TWN
Bonn News Update
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Published by
Third World Network
30 June 2014

Africa Group calls for focused work on renewable energy feed-in-tariffs

Bonn, 30 June (Dale Wen) – Renewable energy continues to gain more attention in the mitigation discussions under the United Nations Framework Convention on Climate Change (UNFCCC), with the African Group calling for focused work on renewable energy feed-in-tariffs.

Two technical expert meetings were held during the March 2014 session of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) as part of the process of technical examination of mitigation opportunities. These two meetings focused on renewable energy deployment and energy efficiency improvements that are two key thematic areas with high mitigation potential, which are critical for bridging the pre-2020 ambition gap. Parties had called for a follow-up meeting after these meetings to look at the progress reached since March and to discuss the way forward up to Lima to enhance mitigation ambition.

On 12 June, Halldór Thorgeirsson of the UNFCCC Secretariat facilitated the follow-up meeting. During the discussion that followed several presentations, Mali speaking on behalf of the African Group called for a technical expert meeting during the October ADP session to discuss further strengthening of renewable energy feed-in-tariffs (RE FITS), and to develop an investment plan to be presented to the Green Climate Fund. Mali stressed the great need to scale up RE FITS that in Africa are so far domestically funded.

Several organizations were invited by the Secretariat to present their activities undertaken since March, at the technical expert meeting on renewable energy and energy efficiency. Presentations were heard from the International Energy Agency (IEA), International Partnership on Energy Efficiency Cooperation (IPEEC), International Renewable Energy Agency (IRENA), World Bank, European Bank for Reconstruction and Development (EBRD), Global Environment Facility (GEF), Green Climate Fund (GCF), Technology Executive Committee (TEC), Climate Technology Centre and Network (CTCN), and the Partnership on Sustainable Low Carbon Transport. Below are some highlights.

IEA said that it serves as an energy efficiency hub with dialogues of knowledge sharing, and it is working on data that will give governments more confidence on cost-effectiveness of energy efficiency, as well as health and productivity co-benefits. It is also working on 2 new manuals on energy efficiency indicators.

IPEEC is a coalition 16 countries which account for 75% of global GDP, as well as 75% of global greenhouse gases emissions. It continues to organize and encourage collaboration between members, with task forces on energy efficiency and buildings. It is working with various multilateral platforms such as the Major Economies Forum on Energy and Climate (MEF), G20, G7 and UN SE4ALL (Sustainable Energy for All) initiative. It stressed that energy efficiency is highly cost effective, but it is not a free lunch and it needs resources to implement. It encourages countries to mainstream energy efficiency in sector policy beyond energy including transportation, urban planning, etc.

IRENA is tasked to accelerate renewable energy implementation worldwide with 131 member countries. In preparation for the UN Secretary-General's climate summit on 23 September, it conducted a meeting in Abu Dhabi recently. It stressed that more than 50% of greenhouse gases emission reductions could come from renewable energy. Together with SE4All, it has launched an initiative to double renewable energy share by

2030. It has ongoing discussions about how to engage at the 20th meeting of the Conference of Parties to the UNFCCC (COP 20 in December in Lima, Peru), and it is also discussing with CTCN to increase country engagement.

The **World Bank** said that it is important to share lessons learned on how to deliver cost effective policy packages. It has launched a carbon price initiative in the context of the UN Secretary-General's climate summit. It said that putting a price on carbon is important to facilitate energy efficiency and renewable energy. It gave several examples including its work with Mexico, Chile and China.

The **EBRD** said that it is working on three pillars: policy dialogue, technology transfer, and finance to facilitate climate work. Since 2006, EBRD has invested 14 billion euros in emission reduction projects. It is the first institution to put technology transfer into a financial instrument and it has a dedicated technical assistance team.

The **GEF** has proved 46 new projects on renewable energy and energy efficiency since March 2014, which provide US$165 million grants together with US$40 million co-finance, and will result in 60 million tonnes of CO2 emission reduction. These projects aim to show case innovative processes and technologies.

The **GCF** said that to enable the fund to move into full operation, an invitation to funders to register has been issued. The establishment of designated national authorities is also crucial. About twenty developing countries have nominated their authorities so far, and GCF is looking forward to more country nominations. It stressed that GCF moving into meaningful capitalization is a central issue for this year.

The **TEC** said that TEC and CTCN are mandated to expand the scope of environmentally-sound technology development and transfer, including renewable energy and energy efficiency. Its key function is to consider and recommend actions to promote technology development and transfer in order to accelerate action on mitigation and adaptation. It aims to address barriers and promote collaborations. TEC has produced two TEC briefs based on its work on technology needs assessment. It will conduct a workshop in October 2014 regarding National System of Innovation. The linkage between the Convention's technology mechanism and finance mechanism is also crucial. TEC sees great potential to increase pre-2020 ambition with renewable energy and energy efficiency, and it strives to serve as a bridge for the work within the Convention and with the Parties.

