



**UNFCCC COP 24  
Katowice, Poland**

**Outcome Document  
Action Event: Energy**

Marrakech Partnership for Global Climate Action

Saturday, 8 December 2018  
10:00 – 13:00

Organised by the MPGCA Energy Team  
(ICC, IEA, IRENA, SEforALL, The Climate Group, WBCSD)

## Section 1 – Outcomes of the Action Event at COP 24

### Key Messages

The IPCC Report on 1.5°C reemphasised the need for urgent and unprecedented changes to stop global temperatures from rising over this level. The report also stressed that such changes are possible and that investments in low-carbon energy technology and energy efficiency constitute central avenues for shared prosperity and economic stability. The report provides a new vision of planning, where long-term planning is not the only important vision; but it is also important to keep in mind short- and medium-term planning to catalyse that urgent action. The energy event highlighted that, while 2050 is some time away, this should not be an excuse for inaction; the next ten years are critical. Energy is an issue that must be addressed in a holistic way, across all planning terms, including short, medium and long horizons, and across all sectors, including electricity, transport and heating.

Innovation, as a systemic approach, can help this holistic perspective come to life. In the transformation of the energy sector, innovation is beyond enabling technologies, it also entails business models, research, system operation, and market regulation. Innovation can be used to bring new ideas to the transition that can benefit more people than ever before. Importantly, this holistic approach helps policy-makers prioritise a just and fair transition and keep in mind those who are left behind from the coal industry and those who are new to the industry. If policy-makers do not move towards action, markets, if not managed, will create adverse social situations. Just transition is bringing issues to the surface and making it very clear that coal is not just a health issue, but a social issue. The only way to implement a holistic approach is to think about and prioritise everyone affected by the transition.

### Impacts and progress showcased

The energy sector has come a long way since the Paris Agreement in 2015 and it plays a key role in ramping up the ambition and action needed in the next couple of years. The dynamic discussions during the Energy Action Event showed that this ambition and action are already taking place. Innovation is accelerating ongoing transition and allowing people to create and provide energy access to those who might not otherwise have it. This was evident in the innovation segment of the Energy Action Event, which showcased, among other examples entrepreneurial projects in Africa, 100% renewable energy commitments by 600 health facilities worldwide, and new energy paradigms driven by digitalisation. This ambition and action were also echoed in the discussion on long-term planning, where governments and companies highlighted their growing ambition in decarbonization of the existing system and stressed the business case of such a change.

The discussions highlighted that efforts for ramping up the ambition and action is happening all around the world today. They also emphasised the need for concrete implementation measures to let these actions become impacts, and the imperative of an inclusive, just, and timely transition.

## Section 2 – Outcomes of the work of The Thematic Area in 2018

*This section enables Thematic Group to report on the achievements of 2018 activities in Energy that were not highlighted in the Action Event but brought impact to work of the thematic area.*

### Overview of progress in 2018

The deployment of renewable energy technologies has become widespread; according to REN21, 57 countries have 100% renewable energy targets. According to IRENA, in 2017, the global net capacity of renewables expanded to 168 GW, the highest capacity as of yet. As the deployment of renewable energy continues to increase, socio-economic benefits become more apparent, a key consideration for just transition. By 2050, IRENA has estimated that the transition will increase global GDP by USD 52 trillion. It will also add an estimated 11 million job opportunities and will increase human welfare and health. Therefore, the benefits of the energy transition go far beyond the decrease in GHG emissions; they touch every corner of society.

However, to utilise these benefits, a significant shift in investment from the public and private sector is critical. National policy and regulatory frameworks require adjustments to foster an enabling environment that incentivises greater investment in climate-proof technologies. Energy policies must ensure that prices reflect the urgent need to decarbonise. Harmful subsidies should be phased out urgently and an effective price on carbon applied as one part of necessary policy measures. Affordable energy services, especially for low income people, should be assured. Integrated energy planning offers the opportunity to close access gaps with modern energy solutions, quickly and affordably, if the right policy environment prevails. Relatedly, NDCs currently lag behind not only what is actually contained in national energy plans, but also behind fast-moving, positive market trends. Changing this would facilitate the enlargement of the climate action space with stakeholders who are yet to join the effort. Aligning NDCs and national policies with the energy transition will incentivise investment and will help maximise the benefits of the transition.

### Impacts and progress showcased

The Energy team agreed on a different format for the Energy Action Event this year. The event focused on innovation, the 1.5 Report, and long-term planning. With this, the event featured a different prism, but not with the aim of showcasing progress of all of the existing energy initiatives. A few were featured:

#### *Existing initiatives:*

- Led by The Climate Group, in partnership with CDP, **RE100** brings together the world's most influential businesses committed to 100% renewable power, who send a powerful signal to policy-makers and investors to accelerate the transition to a low carbon economy. The Climate Group has announced a new member to RE100, German insurance giant, Allianz. IKEA a RE100 company, announced new ambitions to reduce GHG emissions from production by 80% compared to financial year 2016, strive towards 100% renewable energy (electricity, heating, cooling, and other fuels) in production by 2030, and phase out all coal- and oil- based fuels used on-site in production, where feasible, by 2025.



- Uptake of renewables presents a great opportunity. IRENA’s “Corporate Sourcing of Renewables: Market and Industry Trends” which analysed 2410 companies, found that the current market is equivalent of that of power market in France, and that over 50 companies source 100% and more than 200 companies source at least half their power from renewables.
- The Climate Group also leads **EV100**, a global initiative bringing together forward-looking companies committed to accelerating the transition to electric vehicles and making electric transport the new norm by 2030. EV100 recently welcomed new members, including British telecommunications giant BT Group, European energy company E.ON and logistics company Schenker AG, Canadian Ontario Power Generation (OPG), Germany’s insurance giant Allianz, and New Zealand’s Genesis Energy.
- **Oil and Gas Climate Initiative (OGCI)** is a voluntary CEO-led initiative which aims to lead the industry response to climate change. OGCI Climate Investments, the \$1B+ investment fund, supports the development, deployment and scale-up of technology and business models that reduce and mitigate greenhouse gas emissions. OGCI’s members, including BP, Chevron, CNPC, Eni, Equinor, ExxonMobil, Occidental Petroleum (Oxy), Pemex, Petrobras, Repsol, Saudi Aramco, Shell, and Total, account for 30% of oil and gas production. In 2018 OGCI focused on how to reduce methane emissions – an area where they aim to achieve a quick and meaningful win for climate action. In September, OGCI announced a target to reduce by 2025 the collective average methane intensity of their member’s aggregated upstream gas and oil operations by one fifth to below 0.25%, with the ambition to achieve 0.20%, corresponding to a reduction by one third.

#### *New initiatives:*

- **Health Care Without Harm** is an organisation working with its global network of more than 1,000 health care institutions in over 55 countries to promote the adoption of renewable energy in hospitals and health systems. This year, as part of HCWH’s Health Care Climate Challenge, they launched a leading-edge initiative for hospitals to commit to 100% renewable energy. When achieved, these institutions will collectively be serving more than 23 million patients per year at facilities powered by 3.3 billion kilowatt hours of renewable electricity.