



# **UNFCCC COP 25**

# Outcome Document Action Event: Energy Action Event

Marrakech Partnership for Global Climate Action

Saturday, 7 December 2019 10:00 - 13:00

# Organised by IRENA, The Climate Group, ICC, IEA, REN21, SEforAll, UNEP, and WBCSD





### **MPGCA Thematic Area: ENERGY**

## Section 1

#### **Key Messages:**

The rapid transition to a low-carbon energy system is essential to holding global temperature rise to 1.5°C above pre-industrial levels, while simultaneously ensuring universal access to affordable, reliable, sustainable and modern energy services.

Global energy trends, while promising, lag behind what is necessary to achieve climate and sustainable development objectives. At present, the energy sector accounts for two-thirds of global emissions. According to the IPCC, the energy sector must be decarbonised by 2050 if we are to move on to a 1.5°C pathway. This will entail a six-fold increase in renewable energy deployment compared to present levels, combined with electrification of end-uses and significantly ramped-up energy efficiency measures. These components can reduce up to 90% of energy-related CO<sub>2</sub> emissions as needed for a 1.5°C pathway. The new round of NDCs to be produced in 2020 provides an important opportunity for countries to increase ambition in relation to all facets of the energy transition.

As the energy transition touches all facets of life, a systemic approach is required to ensure everyone is part of the discussion and no one is left behind. As High-level Climate Champion Gonzalo Muñoz pointed out, the climate crisis is equally an empathy crisis.

Fortunately, benefits from this transition will accrue not only for the climate, but for air and water quality, economic prosperity, job creation, health and other social welfare gains.

Numerous initiatives have been launched in recent years to combat this crisis, most recently at the UN Secretary General's Climate Action Summit in New York in 2019, which aimed at scaling up promising technologies and approaches to support the enhancement of NDCs in 2020. Yet, there are many obstacles which continue to hinder the transition, and it is largely up to governments to create the necessary regulatory frameworks and incentives to put us on the 1.5°C pathway. However, actions are already being taken by the private sector and civil society which governments can learn from and replicate in their respective regions, countries, states, and cities.

#### Outcomes

#### Pre-2020 action:

• What are the current challenges, opportunities and metrics (such as data and analysis) for pre-2020 actions to realize the transition using technology, innovation and finance for this thematic area?





• What are the pre-2020 actions that have been implemented that accelerates systemic transformation, including changing behavioural patterns and leapfrogging conventional development paths? What needs to be improved or enhanced?

Significant progress has been made to accelerate the energy transition through technology, innovation, finance, and business models. These actions prove that the achievement of the energy transition is possible, but to get there, we must work together to accelerate action and overcome obstacles and barriers in our way. This event showcased actions that are already underway which promote the transition to a climate-proof future, while achieving SDGs, NDCs, and related climate goals.

Just a few short years ago, it was inconceivable that we would have available commercially viable electric airplanes, (partially) wind-powered cargo ships, solar-powered villages, and renewable electricity competitive with existing coal-fired power plants, **but these solutions exist today**. Cement was considered a sector nearly impossible to decarbonize, but the technology for zero emission mining and cement production is expected to be available by 2030. Further, companies are also taking on the energy transition; for example, IKEA now operates more wind turbines than stores.

These actions are also being echoed through regional, national, and local governments. Target setting by governments, particularly when enshrined in laws and regulations, has been a game changer in some countries. It was noted that in Germany, for example, legislating for zero emissions by 2050 meant that visionary ideas needed to be translated to concrete programmes with milestones achieved along the way. Embarking on ambitious pathways, however, uncover obstacles and challenges that must be overcome.

The event showcased how **governments, companies, and civil society are managing these obstacles and challenges**. For example, antiquated regulatory frameworks and administrative processes that are not designed to meet today's needs must be updated; enabling frameworks must be simple, fair, inclusive, and ensure nobody is left behind; the outdated mind-set which confuses investments with costs must be changed to reflect the economic growth that reducing emissions brings; and legally mandated targets must be adopted and enforced in a more holistic approach that incorporates the value of nature in the cost-benefit equation.

