SDG7 Energy Compact of Panama: Biomass Utilization

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030.

[Please select all that apply]

(Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

☐Target 7.1. universal access By 2030, ensure universal access to affordable, reliable and modern energy services.	Target(s): Time frame: Context for the ambition(s):
☐Target 7.2. Renewables By 2030, increase substantially the share of renewable energy in the global energy mix.	Target(s): Substantially increase the use of biomass for alternative fuels and electricity generation, through foreign investment Time frame: August 2022- May 2023 Context for the ambition(s): Significant investment must be made in order to substantially increase the use of biomass for alternate fuels and electricity generation. Foreign companies can carry out feasibility studies and may be attracted to the green business opportunities given Panama´s large agricultural sector, waste production, climate, and geographical position. The companies targeted should have experience in other countries carrying out these types of projects without any government assistance. Highlighting the benefits and opportunities to invest in Panama can motivate foreign companies to come into the country to develop business opportunities while helping achieve our Energy Transition Agenda goals as well as SDG #7. The baseline for this target would be to achieve at least two (2) memorandum of understanding with foreign companies regarding mutual efforts to assess business opportunities in Panama regarding biomass utilization for alternative fuels or electricity generation. In order to quantify the real progress of this compact, the installed biomass electricity generation capacity fed into the grid and alternate fuels production will be monitored. Milestones will be achieved when 1 MW of installed capacity is reached, as well as, 10 MW and 100 MW connected to the grid. In terms of alternative fuels production, the basis will be BTU/year produced as a percentage of the country's consumption for a given sector (land, air, and maritime transport) using the same units. Milestones will be achieved when 1%, 5% and 10% of Panama´s fuel consumption in each sector is met by the production of sustainable fuels.
☐Target 7.3. Energy Efficiency • . By 2030, double the global rate of improvement in energy efficiency.	Target(s): Time frame: Context for the ambition(s):
☐Target 7.a. International Cooperation • By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	Target(s): Time frame: Context for the ambition(s):

☐ Target 7.b. Infrastructure and Technology By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programs of support	Target(s): Highlight opportunities for investments to the Panamanian agricultural sector. Time frame: August 2022-July 2023 Context for the ambition(s): The agricultural sector is worth more than 1 Billion USD to the GDP of Panama. Significant local investment in green technologies can be done with the purchasing power of this sector. Highlighting different opportunities for each area of the agricultural sector can motivate the shareholders to improve their operations and profits with the implementation of alternative energy sources projects that incorporate waste management and sustainability. The idea is to supply information so that these companies see the potential benefits and decide to invest in their operations with biomass or waste utilization technologies. In order to quantify progress in this aspect, the number of new green technologies projects initiated will be tracked as a direct or indirect result of these efforts. Type of technology and category it addresses shall be noted as well, as well as, any technical features relevant to the project.

1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. *[Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]*

Time frame: Elaboration of the ambition(s):

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. *[Please add rows as needed].*

Description of action (please specify for which ambition from Section 1)	*Start and end date*
7.2 (I)- Research and develop an investment opportunity 1-hour presentation highlighting general information, regulatory framework, socio-economic data and forecasts, as well as biomass specific information to engage foreign green energy technology companies.	*August 2022-December 2022*
7.2 (II)- Research 50 transnational energy companies that have a portfolio in biomass conversion and could therefore be potential investors. These companies will be contacted to set up 2-hour meetings to give presentations and answer questions regarding possible investment in Panama.	*August 2022-January 2023*
7.2 (III)- Schedule and carry out 2-hour meetings with targeted companies to promote investment. Target to at least present to 20 companies, if not met then reach out to others until the goal is achieved.	*January 2023- May 2023*
7b (I)- Connect with agricultural unions (ANAPOR, IPACOOP, ACPTA, APLEPC, APROGALPA and others) to find out about their members business operations, biomass projects, energy efficiency practices, waste production and general concerns regarding their operations that can be linked to SDG#7.	*August 2022-December 2022*
7b (II)- Study current biomass projects and generate a report of what can be done by the government (policy and promotion campaigns) to create wider access and investment to this type of technology. Present this report to the National Secretary of Energy and make available for further compact reviews.	*November 2022- March 2023*
7b (III)- Prepare and present a presentation based on the report to show to the unions what their members can do to reduce their GHGs emission, add value to their waste products and improve profits based on their type of business operation (small vs large scale, type of farm, location).	*April 2023-July 2023*
7b (IV)- Analyze how small farmers can incorporate new technologies so their operations become more efficient, profitable and eco-friendly. Share this information with these role players.	*November 2022-March 2023*

SECTION 3: TARGETS

3.1. Please add at least one measurable and time-based target for **each** of the actions from section 2. For sample targets please refer to [XXXX] *[Please add rows as needed].*