The **CTCN** said that it is great to hear from the Parties that the technical expert meeting is useful and encourages Parties to engage with CTCN. CTCN has been launched for 6 months and it has already received 8 requests from 6 countries. Three of these requests are regarding mitigation, four are regarding adaptation, and one is cross-cutting and thus related to both. CTCN aims to engage with Parties effectively and is committed to give feedback to each request within 2 weeks. It has conducted a series of workshops, and has trained 84 persons from 74 countries so they can engage with CTCN effectively. It strives to show visible action and replicate success.

The **Partnership on Sustainable Low Carbon Transport** (SloCaT) consists of 90 international organizations which work on sustainable transport. It strives to design a results framework for which climate is an integrated dimension. It is also working on a finance mechanism on how to finance the 2030 sustainable transport target. Its goal is to double fuel economy for new cars by 2030, and reduce urban transport by half by 2050. It will jointly hold a Transport Day on 7 December during COP 20. It stressed that there is no silver bullet; reducing needs for travel, changing modes of transport, and improving fuel efficiency are all part of a package to reduce transport related emission.

During the discussion, Parties discussed the progress made since March and were requested to address the following questions:

- What actions are being taken or are planned by Parties following on from the technical experts meetings (TEMs) to increase mitigation ambition and how are the barriers faced by Parties being addressed?
- What could international organizations and partnerships do to assist Parties in delivering additional emission reductions to bridge the ambition gap? What could UNFCCC institutions do to that end?

Below are highlights of some of the statements during the discussion.

Mali, representing the Africa Group, said that Parties have heard from most intergovernmental organizations during TEMs in the last two years, thus the work to translate technical work into policy options has been done. The challenge is to implement these policy options to close the ambition gap. The Africa Group has looked into one specific policy option, namely RE FITs (renewable energy feed-in-tariffs). Twenty African countries have RE FITs, and half are considering the possibility. So far most RE FITs are domestically funded, and the need to scale up is great.

The Group called for a TEM during the October ADP session, with structured and focused discussion on how to further strengthen RE FITs, and to develop an investment plan to be presented to the GCF when the Fund is capitalized. It stressed that the mandate of workstream 2 (of the ADP, on pre-2020 ambition) is acceleration in the climate actions; country ownership and leadership are needed to go into implementation; viable policy options should be discussed at the highest political level to further advance them.

China said that it has ambitious plan to promote energy efficiency and renewable energy. The key concern is to deliver more concrete actions, instead of only saying so. Lots of institutions aim to promote energy efficiency and renewable energy in developing countries, but the important thing is real actions and progress. This was echoed by **Indonesia**. It said that the country has one of the world's largest potential for geothermal development. It is working to identify barriers with international assistance. It has raised its 2030 Renewable Energy target from 17% to 23%, which can be achieved if all geothermal projects planned would be realized. Sustained support from international partners is crucial, and means of implementation are needed to realize the emission reduction potential, said Indonesia. **Kuwait** said that there are financial and technology barriers for renewable energy deployment and it is delighted to hear the TEC has a workplan to address them.

Nauru, representing the Alliance of Small Island States (AOSIS), suggested condensing the Secretariat's technical paper (FCCC/TP/2014/3 and Add.1) into a summary for policymakers, and requested that the summary be forwarded to the UN Secretary-General for his upcoming Climate Summit.

Colombia supported the AOSIS proposal for the UNFCCC Secretariat to condense the Secretariat's technical paper into a summary for policymakers, and forward it to UNSG Climate Summit. It sees big mitigation opportunity in short lived climate pollutants and would like to see more work on that area in future TEMs. It stressed that it is important to harmonize the efforts of different agencies as well as to get more political will on both national and international levels.

Norway said that TEMs offered valuable information and helped to identify potential partners. Given the need for pre-2020 action, it suggested that TEC take over the work on TEMs. One or more TEMs on renewable energy/energy efficiency should be conducted in future sessions. TEC and CTCN should facilitate focused discussion, as well as involve national experts in the discussions.

Noting the potential catalytic role of the Convention, the **European Union** queried if the actions taken by partner organizations were "coincidental," or spurred by the TEMs.

The **United States** said that there is convergence within the parties that TEMs should continue; it suggested that the format should be designed to maximize interaction and allow follow-up on issues, especially renewable energy and energy efficiency, as well as additional areas like transportation and buildings. On links with other organizations, it identified the need to think about working arrangements going forward, and said the TEC and CTCN are well placed to deliver outcomes under workstream 2.

Nauru supported Mali's intervention on behalf of Africa Group, and agreed that now the work needs to be more specific and focused. RE FITs is a good measure to address financial barriers to scale up renewable energy. Besides this, it also called for focus on policy options addressing other challenges of renewable energy: legal challenges, such as transitions to decentralized energy systems; and technical challenges, including smart grids and technical thresholds.

Several intergovernmental organizations including ICLEI, C40 and the World Bank expressed their sincerity to engage with cities and subnational authorities. UNEP announced that its side event on SE4All would present the latest development on that front. In answering some queries, CTCN stressed that country ownership is crucial; it is important that Parties come up with requests to engage, and CTCN will assist.