# References to or evidence of in the Climate Action Pathway/Yearbook of Global Climate Action/Global Climate Action portal (NAZCA)

- How does the future need to look like in 2050 in order to reach the 1.5-degree, net-zero, resilient goal and how we are moving towards this future?
- What are the systemic transformational actions and solutions to transition to this future, providing evidence that is science-based?

While it is not clear what the energy system will look like in 2050, its contours are emerging. Rapid development of renewable energy technologies, underpinned by efficiency and digital solutions, indicate





that the new energy system will be dramatically different from the one we have today. Discussions demonstrated a wide range of solutions that are emerging not only from traditional players, but from new entrants who are disrupting business as usual.

The consensus in the event was **that it is possible to transform the global energy system by 2050; many of the technologies to do so exist today and are increasingly cost-effective**. Governments are taking on challenges to transform their energy systems to ensure a climate-proof future on a pathway towards 1.5°C above pre-industrial levels. Major economies are promulgating climate legislation, and Germany shared its experience in this regard, stressing that it is important to introduce a system that moves all parts of the economy simultaneously, and letting the sectors themselves put forward the necessary solutions. The Republic of the Marshall Islands (RMI) reminded that going above 1.5°C ensures the country will not be able to maintain sovereignty due to climate change impacts. The Marshall Islands noted they opted to commit to ambitious action, most importantly to advance adaptation plans necessary for their survival.

The narrative from only two years ago has changed due to innovative and ambitious business models, and technology and finance solutions. However, it is important to ensure these solutions are in fact "green" along the value chain, for example in the case of hydrogen. More must be done to better understand the criteria defining green solutions that accelerate the energy transition.

The challenge of setting a 1.5°C pathway is that there is no silver bullet, and that different solutions must be found for different people, companies, and governments. However, actions can be mobilized by providing freedom to define ambition in a way that links to what is important to their respective energy transitions.

#### 2019 United Nations Climate Action Summit

• How can the transformational outcomes of the UN SG Summit be taken forward and scaled up to accelerate the transition?

In response to the climate crisis, a significant number of initiatives have been formed and launched, particularly at the UN Secretary General's Climate Action Summit in 2019. These initiatives proved that the momentum and collective action in some areas has shifted the needle. It was noted that these initiatives, while important in and of themselves, are also aimed at catalysing further action by others. Energy needs to be transformed, but this transformation cannot take place solely amongst the usual suspects; we must bring new people in from governments, companies, and civil society.

Specific initiatives discussed included:

- Getting to Zero Coalition on decarbonizing shipping, in which members across the maritime value chain are aiming to have commercially viable zero emission vessels operating along deep-sea trade routes by 2030.
- The **Cool Coalition** inspires ambition and accelerate action on the transition to clean and efficient cooling among national governments, cities, businesses, civil society, and finance.
- **Mission Zero pledge** to provide cement and mining with the needed technology for zero emission by 2030.





- The **Three Percent Club for Energy Efficiency**, consisting of 15 countries working to put the world on a path of 3% annual energy efficiency improvement.
- The **World Alliance for Efficient Solutions**, launched by the Solar Impulse Foundation has issued a challenge of finding #1000solutions that can be guaranteed as both clean and profitable.
- **Cluster Solaire**, an NGO which connects renewable energy actors from institutions and the private sector which are driving Moroccan targets on sustainable energy and can be replicated in the global South.

# Section 2 – Outcomes of the work of the Thematic Area in 2019

#### **Overview of progress in 2019**

The energy system is affecting all facets of the global economy. As such, the way forward is becoming increasingly nuanced. Energy investments can no longer be pursued in isolation from a broader socioeconomic context. Plans and investment strategies must be accompanied by clear, integrated assessments of how the energy system interacts with the broader economy for a just and timely transition. Far-sighted energy investment policies, when accompanied by savvy socio-economic policies, can help to ensure that no one is left behind.





# Section 3 – Action during 2020

- Create a climate action 'value chain' to connect with stakeholders in regions and promote a feedback loop to refine the Pathways.
- Promote a closer link with resilience/adaptation area to broaden the focus of the energy thematic area beyond mitigation.
- Develop a strategy for communicating the Pathway beyond the MPGCA and COP setting.