

COP 25 Side Event:

Reflecting on 5 years of implementing Fossil Fuel to Renewable Energy Transition Workshops

Saturday, 7 December 2019, 3:00 PM – 5:00 PM SDGs Pavilion of COP 25, IFEMA, Madrid, Spain

Opening Remarks by Dr. Jean D'ARAGON, OiC, UNOSD

Dear colleagues, ladies and gentlemen,

My name is Jean D'Aragon, from the UN Office for Sustainable Development (UNOSD), based in Incheon, Republic of Korea.

As a representative of UNOSD, it is my great pleasure to welcome you all to this side event titled *Reflecting on 5 years of implementing Fossil Fuel to Renewable Energy Transition Workshops.*

As you know, the main theme of this side event is part of the wider international framework, namely, the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (or SDGs), to which all the UN Member States have agreed to meet by 2030.

Included in the Agenda signed in September 2015, are the 17 Sustainable Development Goals (SDGs) and 169 associated targets, described as "integrated and indivisible, global in nature and universally applicable, taking into account different national realities, capacities and levels of development and respecting national policies and priorities."

Furthermore, in the Agenda, Member States note the following: "We are determined to take the bold and transformative steps which are urgently needed to shift the world onto a sustainable and resilient path. As we

embark on this collective journey, we pledge that no one will be left behind".

Given the above, it comes as no surprise that SDG 7 or the Energy Goal, aiming at *ensuring access to affordable, reliable, sustainable and modern energy for all by 2030*, is somehow related to, at least, the Inequality Goal (SDG 10), the Poverty Goal (SDG 1) and the Sustainable Consumption and Production Goal (SDG 12).

Although it is undeniable that countries need access to energy for their development, the energy-intensive development model is no longer possible. In order to increase the rate of energy access, we can no longer simply supply more energy the unsustainable way we used to do before (and still do today).

In that regard, we need to be aware of the tremendous negative impact Fossil Fuel Subsidies have on the ecosystem and the environment.

They are also diverting a significant share of state revenues from priority sectors —like health or education. It is widely recognized that they also fail in one of their core objectives that is to benefit the poorest, and more vulnerable. Altogether, this may have tremendous negative effects on countries' long-term prospects for development, not to mention their stability and security.

Besides their negative impact at national level, Fossil Fuel Subsidies undermine international efforts to control climate change. Phasing out fossil fuel subsidies could only create a win-win scenario.

It would help remove the incentives that drive <u>up</u> carbon emissions, create strong price signals encouraging investments in the transition to a low-carbon economy, and reduce pressure on public finances and/or free up liquidities to invest in priority areas, thus helping countries finance their prioritized SDGs and targets.

We know that many countries have already embarked in the implementation of renewable energy and energy efficiency programmes on their own —which is certainly laudable.

However, despite those successful stories, phasing out fossil fuel subsidies remains very slow and needs to be accelerated.

As mentioned in a working paper published by the IMF last May, "(g)lobally, subsidies remained large at \$4.7 trillion (or 6.3 percent of the global GDP) in 2015, and were projected at \$5.2 trillion (or 6.5 percent of the global GDP) in 2017" (which shows a tendency of increasing instead of reducing).

We all know that reducing carbon dioxide (CO2) emissions from fossil fuels is imperative and urgent if the greenhouse gas (GHG) mitigation commitments submitted by 190 countries for the 2015 Paris Agreement are to be met!

We also know that many countries' citizens are deeply suffering from high local air pollution concentrations that frequently exceed (often by far) the World Health Organization (WHO) guidelines, and that much of this pollution comes from fossil fuel combustion.

In line with our capacity development mandate, and in response to requests from Member States, our Office, the UN Office for Sustainable Development (UNOSD) has organized a few training workshops on fossil fuel to renewable energy (FFRE) transition policies and fiscal reforms over the last 5 years.

A first one-week workshop was hosted in Mauritius in May 2014 for the benefits of policymakers of 10 island states, mostly from the Indian Ocean basin. The event also provided the opportunity to develop a FFRE capacity building and collaborative policymaking methodology, already re-used with other regional groups, notably in Nairobi for East African and South Asian countries in October 2014.

More recently (November 2018), UNSOD organized a similar FFRE transition training workshop, including environmental fiscal reform (EFR) and fossil fuel subsidy (FFS) reform, where 21 counties, including 11 (or 50%) Small Island Developing States (SIDS), of the Latin America and Caribbean region participated.

As in previous FFRE transition training workshops, the participants of the Latin America and Caribbean Fossil Fuel to Renewable Energy Workshop, held in San Jose, Costa Rica concluded that transition from fossil fuels to renewable energy will be a central topic of the policy debate in the future.

Energy transition is essential for the achievement of the targets of the Paris Agreement and many of the Sustainable Development Goals (SDGs), besides SDG7.

Energy and climate policy are complex fields, occupied by a multitude of actors – some of them being even more powerful and influential than the states themselves.

Knowledge amongst policymakers for the realisation of energy transition is often incomplete or not sufficiently in-depth. Fossil fuel to renewable energy (FFRE) transition trainings have the potential to fill an important gap and to build the capacity of policymakers to develop strategies for fossil fuel subsidy reform, and design policies for energy transition.

Today, we would like to present you information about the FFRE trainings we have been conducted over the last 5 years. But before that, we would like to hear about experiences from countries such as Costa Rica and South Korea and from different groups and organizations working towards renewable energy (RE) transition in different regions.

Beyond success stories, we would also like to hear the panellists about the challenges faced in the implementation of fossil fuel subsidy reforms and renewable energy transition.

Other issues we would like to hear from the panellists, and eventually from the audience, are the capacities that governments may need to be improved for the phasing out of fossil fuel subsidies and the renewable energy transition.

We would also like to hear the panellists' point of view (and yours) on how to accelerate widespread renewable energy deployment.

The results of the discussion today will help us improve our FFRE

Transition Training programme that we aim to continue to develop as part
of our humble contribution to this major issue.

Thank you!