















Harnessing energy transformation for a sustainable recovery



WEDNESDAY, 8 JULY 2020



14:00 - 15:00 CEST



# THE POST-COVID RECOVERY

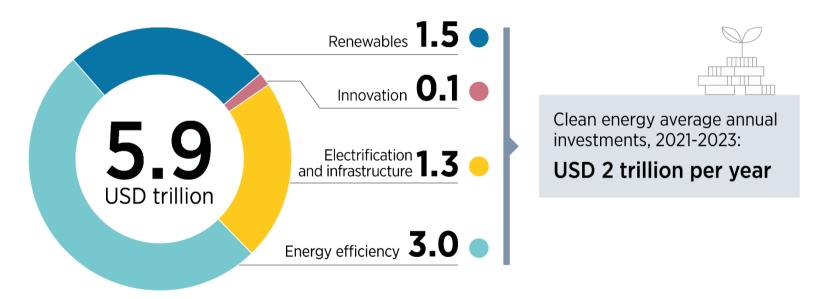
An agenda for resilience, development and equality

Francesco La Camera
IRENA Director-General



#### **Energy transformation investments to 2021-2023**

Cumulative clean energy investments between 2021 and 2023 in the Transforming Energy Scenario (USD<sub>2019</sub> trillion)



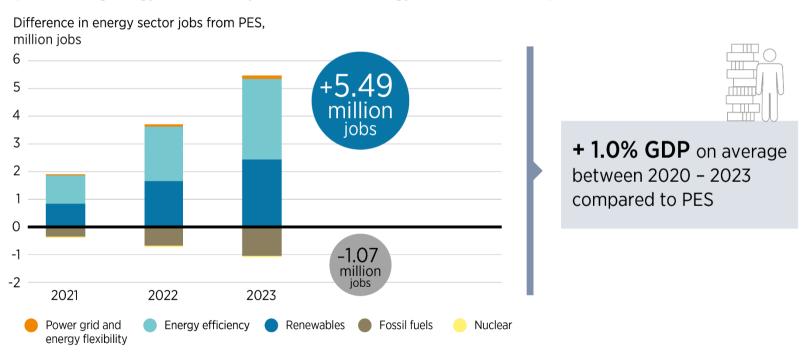
Investments in energy transition technologies needs to grow two-fold between 2021 and 2023 (USD 2 trillion per year) compared to 2019 levels (USD 825 billion).





#### **Immediate employment and GDP benefits**

Changes in energy sector jobs resulting from transition-related investment (Transforming Energy Scenario compared to Planned Energy Scenario, 2021-2023)



The specifics vary from region to region and country to country – whether in terms of underlying structural conditions, the specific opportunities that can be pursued, or the scope of policy ambition.





### Key policy measures needed to bolster green stimulus





#### **Employment and growth benefits to 2030**







Recovering Better with Sustainable Energy for All

A sustainable energy guide for African Countries



SETTING THE SCENE: In the midst of the pandemic and ensuing recovery, there are opportunities to reset economies and adjust structures of development and competitiveness

#### The environment we face



Increased illness and mortality (from COVID-19 and other ailments)



Prolonged economic contractions and reduced output



High levels of joblessness

How to recover better with Sustainable energy for all



Rolling out economic stimulus measures and welfare programs



Investing in new technologies, businesses, and systems



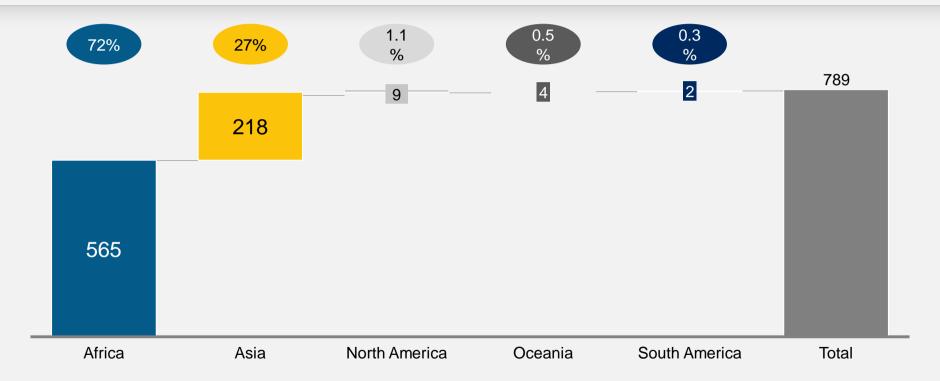
Rethinking post-COVID economies and societies

This sustainable energy guide highlights the opportunities, benefits and enablers which will help leaders guide their countries onto a more sustainable long-term development trajectory

#### There are ~789 million people in the world without access to electricity



#### Population without electricity access<sup>1</sup>, millions, 2018





### THE OPPORTUNITY: African countries should pursue large investments in centralized and decentralized renewable energy generation

