



ENERGY COMPACTS

Committing to Action on Sustainable Development Goal 7 (SDG7) – Affordable and Clean Energy for All by 2030

SUPPORTED BY:  UN ENERGY

THE PROBLEM

Energy is key to the achievement of the 2030 Agenda for Sustainable Development and the Paris Agreement on climate change. However, we are still far from where we should be to meet the SDG7 targets by 2030.

Current actions on SDG7 are insufficient, too fragmented, and lack accountability. Meanwhile, the energy sector continues to be the most significant contributor to greenhouse gas emissions (GHG) globally, continuing a trend aligned with industrialization. Much more needs to be done to increase energy efficiency and the share of renewable energy.

THE SOLUTION

With less than a decade to meet the 2030 goals, two crucial changes are needed. **First, all stakeholders – from national, regional and city governments to companies, development organizations and individuals – need to take bolder action on SDG7.**

Second, stakeholders committed to action need a platform that will connect them with others who share their ambition and who can support their efforts.

Energy Compacts provide this platform and opportunity to commit to action.

CURRENT SITUATION



**789
MILLION**

PEOPLE WITHOUT ACCESS TO ELECTRICITY (2018)



**2.8
BILLION**

PEOPLE WITHOUT ACCESS TO CLEAN COOKING (2018)



17%

SHARE OF TOTAL FINAL ENERGY CONSUMPTION FROM RENEWABLES (2017)



1.7%

ENERGY EFFICIENCY IMPROVEMENT RATE (2017)

Latest data on primary indicators of global progress toward SDG7 targets. Source: IEA, IRENA, UNSD, World Bank, WHO

SDG7 TARGETS

By 2030 ensure universal access to affordable, reliable and modern energy service

By 2030, increase substantially the share of renewable energy in the global energy mix

By 2030, double the global rate of improvement in energy efficiency

ENERGY COMPACTS

– a platform to unite and connect commitments and actions

To accelerate SDG7 action on a trajectory in line with the Paris Agreement and the SDGs, Energy Compacts are being mobilized by UN-Energy as part of the High-level Dialogue on Energy in September 2021. They will continue to be mobilized and updated throughout the current Decade of Action.

Energy Compacts are voluntary commitments from Member States and non-state actors, such as

companies, regional/local governments, NGOs, and others. These stakeholders commit to an Energy Compact that includes the specific actions they will take to support progress on SDG7. Since affordable, clean energy is a prerequisite for achieving all other SDGs and the Paris Agreement, actions defined in an Energy Compact can be directly linked to Nationally Determined Contributions considered as **SDG Acceleration Actions**.

HIGH-LEVEL DIALOGUE ON ENERGY

To help galvanize action on SDG7, the UN General Assembly has called for a High-level Dialogue on Energy to be convened by the Secretary-General at the summit level during its 76th session in September 2021, in New York.

The High-level Dialogue on Energy will focus on these five broad themes:



Energy Access



Energy Transition



**Enabling SDGs
through Inclusive,
Just Transition**

Innovation, Technology and Data

Finance and Investment

In the lead up to the High-level Dialogue on Energy, UN-Energy will set-up an online platform to capture Energy Compact commitments and feature them at the Dialogue. Throughout the current Decade of Action, UN-Energy will continue to mobilize more Energy Compacts, raising their ambition, and tracking their progress.

FREQUENTLY ASKED QUESTIONS

What are Energy Compacts?

Energy Compacts are ongoing or new commitments with clear, underlying actions that will advance progress on one or more of SDG7's **three core targets**. These could be policies, investment, analytical work, etc. to achieve affordable and clean energy for all by 2030.

For Member States, committing to an Energy Compact allows them to express their commitments to SDG7 while also identifying specific areas where they will need support to achieve their energy targets (e.g., Integrated Energy Planning; regulatory and policy reforms; financial de-risking instruments, etc.). This sets the stage for solution-providers to collaborate with them. Commitments can encompass domestic or international actions.

