



#### LDC5 Side Event

# Moving LDCs towards closing the energy access gap and energy transition with renewable energy

Monday 6 March, 17:15 - 18:45, Room 106, Qatar National Conference Centre, Doha

## **Background**

Reversing poverty in its multi-dimensional aspects will depend on improving access to electricity. LDCs faced challenges in accelerating their pace of electrification, with an average access rate of 55 percent in 2020, representing more than half of the global population still without access. As of 2020, 479 million people in these countries still had no access to electricity, and over 860 million people were reliant on harmful fuels for cooking. Progress is uneven across regions and between rural and urban areas.<sup>1</sup>

The global deficit in access to electricity is increasingly concentrated in the African LDCs, while Asia–Pacific LDCs have made huge strides in electrification, resulting in the reduction of the number of people without electricity by over 100 million from 2010 to 2020. To provide universal access, LDCs need to nearly triple the pace of electrification, from 23 million new customers each year in 2000–2018 to 63 million in 2019–2030.

Excluding traditional uses of biomass, the share of renewables in total final energy consumption reached 10.3% in 2019, down slightly from 10.7% in 2010. Non-renewable capacity continues to expand faster than renewables to meet growing energy demands in LDCs. These countries may lose out on the opportunity to leapfrog to renewables and new technologies, jeopardizing environmental, social and economical benefits of the energy transition based on renewables.

As rightly mentioned in the Doha Programme of Action for 2022-2031: "the pathway to net zero emissions requires a substantial increase in the share of renewable energy and in clean energy technologies in all three main end-use categories: electricity, transport and heating/cooling. The immense potential of the renewable energy sector in least developed countries notwithstanding, these countries rarely benefit from larger financing schemes to the same extent as more prosperous developing countries."

As of 2020 LDCs received only 25% of the international financial flows to developing countries in support of clean energy in 2019. While this shows an increase from 21% in 2018, it hides a 9% decrease from \$3 billion to \$2.7 billion. Public finance will continue to play an important role in bridging the energy investment gap in LDCs. The rising debt burden further limits their fiscal space and ability to finance infrastructure investments or to introduce stimulus packages focusing on green economies, as seen in developed countries. Debt relief measures, fresh financing by donors, including meeting their commitment to climate financing, is especially important for LDCs.

<sup>&</sup>lt;sup>1</sup> IEA, IRENA, UNSD, World Bank, WHO. 2022. Tracking SDG 7: The Energy Progress Report. World Bank, Washington DC

<sup>&</sup>lt;sup>2</sup> https://www.un.org/ldc5/sites/www.un.org.ldc5/files/doha booklet-web.pdf

## Way forward for LDCs in achieving SDG7

A transformative change is needed in the LDC energy sector to bring SDG 7 within the reach of these countries. To help LDCs achieve rapid progress towards 2030, an enabling environment is needed. This must be underpinned by introduction of a comprehensive energy-sector planning at the national level, which identifies least-cost socioeconomically inclusive pathways. The redirection of energy policies and finance towards clean energy investments and improving energy efficiency will further help LDCs take full advantage of, and benefit from, falling renewable prices; it will help them access larger pools of capital to build energy resilience and become part of the global energy transition that is currently under way.

### About the side-event

This side event will showcase the efforts of the International Renewable Energy Agency (IRENA) towards closing the energy access gap and energy transition with renewable energy in LDCs. IRENA will demonstrate its bundled support to help LDCs achieve rapid progress towards 2030, including establishment of enabling environment, underpinned by policies and regulations to adopt least-cost pathways to electrification, while enhancing the socioeconomic inclusiveness of energy access, and catalysing both public- and private-sector finance. Experts from LDCs will make their interventions and talk about the needs of their particular countries while displaying the progress done, in light of the south-south cooperation.

IRENA activities which will be showcased at the event will contribute directly to the Doha Programme of Action Roadmap Focus area 3: Structural transformation, target Access to sustainable and modern energy services and its targets.<sup>3</sup>

#### Agenda

- Welcome by the moderator
- Opening remarks by Ms Gauri Singh, IRENA Deputy Director-General
- Selected presentations of IRENA work "Moving LDCs towards closing the energy access gap and energy transition with renewable energy"
- Remarks by LDC representatives
- Q/A
- Closing remarks

### **Contact details**

Sofja Giljova sgiljova@irena.org

-

<sup>&</sup>lt;sup>3</sup> See annex

#### Annex 1

### Energy Targets of the Doha Programme of Action

- By 2030, ensure universal access to affordable, reliable, sustainable and modern energy services. Double the generation of electricity per capita in least developed countries by 2030.
- Increase substantially the share of renewable energy in the energy mix (target 7.2 of the Sustainable Development Goals).
- Double financing from all sources in support of clean and renewable energy and enhance capacities in energy production, trade and distribution in least developed countries, in line with Sustainable Development Goal 7.
- By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all.
- Enhance technology transfer on mutually agreed terms to least developed countries to accelerate the transition to clean and renewable energy.
- By 2030, enhance international cooperation to facilitate access to and promote investment in clean energy research and technology, as well as infrastructure, in accordance with Sustainable Development Goal 7.
- Fifty per cent of the annual financing flows to clean cooking and electricity access should be directed to the least developed countries.