

HLPF SDG 7 Review – Scene Setting Remarks

Ladies and Gentlemen,

Sustainable energy is at the heart of the solutions to many of the global challenges that we are facing today. As former Secretary- General Ban Ki-Moon stated *“Sustainable modern energy is the golden thread that connects economic growth, social equity, and environmental sustainability.”* It has a fundamental and immediate impact on people’s quality of life and livelihoods. It crucially contributes to eradicating poverty. It responds to climate challenges. It powers economic growth. It creates jobs. It improves public health. It contributes to solving urban challenges. And it bolsters food and water security.

The adoption of SDG 7 as the first-ever global goal on energy in 2015 was groundbreaking. It placed energy at the core of the international sustainable development agenda. Under SDG7, the international community agreed to ensure universal access to modern energy, substantially increasing the share of renewables in the global energy mix and doubling the rate of improvement in energy efficiency. In short, it calls for a complete transformation of the global energy system. Today’s review of SDG7 marks an important milestone in the implementation of the 2030 Agenda.

Ladies and gentlemen,

Considering the current status of SDG7, we can see that progress has already been made across all targets. Nonetheless, we need to significantly step up our efforts to achieve SDG 7. This is also clearly reflected in the *Tracking SDG7 Report* developed by the Custodian

Agencies of SDG 7 indicators and the 27 Policy Briefs on SDG 7 on Energy and its Interlinkages with other SDGs, coordinated by UN DESA ahead of the HLPF.

Over the last years, renewables have emerged as a cost-competitive and sustainable option for meeting energy demand. In the power sector, since 2011, renewables capacity additions have exceeded those from conventional sources every year, and over 50% of renewables additions came from developing countries. Renewables are no longer a luxury, but a viable energy choice for a growing number of countries, cities, companies and individuals.

These developments have been driven by technological advances and drastic cost reductions. Since 2010, the average costs of utility-scale solar PV and on-shore wind energy have fallen by 73% and 23% respectively. The business case for renewables has never been stronger. Investments in renewables exceeded 1.2 trillion USD since 2013 – the vast majority of which stems from the private sector. Record low prices in recent auctions have shown that prices around USD 0.03/ kWh and lower are possible. Governments, through enabling frameworks, have contributed significantly to accelerating the deployment of renewables. As of last year, 147 countries had adopted policies promoting renewables, up from around 48 in 2004.

This is truly remarkable. However, much more needs to be done: based on current policies, much of the immense potential of renewables would remain untapped. The share of renewables in the energy mix would reach just 21% by 2030, which is not in line with our ambitions as laid out in the 2030 Agenda and the Paris Agreement. Particularly end-use sectors including transport and heating and cooling are lagging behind. But investing in a renewables-based energy transformation would bring immense benefits and advance the 2030 agenda. How? Such an energy transformation would achieve 90%

of emission reductions needed to achieve the climate targets of the Paris Agreement. It would boost global GDP by 1% compared to business as usual in 2050, with a cumulative increase of 52 trillion USD. An energy transformation would create millions of new jobs – last year alone, the renewables sector created 500,000 new jobs, reaching a total of 10.3 million jobs in the sector in 2017. And an energy transformation would lead to welfare improvements by 15 % compared to a business as usual scenario in 2050. Higher ambition, strong domestic supply chains and the right policy mix that covers deployment, education and training and industry development, can significantly increase the benefits of the transformation.

In view of rapidly increasing energy demand, progress on energy efficiency is closely linked to increasing the shares of renewables and decarbonising the economy. The Tracking SDG7 Report shows that energy efficiency has continued to improve, especially in the industrial sector. But we must intensify our efforts further, particularly in areas such as transportation and residential energy consumption to meet the 2.6 % yearly decline needed to meet the SDG7 target.

Likewise, clean cooking solutions need to be scaled up rapidly. 40 % of the world's population still do not have access to fuels and technologies for cooking, exposing them to severe negative health impacts. Based on current trends, 2.3 billion people will still rely on traditional cooking solutions.

Much dynamism can also be observed with regard to universal access. Since 2010, around 118 million people have gained access each year, reducing the number of people without access to under 1 billion. Particularly developments in the off-grid sector offer exciting opportunities, as costs are plummeting and new innovative business models are emerging. For example, pay-as-you-go solutions for solar home systems pioneered in East

Africa are making larger solar home systems affordable for rural households. It is estimated that about 60% of the people becoming electrified between 2017 and 2030 will do so through off-grid solutions, including mini-grids and stand-alone solar systems. Already now, 133 million people are benefitting from off-grid renewables. And global off-grid capacity has tripled over the last ten years to 6.5 GW.

Across regions, off-grid renewables deliver a wide range of services. They are powering homes, public services such as health clinics and schools, agriculture farms, and industries. Refrigeration allows remote health clinics to store medicines for longer and light enables children to spend more time studying which results in increased literacy and social mobility. With improved access to affordable, reliable and sustainable electricity, rural, semi-urban and island communities enjoy a ripple effect of socioeconomic benefits, contributing to a wide range of SDGs.

Ladies and gentlemen,

Realising SDG7 is a path of opportunity. We must scale up efforts to maximise the socio-economic and environmental benefits of a global energy transformation. Only then can we ensure a sustainable energy future which leaves no one behind.

In view of the far-reaching transformative potential of SDG7, it is very fitting that the guiding theme for this year's HLPF is *Transformation towards sustainable and resilient societies*. I am delighted to take part in this in-depth review of progress towards SDG7 and to have a conversation with you about achievements and challenges, lessons learned and how to chart a path to a sustainable energy future over the next hour and beyond.

Concluding remarks

Ladies and Gentlemen,

What we need going forward is to strengthen **ambition, action and cooperation**.

First, we need increased ambition to significantly scale-up our efforts across the different dimensions of SDG7 and to secure strong political commitment, bolstered by strategic, integrated and long-term planning.

Second, we need decisive action. We have technologically feasible and economically attractive solutions available. To realise SDG7 an estimated 1-1.2 trillion USD per year until 2030 are needed. This may seem like a large number. However, the economic benefits and savings on health, environmental and climate benefits will significantly outweigh the investments required. Accelerated deployment must start now. Early action to channel investments in the right energy technologies is critical to reduce the scale of stranded assets.

Third, we need strong cooperation. We need to raise awareness of the benefits amongst the different stakeholders of the energy transformation. Partnerships on all levels – regional, local and national as well as between public sector, private sector and civil society actors – are key. The Global Agenda for Accelerated SDG7 Action proposed by the Multi-stakeholder Technical Advisory Group highlights priority actions and offers a useful foundation for concerted efforts by all stakeholders in this context.

Pope Francis who met earlier this month with executives from oil and gas companies to discuss the energy transition and said: "Civilization requires energy, but energy use must not destroy civilization!". Ladies and Gentlemen, sustainable energy is the readily available solution to reconcile energy and civilisation and to advance sustainable development.