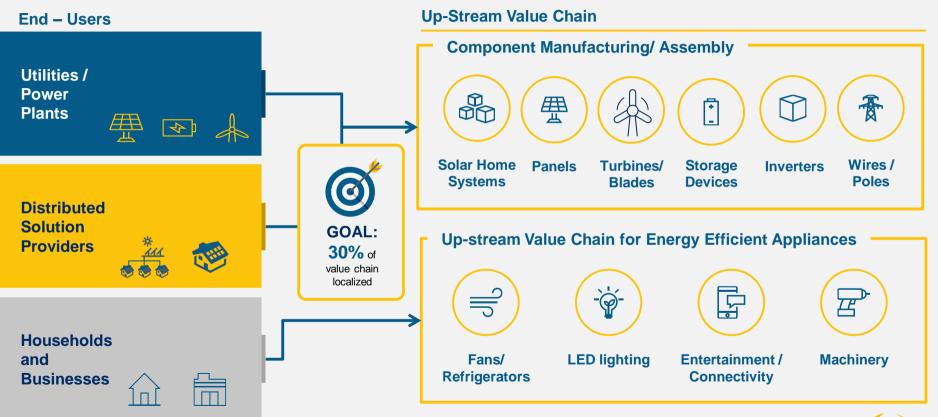




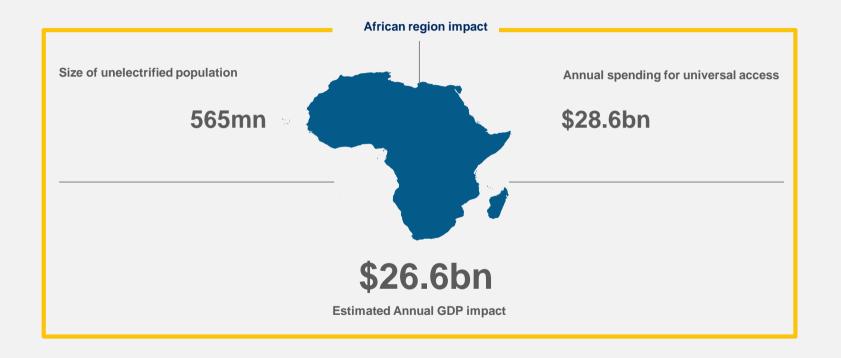




## THE OPPORTUNITY: Governments can capture further benefits by promoting local manufacturing and assembly of equipment and appliances



### THE BENEFIT: Achieving universal electrification in African countries and the can produce ~USD 27 billion in annual GDP impact





### THE BENEFITS: Prioritizing sustainable energy will provide economic, employment, commercial, health, and gender benefits to African and governments and their citizens





### KEY ENABLERS: To capture this opportunity, African and government should address eight actions / reform efforts to unlock a recovery driven by sustainable energy (1/2)

#### **Promoting Ease of Doing Business**

- Removing "red tape" for investments / projects
- Reducing number and time to obtain permits
  - Reducing or eliminating import duties and taxes



#### **Investing in Data**

- Identifying of optimal sights for developments
- Prioritizing of communities for commercial investments in electrification ("productive uses")



Integrating energy planning across technologies to determine least cost connections



### **Enhancing Policies and Regulatory Frameworks**

- Developing of regulatory frameworks for off-grid development
- Empowering of Regulators / Rural Electrification Agencies



#### **Transitioning to Cost Reflective Tariffs**

- Allowing price for electricity to reflect the actual costs to produce and deliver energy
- Enhancing utility performance and investment attractiveness
  - Providing monetary relief for poorer consumers









#### KEY ENABLERS: To capture this opportunity, African and government should address eight actions / reform efforts to unlock a recovery driven by sustainable energy (2/2)

#### **Eliminating Fossil Fuel Subsidies**

- Allowing cost of fuels to reflect market prices
- Creating additional fiscal space in budgets
- Enhancing the competitiveness of renewables



#### Declaring an End to new Coal - Fired Power

Recognizing investments in renewables are now cheaper than investments in coal plants in major markets today

#### **Investing in Energy Efficiency**

- Acknowledging investments in efficiency are the cheapest way to reduce Green House Gas (GHG) emissions
- Ensuring the opportunity to capture 40% of CO<sub>2</sub> abatement needed to achieve Paris Agreement



Promoting energy efficient building to create jobs



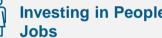
#### **Investing in People to Ensure Access to Jobs**

- Ensuring investment in human capital to take advantage of job creation opportunities
- Building a talent pool needed as local industries are established
- Enhancing capacity of Government institutions











#### TAKING THE RIGHT NEXT STEPS



The benefits of recovering better with sustainable energy for all are clear: demonstrable return on investment, a more resilient economy, healthier people and a cleaner environment. Every investment to recover better reflects greater ambition towards the Paris Agreement that can be reflected in the 2020 review of Nationally Determined Contributions (NDCs).



Today's decisions will impact on tomorrow's ability to recover better over the long-term. There are important measures these governments can take to Recover Better by delivering Sustainable Energy for All while also growing resilient economies and creating new green jobs.



Governments in Africa can begin by providing a whole-of-government mandate to prioritize and implement the enabling measures necessary to recover better. This includes empowering Ministries of Finance to make the necessary investments in job-creating sustainable energy projects that can jump-start their economies.





















#### Harnessing energy transformation for a sustainable recovery

Moderated by H.E. Dr. Nawal Al-Hosany, Permanent Representative of the UAE to IRENA

#### Remarks by

- **Mr. Jochen Flasbarth,** Vice Minister, German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety
- H.E. Lois Michele Young, Permanent Representative of Belize to the United Nations and Chair of AOSIS
- **H.E. Omar Hilale,** Permanent Representative of Morocco to the United Nations
- **Ms. Carla Montesi,** Director, European Commission's Directorate General for Development and Cooperation
- **H.E. Tomas Anker Christensen**, Climate Ambassador, Denmark
- Mr. Joan Groizard, Director-General of IDEA, Spanish Energy Agency