

# ASIA-PACIFIC FORUM ON SUSTAINABLE DEVELOPMENT 2018

“Transformation towards sustainable and resilient societies in Asia and the Pacific”

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## Report of Roundtable on SDG 7 on Affordable and Clean Energy



The Roundtable was co-organised by **UN ESCAP, UN Environment, UNDP and ADB.**

Moderator: M. Hongpeng Liu, ESCAP Energy Division Director

Presenting the Goal Profile: M. Sergey Tulinov, ESCAP ED, Economic Affairs Officer

Panelists

- Dr. Pranab Baruah, Global Green Growth Institute (GGGI)
- M. Takahiro Hasegawa, Director for International Strategy International Strategy Division Global Environmental Bureau Ministry of the Environment of Japan
- M. Sohel Ahmed, Managing Director at Grameen Shakti, Bangladesh

Discussant from civil society: Ms. April Porteria, Research and Advocacy Coordinator, Center for Environmental Concerns-Philippines

Working group moderators

WG1: M. Sergey Tulinov, Economic Affairs Officer, ESCAP ED

WG2: M. Sudhir Sharma, Program Manager Officer, Climate Change Mitigation Regional focal point, UN Environment

WG3: Ms. Milou Beerepoot, Regional Technical Specialist, Energy Infrastructure, Transport and Technology, UNDP Global Environment Finance

WG4: Ms. Aneta Nikolova, Environmental Affairs Officer, ESCAP EDD

Rapporteur Ms. April Porteira, Research and Advocacy Coordinator, Center for Environmental Concerns of Philippines

## **Outcome of the Roundtable**

Achievement of universal access to energy will require additional efforts and collaboration of all stakeholders including governments, private sector and civil society. Platforms for raising awareness need to be created and the roles of the stakeholders must be efficiently coordinated to achieve coherent actions and provide multi-stakeholder dialogue to enable improvements in the SDG 7 implementation and engage international development partners where needed. Issues of quality and reliability of energy access and availability of reliable data for monitoring need to be promptly tackled by the policy makers. National targets for clean cooking fuels and technologies should be established and clean cooking and development of renewable energy sources must be better integrated into energy policy frameworks taking in consideration specific cultural differences among member states. Efforts at promoting affordable and accessible renewable sources need to be urgently undertaken in order to address environmental sustainability and air pollution. Energy efficiency measures are urgent in social and public services such as transport, industry, and building sectors and require full support through subsidies from national governments. To facilitate renewable energy and energy efficiency expansion, member States need to address existing policy barriers such as monopolistic utility positions and the lack of regulation of energy prices.

With the support of ESCAP and other relevant regional institutions Member states need to develop an intergovernmental mechanism to promote equitable cross-border electricity power trade and connectivity as one of the building blocks to attain sustainable development. International energy cooperation efforts to deploy publicly available innovative technologies along with safeguards need to be enhanced among the member states. Energy sector reform is needed to move from vertically integrated energy systems to more integrated approaches that encourage local production and state regulation in distribution and transmission and therefore improve affordability and increase resilience to blackouts. Policy making processes and governance should be made more transparent through appropriate control and monitoring mechanisms as well as enhanced public participation. Energy policies need to respond to the needs of the local communities and stimulate sustainable energy projects. Small renewable energy projects are resource efficient, environmentally sustainable, and could stimulate economic growth and provide jobs and need promotion across the region. Close linkages between water, food and energy require a suitably integrated approach to ensuring water and food security, as well as sustainable agriculture and energy production.

## **Outcome of the working groups**

### **1. Working group 1 on “Current status on SDG 7 in Asia and the Pacific, including areas where good progress is made, and areas requiring specific attention and associated key challenges”**

Comments on the status as presented in the Goal Profile:

1. Providing energy access and bringing electricity to the remote areas are among the priorities for the governments of Asia-Pacific;
2. Energy intensity remain high; with sharp increases in energy consumption from residential areas and the transport sector; energy efficiency in industry and households needs to be improved;
3. Asia-Pacific is the global leader in renewable energy investments, installed capacity, and consumption: wind and solar production are being increased; However, fast economic growth triggers growth in energy consumption of fossil fuels and, as a result the share of renewable energy in the total energy mix is declining;
4. air pollution in the transport sector brings heavy impact to the environment due to the use of fossil fuels which result in increase of GHG emissions; there are no proper policy measures to promote clean energy sources and discourage the use of not clean fuels;
5. there is a need to introduce new technologies and provide knowledge sharing and training, change in perception;
6. the need to provide proper financial incentives strengthened by political will, at the same time creating motivation for end-user to adapt to new cleaner technologies taking in consideration the difference between rural and urban areas.

