

SDG7 Review – Talking points

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At the midpoint of the SDGs, HLPF has so far sent us a clear message.

The world is dramatically – and dangerously – off track.

This applies to SDG7 as well.

We need a massive course correction, and that course correction should have happened yesterday – today might be too late.

This is the sobering message we have in front of us.

Underpinning our ability to achieve SDG7 is of course questions like: Will finance be made available? Do we have the right partnership? Can the permitting process for clean energy projects become easier to navigate? Will there be enough skilled workers and critical minerals available?

Let me focus on some of these where we need to take a quantum leap:

First, finance. Current investments are too low, misallocated and insufficient. More than 90% of the increase in clean energy investment in recent years has been in advanced economies and China.

We risk new dividing lines if clean energy transitions don't pick up elsewhere.

Africa, the continent where access to energy is the lowest, received less than 1% of global investment in renewable in 2021.

Investment in many countries is being held back by factors including higher interest rates, unclear policy frameworks, weak grids, financially strained utilities, and a high cost of capital.

Much more needs to be done by the international community, especially to drive investment in lower-income economies, where the private sector has been reluctant to venture.

And let's face it – we have not been successful in attracting energy sector investments from the private sector despite all our talk and focus on this the last few years.

How can we scale up renewables to phase down fossil fuel more quickly?

We need to rethink our toolbox and focus on domestic resource mobilization - taxation and strengthening of local financial systems, including ensuring a higher savings rate, developing national financial institutions to support SMEs, and local currency lending.

Second, lack of talent. The energy transition offers a great potential to create new jobs. But without trained and educated people this will be difficult. We need to massively increase our efforts on education and training to ensure that we have the skills we need to transform our energy systems.

Third, we need new partnerships. Just energy transition partnerships, developed by the G7 countries, is a promising avenue forward. Essentially, JETP is a financing mechanism anchored in high level commitments. Donors agree to fund countries' efforts to transition towards clean energy while addressing the social consequences – which is key to any transition.

We need to develop more of these JETPs – could we develop JETP-type partnerships to support access to energy?

And finally, UN agencies and UN missions operate more than 20 000 diesel generators. In some countries the UN is the largest electricity producer. Only 6% of peacekeeping operations' electricity is produced by renewable energy. The target is 80% by 2030.

The transition of UN operations to renewable energy presents an opportunity for both the UN and the countries hosting these operations to simultaneously deliver on climate, development, peace, and security objectives.