Importantly, an Energy Compact allows stakeholders to elaborate on how their actions on SDG7 also support other SDGs, the Paris Agreement, and Net-Zero Emissions by 2050. Therefore, the actions detailed in Energy Compacts can be aligned to countries' Nationally Determined Contributions to the Paris Agreement.

Energy Compacts have been developed as a key feature of the UN High-level Dialogue on Energy being held in September 2021, but this platform will continue to unite SDG7 commitments throughout the current Decade of Action.

ILLUSTRATIVE EXAMPLES OF ENERGY COMPACT COMMITMENTS

MEMBER STATE	<ul style="list-style-type: none">• Declares a moratorium on unabated coal-fired generation by xx• Commits to expanding access to improved energy cooking services to XX% of the population by XX
CITY	<ul style="list-style-type: none">• Commits to develop a buildings sector strategy that includes 2030 targets for renewable energy integration and energy efficiency that are consistent with SDG 7 and the goals of the Paris Agreement
BUSINESS	<ul style="list-style-type: none">• Commits to (%) renewable energy share in total final energy consumption by XX• Commits to expanding access to affordable, reliable, and modern energy to XX% of population by XX
CIVIL-SOCIETY ORGANIZATION	<ul style="list-style-type: none">• Commits to leading or supporting efforts to enhance data transparency and capacity building for data collection to monitor progress on SDG7
MULTI-STAKEHOLDER	<ul style="list-style-type: none">• Commits to deliver green investment that supports commitments to energy access and the energy transition, including incentives to achieve renewable energy and energy efficiency commitments by XX

What is the difference between Energy Compacts and the Nationally Determined Contributions (NDCs)?

NDCs address Member States' national climate ambitions and targets that are legally required under the Paris Agreement, focusing on a country's emissions profile from the economy as a whole. Since the energy system plays such a major role in a country's overall emissions, changing the energy system to be more efficient and reliant on clean energy will directly support the achievement of NDCs.

Energy Compacts include a variety of voluntary commitments, actions, initiatives, and partnerships focused specifically on the energy system and SDG7. They will cover the SDG7 targets, including those that are not reflected in a country's NDCs, such as clean cooking access. However, because Energy Compact commitments aim to deliver affordable, clean energy for all by 2030, these commitments are complementary to the NDCs. Energy Compacts are essentially the energy system "steps" to be taken towards achieving NDCs. Countries forming Energy Compacts can align their plans for energy system transformation with their climate ambitions, as expressed under their NDCs.

Finally, Energy Compacts are also open to all stakeholders in the global movement on SDG7, including businesses, organizations, and subnational authorities, and will have annual mechanisms to track progress on the commitments.

Who can make commitments through Energy Compacts?

All stakeholders in the global movement on SDG7 can make commitments through an Energy Compact. This includes national and subnational governments, businesses, civil society, multi-stakeholders, and others. In addition, several parties can also work together to elaborate their commitments and actions in a joint Energy Compact in order to have a coordinated joint approach towards achieving SDG7.

Why do we need Energy Compacts?

Energy is key to achieving the Sustainable Development Goals and the Paris Agreement on climate change. However, current actions on SDG7 are insufficient, too fragmented, and lack accountability. There is

no platform to bring together current or new SDG7-related commitments from all stakeholders.

Bringing together all commitments onto the same platform will allow us to take stock of where greater ambition and action is needed for delivering SDG7. Because commitments are united on the same platform, Energy Compacts create opportunities for collaboration between stakeholders seeking similar outcomes. An example would be governments who express goals for increasing their electrification or clean cooking access rates under an Energy Compact. These governments can identify areas where they will need support for meeting their commitments within their Compact, such as technical support or finance. Solution providers can then form their own Energy Compacts in response to these demands.

