

SDG7 Energy Compact of the United States of America: Transforming Energy Systems in the United States and Promoting Clean Energy Transitions and Economic Development Abroad

A next Decade Action Agenda to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change

The United States is pleased to put forward a national Energy Compact, which highlights key U.S. commitments and actions toward achieving Sustainable Development Goal (SDG) #7 on Affordable and Clean Energy and the goals of the Paris Agreement on Climate Change. These voluntary commitments demonstrate U.S. leadership and aim to encourage other countries to create their own compacts to advance progress toward achieving clean, affordable energy for all and reaching net-zero emissions by 2050 to keep alive the goal of limiting global average temperature rise below 1.5 degrees Celsius.

Special Presidential Envoy for Climate John Kerry will announce the U.S. Energy Compact on September 24 during the UN High Level Dialogue on Energy (HLDE). This year's HLDE is the first to focus on energy in 40 years, presenting the ideal opportunity to showcase the Biden Administration's climate and clean energy agenda. At home, President Biden has set an ambitious target to slash emissions by 50-52 percent in 2030 and invest in the clean energy economy. Abroad, the United States is investing in clean energy transitions in emerging economies around the world, including through ambitious initiatives such as Build Back Better World, to forestall a surge in global emissions and power economic development through modern and clean energy.

The U.S. Energy Compact brings together key initiatives from this agenda. It encompasses a series of ambitious efforts from across the U.S. government, including the Departments of State, Energy and Transportation, U.S. Agency for International Development (USAID); and U.S. Development Finance Corporation (DFC). Highlights from the Compact include:

- *By 2030 the United States will produce more than 80 percent of its electricity from clean energy sources that will be more affordable, more reliable, and safer for Americans. In addition, the United States has set a target to make half of all new vehicles sold in 2030 zero-emissions vehicles, and is working to establish new multi-pollutant emissions standards, including for greenhouse gas emissions, and fuel economy and efficiency, for light- and medium-duty vehicles, passenger cars, light duty trucks, and heavy-duty pickup trucks and vans.*
- *The United States will support energy transitions abroad in major emerging economies, such as India, Indonesia, and South Africa; for example, the United States will harness bilateral cooperation and engagement to help India reach its stated goal of achieving 450 gigawatts of installed renewable energy capacity by 2030.*

- *In sub-Saharan Africa (SSA), through the Power Africa Presidential Initiative, the United States will improve access to electricity by supporting 35 million new electrical connections for households and businesses and by leveraging \$25 billion for renewable energy projects by 2030. Through its COVID-19 response and recovery efforts and public-private partnerships, Power Africa expects to electrify 10,000 healthcare facilities in support of the multilateral Energy Compact on Health Facility Electrification, which aims to electrify 25,000 health facilities over the next 5 years.*
- *Around the world, the United States will promote clean energy infrastructure that advances economic development. In the near term, DFC will make one-third of all new commitments have a climate-nexus beginning in fiscal year 2023 which should lead to highly impactful deals in low and lower-middle income countries. In the medium term, the DFC will phase out new carbon-intensive investments by 2030, leading to a net-zero emissions portfolio by 2040.*

The Biden-Harris Administration has committed itself to addressing the climate crisis, and to help partner countries do the same, as a necessary step toward achieving the goals of the Paris Agreement. The commitments under the U.S. Energy Compact highlight both the domestic actions that the United States is undertaking to reduce its own emissions, as well as key U.S. initiatives to assist other countries set and achieve ambitious energy-related climate goal, recognizing that more than 85 percent of emissions come from beyond U.S. borders. Compacts are designed to be a non-binding roadmap for how countries plan to reach their energy-related targets. The U.S. Energy Compact, and others that will be announced at the HLDE, will build momentum toward a successful COP26 in Glasgow by advancing the global clean energy transition at the heart of addressing the climate crisis.