CLIMATE CHANCE NANTES 2016

ROADMAP TO 2018

Thematic Coalition « Energy: Production, access, and consumption »

Pilots of the related forum: Energy Cities and CLER

Updated proposal 7 September 2016

In the coming 2-3 years, the coalition will evaluate the progress made on four specific demands addressed in 2015 towards the Parties of the COP 21. These demands have been debated amongst non-state actors and agreed in Lyon during the World Summit of Climate and Territories, July 2015. In 2018, when States will re-assess their INDCs, the coalition will assess the changes made on legal frameworks and policies in line with the post-carbon society objective agreed on in Paris. At the same time, this inventory will be linked to a quantitative impact assessment which will be based on the review of the commitments and monitoring reports of sub-national authorities, mainly through the Global Covenant of Mayors for Climate and Energy.

Proposal for a text to be released as a roadmap in Nantes

2015 was not only the year when world leaders reached an unprecedented global agreement paving the way for more ambitious global policies. Moreover - and even before COP21 - 2015 was the turning point from a fossil-based to a renewable energy system. Never before, the share of renewables in the global energy mix had increased at such a speed as last year. Now, the challenge ahead for territories is to roll out the decentralised and decarbonised energy production model by speeding up the reduction of energy consumption and ensure access to energy for all.

Therefore, the coalition advocates and asks the COP Parties for:

a) Ensuring that **national governments commit to decarbonize our energy system by 2050** (fossil fuel emission phase out) and ensure a just transition to 100% renewable energy in line with staying under at least 2°C temperature rise.

⇒ **1** Ensure that **energy market regulation** and energy infrastructure are designed to support a low-carbon society with local energy production, storage, demand-side management and fair access to energy.

⇒ **2** Make **energy-specific commitments**, e.g. decarbonisation of transport, move to 100% renewable energy in electricity, or district heating.

⇒ **3** Stop fossil fuel subsidies and **divest from any carbon-intense activities** in order to redirect financial flows towards renewable, local and decentralised energy

b) Supporting non-State actors to tap into their full potential and to play their role in ensuring the energy transition becomes a reality everywhere. The energy system of the future will be mostly relying on fragmented, decentralised and numerous energy producers. Thus, the local and regional players will play the critical role and ensure the strength of the system.

⇒ **4 Facilitate non-state actors' access to finance, in order to increase their internal capacity as well as to accelerate technology and knowledge transfer** to sub-national governments, which will enable them to fully decarbonize.

⇒ **5 Give sub-national governments the political mandate** to manage and control their own energy systems, notably thanks to a national framework that facilitates a locally-anchored transition to 100% renewable energy.

MAPPING THE EXISTING COALITION OF ACTORS AND INITIATIVES IN THE FIELD OF ENERGY SYSTEMS

A number of thematic and sector-specific coalitions and alliances of actors already exist. It is important to build upon their achievements: See the LPAA website on Renewable energies and Energy efficiency: http://newsroom.unfccc.int/lpaa/energy-access-efficiency/

The energy challenges and interests of cities and regions are represented by various initiatives such as the Global Covenant of Mayors for Climate and Energy, Under2MOU, the Go100% Renewables movement, etc.

In addition, different coalitions created around concrete policy targets are very active at global level, notably **Keep it in the ground,** lead by 350.org, and echoed by The Guardian (grassroots movement in more than 188 countries with specific action to become fossil-free: https://350.org/)

For the years leading to 2018, the coalition wants to preserve this multitude of initiatives and actors. Creating a lot of noise, from different angles, might be more impactful to move the political agenda than speaking with one voice. However, 2018 will be an occasion to join forces, know-how and data in order to collectively report on progress in energy policies since COP21.

THE COMMON CHALLENGES

In terms of energy transition, the coalition sees three challenges ahead to transform the energy system towards carbon neutrality. It is important to note that in 2016, the challenges do not lie in technologies or business model development. Already today it is economically and technically possible to build on a complete energy system without fossil (and fissile) energy. Specific policy targets are needed if we want to remove current obstacles to make this transition effective.

To reach a **decentralised, decarbonised and distributed** energy system, we need to

- **Democratise** the energy decision on energy infrastructure and to open energy production to all actors

- **Devolve** power to local communities as future energy systems will rely on local, interconnected grids and as new solidarity mechanisms between territories need to be invented
- **Divest** from fossil and fissile production towards public investment and fiscal policies incentivising local production

THE COALITION'S OBJECTIVE AND PROPOSALS FOR CONCRETE ACTION

Reporting on past commitments and how local and regional non-state actors feed into national and international targets.

Apart from the **reporting of each thematic initiative (in the framework of the formerly called LPAA) for 2018**; and aside from the Global Covenant of Mayors reporting on 2030 targets (40% Co2 reduction with a sub-target on renewables and efficiency) in EU and on commitments from sub-national authorities higher than national targets in other parts of the world, it could be interesting to:

- Report on positive initiatives taken by different countries to speed up and scale up the 3D "Democratise, Devolve, Divest" trend
- Reinforce the zero fossil free subsidies campaigns
- To propose a 100%RE target and strategies around (complementary) to the approach of the Covenant of Mayors
- To report on "community energy" development worldwide
- Foster cross -learning on technologies for a sustainable energy system (and how the North can learn from new energy system implemented today in the South and largely decentralised)
- Building a global platform and national platforms for a new energy system/model as the one in Spain, for example : http://www.nuevomodeloenergetico.org/pgs2/ ?????? (more relevant at national level, then at global level, but can be interesting to have a global coordination to reinforce the common narrative around new energy models)
- Other?

