UNFCCC COP 26

Outcome Document

Energy Action Event:

"Disrupting the Status Quo: Accelerating the Global Energy Transition for a 1.5°C future"

Marrakech Partnership for Global Climate Action

Thursday, 4 November
12:00-14:45 GMT

Organised by the International Renewable Energy Agency, The Climate Group, Global Solar Council, Global Wind Energy Council, International Chamber of Commerce, International Energy Agency, REN21, Sustainable Energy for All, UN Environment Programme, World Business Council for Sustainable Development, and World Climate Foundation, along with Rocky Mountain Institute and the World Economic Forum

MPGCA “Energy”:

“Disrupting the Status Quo: Accelerating the Global Energy Transition for a 1.5°C future”

SECTION 1 - ACTION EVENT

Key Messages:

The most important overarching message coming out of the Energy Action Event was that the energy transition is well underway, and progress is accelerating. This was evidenced in part by a number of new announcements at the COP26 World Leaders Summit, including on clean power and green hydrogen. At the same time, it was broadly recognized that it is no longer enough to add renewable power and fuel to meet growing energy demand. Renewables must displace fossil fuels to reduce carbon dioxide (CO_2) emissions and create a resilient energy system, and this requires a transformation of the energy system as a whole. In this context, system change means taking a holistic approach to the creation of enabling measures – including financial incentives and energy policy - to manage both demand and supply across sectors.

Secondly, there was a strong emphasis on the need for people to be at the center of the energy transition. While there will be a net increase in the total number of energy jobs, inevitably there will be misalignments between job loss and job creation, and just transition policies must ensure no one is left behind.

A third key message was that countries come to the transition from different starting points. For those working to provide access to modern energy services – where little to none presently exists – a flexible approach is needed.

Finally, a familiar refrain throughout the event was that the greatest levers to achieving faster progress are ambitious national targets combined with progressive policies, regulations and permitting processes.

Outcomes:

1. *Endorse and drive action aligned with the Marrakech Partnership Climate Action Pathways*

The event brought the Climate Action Pathway for Energy to life by showcasing real world examples and collective efforts to realize ambitious targets and measures. In this regard, the event showcased action on decarbonized power, emerging developments in green hydrogen, and new ambition to move beyond oil and gas while ensuring a just energy transition.

2. *Generate Convergence around campaigns, Race to Zero, Race to Resilience, Race to Zero breakthroughs*

Speakers from the private sector were selected on the basis of their commitment to these campaigns. The event gave them an opportunity to make announcements and showcase progress. Race to Zero breakthrough[1] announcements were made on: Race to Zero energy members committing to reaching 750 gigawatts (GW) of renewable energy by 2030; demand-side Race to Zero breakthrough ambition being achieved in clean power; and green hydrogen surpassing Race to Zero breakthrough ambition, with planned electrolyser capacity up to 45GW by 2026.

3. *Strengthen the quality and depth of dialogues and collective action between non-Party stakeholders and governments*

The event featured a broad spectrum of speakers from different areas of the energy sector and from around the world, including representation from virtually every continent. Youth representation provided a powerful call to action. Panel sessions had one or two representatives from national governments presenting effective policies in their countries or regions, followed by discussion between private sector, sub- national and civil society stakeholders who shared not only their successes, but the challenges and barriers they face, thereby challenging those who have the power to unblock conflict and drive momentum.

4. *Demonstrate action and evidence of transformation across diverse parties of the NPS community*

In the session on decarbonised power, the Global Solar Council (GSC) noted the dramatic fall in cost and expansion in deployment of solar energy in the last ten years. The Mayor of Freetown, Sierra Leone, highlighted the transformative potential of energy access. Overall, participants agreed that solutions already exist, and the right regulatory frameworks are needed for their accelerated deployment.