Validation of the Goal Profile:

Main key indicators of the progress on the implementation of SDG 7, as well as related challenges were confirmed by the group, however the participants noticed differences among member states due to traditional and cultural practices that might need special approach of the policy makers. Strong interlinkages of SDG 7 with other development goals were highlighted. More ambitious targets for governments were encouraged and civil society needs to be engaged for awareness raising.

### **2. Working group 2 on “Promising innovation and best practices to build upon for making further progress on SDG 7 in Asia and the Pacific”**

Comments on promising innovations and best practices as presented in the Goal Profile:

1. It is necessary to develop regional infrastructure connectivity as a means for economies of scale and wider dissemination of renewable energy as opposed to bilateral connectivity which is limited.
2. Mobile banking can be one of the drivers or enabling factors using information technology to facilitate market and for scaling up especially in remote/rural areas.
3. Alternative sources of energy should be disseminated more but risk assessment needs to be preceded. There is a need to conduct closer environmental and social assessment on coal-fire powerplants and not just innovative technologies.
4. Carbon tax as a tool to make renewable competitive against fossil fuels, following the scheme when companies are incentivized to change their practices and tax collected go back to companies.
5. Integrating renewables into development planning following the model where clean energy projects are integrated with their major strategic development plan integrated in the larger state strategy on development plans.
6. More resource assessment of renewables to enable project development is needed.

#### Validation of the Goal Profile:

Innovative Best practices from countries generally prove trends indicated in the SDG 7 profile. Developed countries in the region (Singapore, Japan, ROK) show impressive examples of use of latest modern technology, at the same time developing countries like Bangladesh and Fiji also come up with their innovative solutions to their specific energy challenges

### **3. Working group 3 on “Policy recommendations on priority for action, to be ideally structured around: thematic areas, means of implementation (as per SDG 17) and regional collaboration”**

Priority policy actions to make further progress on SDG 7 in Asia and the Pacific:

1. Governments must establish clear priorities, develop appropriate strategies and operationalize the right fiscal instruments to promote clean and affordable energy access, higher uptake of renewables and achieve energy efficiency.
2. Energy sector reform is needed to move from vertically integrated energy systems to more liberalised approaches that encourage decentralized production, distribution and transmission and therefore address issues surrounding affordability.
3. Policy making process and governance should be made more transparent through appropriate control and monitoring mechanisms.
4. Clean cooking has a strong cultural component. Governments role in designing locally appropriate solutions must be emphasized to achieve higher public acceptance and use of clean cooking fuels and technologies.

5. Cross-border trade of electricity is an essential mechanism for regional cooperation but should not take precedence over ensuring energy access to the local population.
6. Governments need to identify and incentivize energy efficient industries and technologies in accordance with the scope of SDG 7;

**4. Working group 4 on “Policy recommendations to address interlinkages between goals- a background document will be provided on this, mapping interlinkages between SDG 7 and other SDGs”**

Policy recommendation for integrated SDG 7 implementation with other SDGs in Asia and the Pacific:

Local communities’ energy needs should be central tenant of energy policies. A process of consultation and participation of community representatives will promote sustainable industrialization, protection of ecosystems and equality, gender empowerment, and economic growth. Energy policies need to respond primarily to the needs of the local communities and stimulate small sustainable energy projects that are resource efficient, environmentally sustainable, stimulate economic growth and job creation for youth, and revive local communities in aging societies by reducing pressure on mega cities for energy generation caused by urban migration. Accountability for the outcome of mega energy projects, and access to arbitration for community rights and environmental integrity should be a standard requirement.