THE MEANS FOR ACTIONS

Depending of the above targets chosen, the resources needed should be allocated.

The Global Covenant reporting system will allow the provision of data for progress, however, 2018 is too soon, and the reporting of CO2 reduction shall be adapted to the Covenant of Mayors' own timetable. The Global Covenant initiative is funded by the European Commission.

THE GOVERNANCE OF THE COALITION

Again, this is depending on the policy target's adopted by the group.

The pilot' organisations have no resources for global activities and may not be the best placed to take over the coordination of the coalition.

ANNEX

RELATED TO REQUESTS MADE TO THE PARTIES OF THE UNFCCC NEGOTIATION AT THE LYON SUMMIT

Requests where the coalition tracked little or no progress, tracked some progress or even got satisfaction between the Lyon Summit and September 2016:

a) Ensure that **national governments commit to decarbonize our energy system by 2050** (fossil fuel emission phase out) and ensure a just transition to 100% renewable energy in line with staying under at least 2°C temperature rise.

⇒ Ensure that **energy market regulation** and energy infrastructure are designed to support a low-carbon society with local energy production, storage, demand-side management and fair access to energy.

⇒ Make **energy-specific commitments**, e.g. decarbonisation of transport, move to 100% renewable energy in electricity, or district heating.

b) Recognize that **non-state actors have an important role to play to make decarbonisation a reality** and that all subnational governments need to commit to adopting action plans for a full *decarbonisation until 2050.*

⇒ **Facilitate access to finance, technology transfer and knowledge** to sub-national governments, which will enable them to decarbonize.

⇒ **Sub-national governments need the political mandate** to manage and control their own energy systems and a national framework that facilitates a locally-based transition to 100% renewable energy.

Recommendations: adopt guiding principles and promote territorial dynamics to transition towards more sustainable energy systems

Climate and energy programmes set up by non-state actors, should be supported by national and international authorities following the four principles exposed below:

a) **Local solutions**: Adopting a more local and participative approach to climate and energy policies offers the opportunity to build energy systems that fit local needs and simultaneously contribute to sustainable development and emission reductions globally.

⇒ We recommend to **expand initiatives such as the Covenant of Mayors and local initiatives to reach 100 % renewable energy, and promote similar approaches in all parts of the world** to support local governments and cities in designing sustainable energy action plans adapted to their needs and building on locally available renewable resources.

b) **Increasing energy efficiency:** Emphasis should be put on improving energy efficiency in all sectors. The European Commission presented energy efficiency as the "first fuel" in its the Energy Union package of policy initiatives[1]. At local level, the energy efficiency potential is huge, be it in buildings, transport or industry. Awareness-raising to foster behavioural change and reduce energy consumption is also a powerful option to curb CO_2 emissions, yet too often neglected.

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1 European Commission: http://ec.europa.eu/priorities/energy-union/index_en.htm

⇒ We recommend **more efforts to promote energy efficiency in all domains**, with a focus on reducing energy consumption **in buildings**. Working for better energy performance in buildings, mainly through ambitious retrofitting programmes, will reduce energy consumption and GHG emissions, and also provide additional comfort, minimize energy bills and boost local economies.

⇒ Promoting energy efficiency also implies facilitating direct access to funding for local governments to facilitate the energy transition. This funding should be devised in cooperation with local governments.

⇒ We call for **more know-how, skills and technology transfer** towards emerging and developing countries, as energy conservation remains the best investment to ensure adequate energy services are provided while minimizing the need for additional energy production.

c) **Developing renewable energy production:** Climate and energy policies should strive for more renewable, local and decentralised energy systems with the most efficient consumption possible. It is key to promote diversification of solutions to reduce dependency on fossil fuel. Although renewable electricity development will obviously be a key driver to phase out fossil fuels in electricity production, it is important to support renewable heat and alternative fuels for mobility, taking onto account that these two energy services (heat and mobility) represent more than 80% of energy needs.

⇒ We recommend **supporting investment in decentralised renewable energies** to exploit all locally available resources, redirecting financial resources, which are still allocated to unsustainable fossil and fissile fuels.

⇒ We call for **more technology, know-how and skills transfer** towards emerging and developing countries to support a take-over of these technologies in these areas where renewable resources are too often not valued as they could be.

d) **Inclusion and fairness:** Many people still have no or insufficient access to energy, hindering economic and social development. For instance, studies from the International Energy Agency[2] show that only 43% of African households have access to electricity..

e) Fair access to energy is an essential condition for local governments to be able to deliver basic services to their population (health, education, security) and to contribute to the Sustainable Development Goals. In developed countries, energy poverty is also a burning issue with many households not being able to access energy because of low income, volatile fossil fuel prices and poor energy efficiency of buildings.

⇒ We recommend **aligning development and cooperation policie**s to focus on ensuring a fair access to **sustainable energy for all and to foster energy resilience of local communities.**

⇒ We recommend supporting local energy diagnosis to assess local needs and include people and local governments in the design of sustainable energy systems.

1. Proposals to the COP21 negotiators

Local energy systems actually work, they deliver on our climate targets and they are essential for energy access and poverty eradication. **We need to recognize and scale up the solutions delivered at local level by pioneering cities and regions.**

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2 International Energy Agency: World Energy Outlook 2012