[1] https://racetozero.unfccc.int/breakthroughs/

In the green hydrogen session, several announcements were made about new tools to help ramp up ambition: the Green Hydrogen Catapult Policy Dashboard, the Enabling Measures Roadmap for Green Hydrogen, and the Green Hydrogen Compact Catalogue. His Excellency Abdessalam Mohamed Saleh, Minister of Energy of Mauritania, whose country is part of the African Green Hydrogen Alliance, which was launched at COP26, announced that his country had just signed an agreement for the largest green hydrogen project in the world – 30 GW of solar and wind power will produce 1700 tons of green hydrogen, as well as ammonia, for export to Europe. Mauritania anticipates a 40% increase in global domestic product (GDP) by 2030 as a result of this development.

In the session on reshaping fossil fuel powered economies, Costa Rica discussed its leadership role in the creation of the new Beyond Oil and Gas Alliance (BOGA), to generate momentum in the transformation away from fossil fuel production. The Premier of Québec announced that the province is joining the Alliance, and that it had become the first state in North America to renounce hydrocarbon extraction.

The Global Wind Energy Council (GWEC) announced that the wind sector had its most successful year ever in terms of new capacity addition, and that they expect 3.3 million jobs to be created in the next four years in a "good businesses usual" trajectory. It was noted that the International Renewable Energy Agency's (IRENA) new jobs report showed that 12 million people were employed in renewable energy in 2020, up 500,000 since 2019.

Her Excellency Mariam Almheiri, Minister of Climate Change and Environment of the United Arab Emirates, described how her country "saw the writing on the wall years ago, that an energy transition was coming, and made the decision to go full force in diversifying its energy mix on the road to net zero emissions."

SECTION 2 - PROGRESS AND OUTLOOK

Overview of progress in 2021

In 2021, the world saw continued attention on two global crises: climate change and the COVID-19 pandemic. Both crises had – and will continue to have – major impacts on all levels of society, and governments in many countries worked to ensure that economic stimulus packages to address the pandemic would also serve to strengthen action on climate change.

In the energy sector, the pandemic impacted energy security, price, and reliability. However, renewable energy proved to be more resilient than other parts of the sector, providing prospects for a renewable and resilient future. Further, during the same period, there was evidence of increased ambition, including in the form of new commitments to achieving net-zero emissions by 2050. According to the latest data from UN Environment Programme (UNEP), 49 countries plus the European Union, representing over a

third of the global population and half of the world's GDP (and an equal share of domestic greenhouse gas emissions), have committed to net-zero targets. If implemented, and coupled with dramatic action this decade, these new targets will accelerate the global energy transition.

According to IRENA, there was a net increase of 261 GW in global renewable generation capacity in 2020. This increase was also positively reflected in job creation in the renewable energy sector, which increased from 11.5 million in 2019 to 12 million jobs in 2020. Unfortunately, however, there were significant new investments in non-renewable capacity as well, signaling that CO_2 emissions will continue to rise until renewables effectively displace fossil fuels.

Action during 2022

1) Expand the stakeholder base.

We must work to ensure no one is left behind in the energy transition, and that means listening to a broader range of voices. All too often, progress in Europe is showcased with the implication that a) it is sufficient and b) it can and should be replicated everywhere. Voices and experiences from countries on the front lines of climate change must be given greater prevalence, with more regionalisation and with the recognition that no country or region holds the trademark on innovation. Another important aspect of stakeholder base expansion is further growth of Race to Zero and Race to Resilience membership in the energy sector, and progress towards the achievement of the Race to Zero Breakthroughs by 2030.

2) Promote more cross-sectoral collaboration

The need for an accelerated renewable energy transition intersects with every other thematic area – it is the solution to many of the problems highlighted within each theme. For example, climate impacts in the global ocean – sea level rise, acidification, and ocean warming – cannot be solved by traditional ocean conservation measures alone. The energy group will engage with other thematic areas to identify topics of high priority that could benefit from added focus and collaborative action beyond purely sectoral approaches.

3) Fine tune the Climate Action Pathway for Energy

The pathway should be as dynamic as the sector itself, and therefore needs to be revisited and fine-tuned from time to time in order to identify and influence priority actions through the Marrakech Partnership for Global Climate Action. The Pathways provide a basis for actions that must be taken this decade to achieve a climate-safe future by 2050.