Energy Compacts also include a reporting mechanism that tracks the incremental progress of stakeholders based on their commitments and the actions taken to achieve them. This regular tracking keeps stakeholders accountable to their commitments, showing them if they are off track. More importantly, it helps stakeholders identify where they may need support to meet their goals.

What are the benefits of committing to an Energy Compact?

Benefits vary depending on the type of stakeholder.

For a Member State, making commitments under Energy Compacts can bring attention and focus to their national energy priorities in key areas such as energy access and energy transition. Member States can also detail the support they need for meeting these priorities, which sends a clear signal to companies, development institutions and others on where there is opportunity to collaborate.

For companies and development institutions, Energy Compacts offer opportunities to identify new and developing markets, particularly by responding to countries' requests for support.

For all stakeholders, Energy Compacts offer a platform for increasing the visibility of their leadership on

SDG7, and its intersections with multiple development priorities including climate, gender, food, decent work, etc. The Compacts will allow outcome and target focused partnerships to be fostered towards the realization of common goals.

Registered ambitious commitments will be highlighted at the UN High-level Dialogue on Energy and other key global meetings.

What principles guide the selection of voluntary commitments in an Energy Compact?

Five key principles have been identified to guide development of commitments in Energy Compacts.

These include:

1. Stepping up ambition and accelerating action
2. Alignment with 2030 Agenda for Sustainable Development
3. Alignment with Paris Agreement and net-zero by 2050
4. Leaving no one behind, strengthening inclusion, interlinkages and synergies
5. Feasibility and robustness

These principles include guiding questions to assist each stakeholder in developing their commitments. UN-Energy will evaluate commitments before their registration to ensure alignment with these principles.

What type of support will be provided for Energy Compacts?

UN-Energy will support all stakeholders to define their commitments and will facilitate connecting Member States with organizations that can support them in meeting their commitments. Energy Compacts may facilitate future financial support and technical assistance, including in-country, from key energy players in the international system, including the UN, World Bank, private sector organizations, and others.

What are the reporting requirements of Energy Compacts?

Progress on compacts will be monitored through light self-reporting – using an online platform – on an annual basis, published publicly. These could be drawn from existing data on SDG7, national statistics and other variables identified in the commitments. Reports will cover the voluntary commitments and metrics, and support will be provided by UN-Energy to aggregate

impacts. In the case of Member States, efforts will be made to integrate this requirement with other existing reporting frameworks, such as on NDCs and SDGs, that are already in place.

What is the strategy for Energy Compacts in the Decade of Action?

The High-level Dialogue on Energy in September 2021 is a milestone in the Decade of Action towards 2030 where the Energy Compacts will be featured. The time between now and September will be dedicated to charting a path forward for the next decade on key priority issues and mobilizing the needed global effort for accelerating energy-related targets. Mobilization of Energy Compacts will be guided by this set of priorities, and UN-Energy will work in the Decade of Action to increase both support and ambition for the Compacts.

How do the Energy Compacts relate to COP26?

Committing to an Energy Compact will in no way conflict with separate commitments being made as part of the COP26 process. In fact, Energy Compacts are designed to be complementary of Nationally Determined Contributions (NDCs). By committing to an Energy Compact, countries can detail plans for their energy systems that will help them achieve both SDG7 and their NDCs.

The Special Representative of the Secretary-General (SRSG) for Sustainable Energy for All and Co-Chair of UN-Energy also serves as the Co-Chair of the COP26 Energy Transition Council. Therefore, the Compacts have been purposefully designed to be enabling of countries' climate commitments. All Global Champions for the UN High-level Dialogue on Energy – including the United Kingdom, which holds the COP26 Presidency – have agreed to commit to their own Energy Compacts.

How to participate

The first step is to identify Energy Compact commitments and the actions required for achieving them. A series of workshops is being organized for different stakeholder groups to facilitate this process. Interested organizations can also contact the UN-Energy team for support at energycompact@seforall.org and un-energycompact@un.org