



## SDG7 Energy Compact on the development of Regional Energy Transition Outlooks

### SECTION 1: AMBITION

□ 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix.

Target(s): Development of Regional Energy Transition Outlooks in Europe, Africa as well as Latin America and Caribbean.

Time frame: 2022-2024

Context for the ambition(s): A shift to a climate-resilient energy system is an urgent global priority encompassed in goals of the UN 2030 Agenda and Paris Agreement. Meeting these objectives will require several elements: a combination of technology and innovation to advance the energy transition and improve carbon management; supportive and proactive policies to attract the necessary investments; associated job creation and socio-economic improvements; regional cooperation in the energy sector across multiple countries; fostering the opportunities for green global economy and international co-operation to accelerate the global green deal. There is increasing momentum for the energy transition around the world.

The European Union has mobilized more than €3 billion between 2014 and 2020 to support the sustainable energy sector in Africa. Under the “Global Europe: Neighbourhood, Development and International Cooperation Instrument” (NDICI – ‘Global Europe’), which has the total budget of €79.5 billion for the time period 2021-2027, the engagement will continue. Through NDICI - ‘Global Europe’, the EU will also boost its support to sustainable investment worldwide under the European Fund for Sustainable Development Plus (EFSD+) by leveraging private capital to complement direct external cooperation grants. The External Action Guarantee, focusing on unlocking, leveraging and de-risking investments also in the sustainable energy sector, will back the EFSD+.

In this context, the European Commission and IRENA are planning to advance regional collaborative activities<sup>1</sup>, through Regional Energy Transition Outlooks. IRENA’s World Energy Transitions Outlook (WETO), based on its long-standing Remap methodology, provides a pathway for a 1.5-degree world. Regional Outlooks would translate this vision into regional frameworks that could guide policy orientations and investment toward resilient, renewable-centric systems, most importantly in the short-and mid-term until 2030.

### SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

Regional Energy Transition Outlooks (RETO) would investigate renewable energy options and provide a common framework to compare plans for energy demand and supply by sector and ambition levels for the energy transition at country and regional levels from now through 2050 with a greater focus on 2030, in line with the 2030 Agenda and Paris Agreement. RETO would provide an input for regional cooperation requirements under the EU Clean Energy Package, the Central and South Eastern Europe Energy Connectivity Initiative, the planned Africa-EU Green Energy Initiative, the Continental Power System Masterplan for Africa as well as the future programming of the activities under NDICI – ‘Global Europe’ and EFSD+.

In this context, a power system flexibility assessment would be developed for the region to assess and validate the flexibility of the system under the higher shares of variable renewables from the REmap analysis.

RETO would promote a holistic assessment to inform energy system planning, economic policy making and other policies necessary to ensure a just and inclusive energy transition at global, regional and national levels.

It would include a comprehensive policy analysis to support and enable deployment and integration of renewable energy. These would go hand in hand with a broader set of orientations that ensures industrial and other economic capabilities are aligned with recovery, development and climate objectives;

2022-2024

<sup>1</sup> Subject to internal validation process of European Commission

and fosters a just transition through labour, skills, education and social protection measures. Bringing this understanding at the regional level will improve the outcome of the transition and support its pace.

### SECTION 3: OUTCOMES

IRENA would develop a Regional Energy Transition Outlook for the European Union, support the implementation of the Regional Energy Transition Outlook developed for Central and South-East Europe, and develop five Regional Energy Transition Outlooks for each of African regions (Northern, Eastern, Western Central and Southern) and one Regional Energy Transition Outlook for Latin America and Caribbean.  
RETOs would provide qualitative and qualitative elements to guide progress toward the achievement of SDG7, while ensuring the alignment with the 1.5 degree pathway.

2024

### SECTION 4: REQUIRED RESOURCES AND SUPPORT

European Commission will consider mobilising<sup>2</sup> EURO 7.500.000 of EU funds to support the development of Regional Energy Transition Outlooks.

<sup>2</sup> Subject to internal validation process

## SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

Europe, Africa, Latin America and Caribbean

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.

Regional Energy Transition Outlooks would provide a measurable action framework for implementation of SDG7 by 2030 within the aim to promote a Green Deal strategy. The Outlooks would identify the perspectives of the renewable energy development in the regions, opportunities to accelerate energy efficiency, and ensuring modern energy services, which provides the countries with the pathways of reaching SDG7.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.

Regional Energy Transition Outlooks would identify practical avenues for the advancement of low-carbon solutions, including in hard-to-decarbonise sectors such as transport, buildings and industry. In this way, countries and regions would be supported in transitioning to climate-resilient systems, while ensuring just and inclusive transitions. This granular approach would assist countries and regions, including those with fossil fuel reserves to consider alternative, forward-looking, strategic choices in line with 1.5 degree objective.

## SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

The progress would be monitored by yearly reports prepared by IRENA.

## SECTION 7: GUIDING PRINCIPLES CHECKLIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

**I. Stepping up ambition and accelerating action** - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

*I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?*

Yes No

*I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts?* Yes No

*I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defined by latest global analysis and data including the outcome of the Technical Working Groups?* Yes No

**II. Alignment with the 2030 agenda on Sustainable Development Goals** – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

*II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030?* Yes No

*II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps?* Yes No

*II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action?* Yes No

**III. Alignment with Paris Agreement and net-zero by 2050** - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? Yes No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? Yes No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? Yes No

**IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies** - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? Yes No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? Yes No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? Yes No

**V. Feasibility and Robustness** - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? Yes No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? Yes No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? Yes No

## SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

Regional Energy Transition Outlooks in Europe, Africa, Latin America and Caribbean

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

European Commission and International Renewable Energy Agency

8.3. Lead entity type

Government

Local/Regional Government

Multilateral body /Intergovernmental Organization

Non-Governmental Organization (NGO)

Civil Society organization/Youth

Academic Institution /Scientific Community

Private Sector

Philanthropic Organization

Other relevant actor

8.4. Contact Information

European Commission, Directorate-General for International Partnerships, [INTPA-F1@ec.europa.eu](mailto:INTPA-F1@ec.europa.eu), Directorate-General for Energy; Olgerts Viksne [Olgerts.viksne@ec.europa.eu](mailto:Olgerts.viksne@ec.europa.eu)

8.5. Please select the geographical coverage of the Energy Compact

Africa Asia and Pacific Europe Latin America and Caribbean North America West Asia Global

8.6. Please select the Energy Compact thematic focus area(s)

Energy Access  Energy Transition  Enabling SDGs through inclusive just Energy Transitions  Innovation, Technology and Data  Finance and Investment.

**SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)**

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.