute. Yet there is no global energy institution in which the countries of the world can agree on joint solutions to the potentially enormous problems we see emerging.

We have a World Health Organisation, two global food agencies, the Bretton Woods financial institutions and organisations to deal with everything from trade to civil aviation and maritime affairs. Energy, the motor of development and economic growth, is a glaring exception. Although it cries out for a holistic, global approach, it is actually dealt with in a fragmented, piecemeal way. A number of institutions focus on energy, but none with a mandate that is global and comprehensive and that encompasses all energy forms. The Organisation of the Petroleum Exporting Countries has just 13 members and deals exclusively with oil – from the producers' perspective. The IEA represents the 27 Organisation for Economic Co-operation and Development countries from the consumers' viewpoint. Only 51 countries, almost all in Europe and Asia, have signed the Energy Charter Treaty, whose focus is limited to issues such as trade, transit and dispute settlement. The United Nations co-ordinating mechanism, UN-Energy, is barely four years old. It has 20 member agencies, an indication of how fragmented the UN's energy activities are. UN-Energy has no budget or authority and serves as a modest forum for discussion and information-sharing.

So does the world really need yet another international organisation? Frankly, yes. A global energy organisation would complement, not replace, bodies already active in the energy field. It would bring a vital inter-governmental perspective to bear on issues that cannot be left to market forces alone, such as the development of new energy technology,

the role of nuclear power and renewables, and innovative solutions for reducing pollution and greenhouse gas emissions.

A global energy organisation could provide authoritative assessments of global energy demand and supply and bring under one roof energy data that are now dispersed and incomplete. It could speed the transfer of appropriate energy technology to poor countries and give them objective advice on an optimal energy mix that is safe, secure and environmentally sound.

Such a body could develop a global mechanism to ensure energy supplies in crises and emergencies, and help countries run their energy services and even do it for them temporarily after a war or natural disaster. And it could co-ordinate and fund research and development, especially for energy-poor countries whose needs are often overlooked by commercial R&D.

The need for joint action to develop long-term solutions to the looming energy crisis is now undeniable. It is difficult to see how this can be done without an expert multinational body, underpinned perhaps by a global energy convention, with the authority to develop policies and practices to benefit rich and poor countries alike, equitably and fairly. We need to act before crisis turns into catastrophe.

Even the pessimists believe we still have at least a few decades before the oil on which the world's prosperity is built starts to run out. Let us use that time wisely to develop long-term solutions to the world's energy needs that will benefit all humankind.

The author is director-general of the International Atomic Energy Agency. This article represents his personal views

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