

Fifth International Forum on Long-Term Energy Scenarios (LTES) for the Clean Energy Transition

Session 4: Strengthening Institutional Ownership of LTES: Insourcing vs. Outsourcing

Co-hosted with: Danish Energy Agency

1. Description

The development of Long-Term Energy Scenarios (LTES) is a crucial component of national energy planning and strategy. Governments must decide whether to insource or outsource this development process, or adopt a mixed approach, depending on their specific context. The decision between insourcing and outsourcing has long-term implications for the consistency, credibility, and sustainability of LTES and energy planning practices on the national level.

Outsourcing can provide expertise and an external, objective perspective, potentially enhancing credibility. However, reliance on external consultants or organizations may hinder institutional ownership and long-term institutional capacities. Insourcing, on the other hand, fosters deeper institutional expertise and ownership but requires significant investments in building internal capabilities.

This session will explore the balance between insourcing and outsourcing in LTES development, particularly focusing on the decision-making process, governance structures, and the importance of building a resilient energy planning ecosystem

2. Objective

The session aims to provide a comprehensive overview of insourcing and outsourcing LTES development. Participants will gain insights into:

- Case studies of countries' approaches to insourcing and/or outsourcing
- How to ensure consistency and quality in LTES, especially when relying on external providers.
- How to determine which aspects of LTES development should be insourced versus outsourced.
- The importance of maintaining institutional knowledge and ownership.
- The long-term consequences of outsourcing LTES.
- Strategies for ensuring that LTES outputs are understandable and actionable, even when developed externally.

3. Expected outcomes

Participants will leave the session with a clearer understanding of:

- The trade-offs between insourcing and outsourcing LTES development.
- Practical strategies for ensuring consistency and credibility in LTES development and/or use.

- Approaches to maintaining institutional ownership while leveraging external expertise.
- Ways to build sustainability in LTES development processes, particularly in countries with unstable circumstances.

4. Proposed Agenda (90 minutes)

Time	Content
5 min	Welcome remarks and introduction Moderator: Charlie Heaps, LEAP Developer and Senior Scientist, Stockholm Environment Institute
20 mins	Scene-setting presentation and Q&A Presenter: Rosie Collington, Post-Doctoral Researcher in International Political Economy, Copenhagen Business School
50 mins	Panel discussion including 5 minute introductory statements on current country practices in allocating planning capacities. Panellists: <ul style="list-style-type: none"> • Ali Ahmed Ali, Director Ministry of Electricity and Renewable Energy, Egypt (virtual) • Camila de Araujo Ferraz, Energy Research Analyst, EPE Brazil • Malene Hovgaard Vested, Advisor, Danish Energy Agency • Rosie Collington, Post-Doctoral Researcher in International Political Economy, Copenhagen Business School
15 mins	Q&A
2 mins	Closing remarks

5. Suggested guiding questions

1. What factors do you consider when deciding whether to insource or outsource the development of your country's scenarios?
2. How does your institution ensure consistency and coherence in LTES when outsourcing parts of the development process?
3. What steps are you taking to build internal institutional capacity for LTES development?
4. How do you ensure that government planners and stakeholders can effectively interpret and act on the findings of LTES, particularly when external consultants are involved in the development process?
5. How do you manage the potential risk of over-reliance on external consultants or organizations for LTES development?
6. What lessons have you learned from your experience with outsourcing or insourcing that could be valuable for other government planners?