Target	*Date*
7.2 (I). Presentation developed, minimum of 2 for biomass use for electricity generation and for alternate fuel production.	*December 2022*
7.2 (II). Companies reached and engaged, minimum of 50 companies engaged.	*May 2023*
7.2 (III) Number of presentations given to companies, minimum of 20 presentations given.	*May 2023*
7.2 (III) Installed biomass electricity generation capacity fed into the grid and alternate fuels production	*December 2025*
7b (I) - Amount of business operations analyzed, at least 5 large scale operations.	*December 2022*
7b (II)- Report generated and presented, at least 3 reports for each agricultural area having piggery, milk production and poultry as operations to study.	*March 2023*
7b (III)- Number of presentation given to unions or companies, equal in amount to the reports generated	*July 2023*
7b (IV)- Report generated and presentations held with these small scale farmers, quantify the number of small enterprises engaged	*July 2023*

SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for **each** of the actions in section 2.

7.2 (I) – 500 USD for 50 work hours
7.2 (II)- 150 USD for 15 work hours
7.2 (III)- 400 USD for 40 or more work hours

7b (I)- 300 USD for 30 work hours
7b (II)-500 USD for 50 work hours
7b (III)- 600 USD for 60 work hours
7b (IV)- 200 USD for 20 work hours

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]

☐Financing	*Description*
☐x In-Kind contribution	*Description:* *Work hours targeted towards the compact by the Hydrocarbon Directorate of the National Energy Secretariat*
☐x Technical Support	*Description* *Support will be needed in assessing the potential for Panama biomass use.*
☐ Other/Please specify	*Description*

SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

Republic of Panama, around 500,000 directly impacted through the creation of direct, indirect and induced jobs from the investments by the local agriculture companies or foreign investments.

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.
[up to 500 words, please upload supporting strategy documents as needed]

7.2 (I), 7.2 (II), 7.2 (III)- Attracting foreign companies to invest, while bringing their knowledge and experience to Panama, can significantly impact the energy mix by increasing the renewable energy share. This will accelerate the implementation of technologies that have not yet been implemented locally. The primary goal is to reach 1 MW of installed capacity to the grid from solely renewable biomass. A secondary goal, is to increase the proportion of sustainably produced biomass fuels for land, marine and air transport (measured as a percentage of total consumption)

7b (I), 7b (II), 7b (III), 7b (IV) - Investments must be made in order to improve technology and infrastructure. By providing ideas and options to these companies, the knowledge can motivate local investment for green technologies.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.
[up to 500 words, please upload supporting strategy documents as needed]

7.2 (I), 7.2 (II), 7.2 (III). In order to carry out an Energy Transition, significant investments must be made. Panama will greatly benefit from foreign companies implementing large scale renewable energy projects since they have the purchasing power to do so. Attracting these investments will be crucial to ignite changes in the near future.

7b (I), 7b (II),7b (III), 7b (IV). Agriculture is an area that must be addressed in order to achieve the Paris Agreement and Net Zero by 2050 goals. If this sector is not changed, it will be almost impossible to limit warming to 1.5 C. Assessing this industry in Panama would allow for a diagnosis of where to direct efforts and investments. Incorporating large and small farmers would mean a just and inclusive transition from a heavy carbon footprint to a small footprint.

SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed targets in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed targets.

Since the topics will be led by the National Secretariat of Energy, the reporting will be done by this institution.

SECTION 7: GUIDING PRINCIPLES CHECK LIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

x☐Yes ☐No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts? x ☐Yes ☐No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defied by latest global analysis and data including the outcome of the Technical Working Groups? x☐Yes ☐No

II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? x☐Yes ☐No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps?x ☐Yes ☐No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action?x ☐Yes ☐No

III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? ☐Yes ☐xNo

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? ☐Yes ☐xNo

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? ☐xYes ☐No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? ☐Yes ☐xNo

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? ☐Yes ☐xNo

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? ☐xYes ☐No

V. Feasibility and Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? ☐Yes ☐xNo

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? ☐xYes ☐No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? ☐xYes ☐No

SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

Biomass and Waste Utilization in Panama

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

National Secretariat of Energy- Republic of Panama

8.3. Lead entity type

x☐ Government	☐ Local/Regional Government	☐ Multilateral body /Intergovernmental Organization
☐ Non-Governmental Organization (NGO)	☐ Civil Society organization	☐ Academic Institution /Scientific Community

☐ Private Sector ☐ Philanthropic Organization ☐ Other relevant actor

8.4. Contact Information

Rigoberto Amaya.
ramaya@energia.gob.pa
+507 527-9969 or +507 6371-3416

8.5. Please select the geographical coverage of the Energy Compact

☐Africa ☐Asia and Pacific ☐Europe ☐xLatin America and Caribbean ☐North America ☐West Asia ☐Global

8.6. Please select the Energy Compact thematic focus area(s)

☐ Energy Access x☐ Energy Transition ☐ Enabling SDGs through inclusive just Energy Transitions x☐ Innovation, Technology and Data x ☐ Finance and Investment.

SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.