

Secretary-General's Climate Action Summit

Track #4: Energy Transition

Version 3 – 31 May 2019

1. The Coalition

- Co-leading countries Denmark, Ethiopia
- Supporting institution: SEforALL
- Country members: Palau, Italy, Indonesia, Colombia, Morocco
- Supporting countries and stakeholders: Organizations (including IRENA, IEA, WBG/ESMAP, UN Global Compact, We Mean Business), private sector, civil society actors, youth representatives, regional organizations, MDB's and others.

2. Expected Outcomes

Mobilizing investments for the clean energy transition

- Objective: Investment-friendly regulatory framework conditions are crucial to mobilize private capital in clean low-carbon energy and to accelerate the flow of investments and finance away from fossil fuels and towards renewable energy, energy efficiency, climate resilience and new innovative energy systems.
- Expected outcomes will include concrete commitments by public and private actors to increase clean energy investments, support planning and financing for alternatives to coal, improve business models and support development of enabling environments at the country level through improvements of regulatory frameworks, national or subnational target-setting and long-term modelling, including training and capacity building for decision makers and operators so to ensure local knowledge as a key success factor for investment enablement.

While the Coalition is still open to new ideas and proposals, potential deliverables for Summit are listed below.

- **De-cluttering clean energy finance** – work on investment facilitation mechanism from financing and development agencies providing a unifying platform to support clean energy investments and potential for higher level structural moves with the aim that no call for financing the clean energy transition will go unanswered. Working on support from MDB's, donor countries and developing countries. Possible support from 'Government toolbox' addressing regulatory frameworks and private sector engagement.
- Capacity building and easing access to finance: Closing the Investment Gap Project incl. support from nine countries and range of financial stakeholders
- Green low carbon procurement, tenders.

- Finance for LDC's renewable energy, South-South collaboration / progressing Africa Renewable energy initiatives
- Electrification policy / Increasing EE and REs NDCs
- Potential innovation areas: Blockchain for carbon markets / AI for low carbon transition / accelerating energy efficiency technology

Market-driven Public-Private Partnerships

- Objective: Bringing in capital, technology and increasing risk tolerance from the private sector through public-private partnerships is essential to moving from ambition to action.
- Expected outcomes will be focused on demonstrating proof of concept for how cross-sectoral market-driven partnerships can deliver innovative and scalable solutions to key challenges in transforming the energy sectors in the developing world. This includes identifying instruments to incentivize choosing renewable energy over fossil fuels, as well as replicable and scalable models of public-private partnership.

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- **Energy Efficiency NDC Alliance/the '3 pct Club'**: Efforts to spur XX national governments to include ambitious multi-sector energy efficiency plans in their updated 2020 NDCs. Potential for announcing the "3pct Club" of governments committing to improving EE by 3pct each year. Could be supported by complementary EE initiatives.
- **IT sector / data centres**: The growing energy demand of data centres is forecasted to lead to a trebling of its share of global electricity consumption in the next decade. Commitments from IT sector (individually or collectively) on energy efficiency and leveraging of technology, such as waste heat for district energy and renewable energy purchase agreements to drive demand for sustainable digitalization / AI role on energy and climate incl. data centre energy use / blockchain technology / measuring individual carbon footprint through digital tools.
- **Batteries** (World Bank, CTF, governments): Ramping up World Bank initiative on batteries with broader set of stakeholders and additional funding. The program is expected to raise an additional \$4 billion from public and private funds and investors.
- Investments in solar projects / investments in global grid projects
- PPP's on electrification of buses, buildings and company commitments to renewables
- PPP's for power infrastructure projects, including regional aspects / Sustainable Special Economic Zones in Africa (Ethiopia)

Challenging sectors

- Objective: Engagement of high-emitting sectors, including shipping, cooling, buildings, oil and gas, and others, is critical to achieving a sustainable energy transition.
- Expected outcomes could include: commitments from both private and public sectors.

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- **Shipping:** Making a serious push for ambition in the shipping system and concrete plans for net zero. Explore Private sector commitments and leadership, opportunities for an ambition push at IMO, secure access of alternative fuels in port cities committing to explore infrastructure needs based on innovation in alternative fuels and considering possibly state led commitments from XX countries on further ambition to move shipping forward (IMO, GMF, WEF, ECF, EDF, cities via C40/ICLEI).
- **Green Hydrogen** IEA's major hydrogen report for the G20 will be shared in final form in June. Exploring whether this is hydrogen's 'moment', a possible deliverable could include agreement among XX key governments, organizations and companies to come together to create a governance structure around hydrogen and more fully take advantage of green hydrogen opportunities on specific sector, value chain or region + private sector backing + R&D/innovation boost. (IEA, Hydrogen Council, WEF, IPHE, CEM, Mission Innovation, private sector, governments).
- **Alternative to Coal/fossil fuels and pathways away from fossil fuels:** Supply side: Oil and Gas sector announcements, methane leakage, fossil fuel subsidy reform, solar innovation and energy storage innovation are all being explored together with utilities sector and interested member states to develop a sustainable pathway out of coal corresponding to country realities (possible country examples from Indonesia, Germany, Netherlands).
- Carbon Capture and Storage

Leaving no-one-behind

- Objective: Reducing the emissions of the energy sector should be pursued while also prioritizing the hundreds of millions of people still without access to electricity and clean energy, including vulnerable communities that are most at risk.
- Expected outcomes could include initiatives to increase energy access, efforts to scale-up renewable energy and increase energy efficiency as well as capacity building efforts in developing countries.

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- **Cooling:** ‘Cool Coalition’ to help XX governments develop national cooling action plans in line with the Kigali Amendment, setting ambitious targets, tracking results and monitoring impacts in XX countries with the help of XX actors across sectors. (UN-Environment, IEA, WBG, K-CEP, UNEP, SEforALL, CCAC, C40, RMI, Rwanda + other governments, donors and developing countries)
- **SIDS, improved NDC’s** and 100% renewable plans providing a sustainable renewables pathway for SIDS countries including secured funding and capacity building/innovation support for XX SIDS countries committing to improved NDC’s. (SIDS countries, IRENA, EU Commission, donors)
- **Clean Cooking** - potential for push on access to clean cooking with the support of XX developing country governments and XX donor countries.
- Further support to LDCs NDCs commitment on renewable energy and cooperation on power system interconnectivity in Africa. Potential leadership by Ethiopia.