SDG7 Energy Compact of Panama
A next Decade Action Agenda to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. *[Please select all that apply, and make sure to state the baseline of each target]*
(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)

☐ **7.1.** By 2030, ensure universal access to affordable, reliable and modern energy services.	Target(s): Time frame: Context for the ambition(s):
☐ **7.2.** By 2030, increase substantially the share of renewable energy in the global energy mix.	Target(s): Time frame: Context for the ambition(s):
☐ **7.3.** By 2030, double the global rate of improvement in energy efficiency.	Target(s): Time frame: Context for the ambition(s):
☐ **7.a.** 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):
☐ **7.b.** 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): Time frame: Context for the ambition(s):

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.]***

Target(s): Ten (10) innovation contests to promote Sustainable Development Goal 7 and the energy transition in Panama. The projects resulting from the contests will be implemented at national level.
Time frame: 2021 – 2030
Context for the ambition(s): Panama in 2019 had 93% access to electricity and 94% access to energy and modern cooking technologies. Electricity generation from renewable sources was 77.5% and 52.5% of the total in 2018 and 2019 respectively. The share of renewable primary energy in total final energy consumption was 34.9% in 2018. Energy intensity, one of the indicators used to measure efficiency levels in the use of energy to produce a set of goods and services, was 0.390 (BEP/ B/. Miles) in 2018.

One of the pillars on which the development of the Strategic Guidelines of Panama's Energy Transition Agenda (ATE) is based is to achieve Sustainable Development Goal 7 (SDG 7) by 2030. These guidelines were published in the official gazette in Panama in November 2020 and include eight (8) strategies, of which five (5) are for the electricity sector (Universal Access to Energy, Distributed Generation, Rational and Efficient Use of Energy, Electric Mobility and Innovation of the National Interconnected System) and are directly linked to SDG 7 and the implementation of this energy compact through the development of universal access to energy by 2030, the efficient use of energy resources, the decarbonization of final consumption and the promotion of innovation.

Achieving SDG 7 requires promoting the implementation of new technologies, management schemes, new business perspectives and new behaviors in the use of energy. For this, innovation is a pillar that supports defining and finding these alternatives.

Technological innovation has supported the increase in renewable electricity generation, the use of more efficient equipment for energy consumption and access to energy using isolated schemes, among others. New forms of management have supported to increase the acquisition of efficient equipment in residences and shops, as well as the income of renewable distributed generation.

The development of innovation contests will support the integration of new technologies with new ways of managing and efficiently using resources that adapt to the context of Panama. The contests will encourage the search for solutions that support progress with SDG 7 and the energy transition in Panama by integrating international and national knowledge with positive impact for the country's citizens.

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*
Development of ten (10) innovation contests to promote sustainable development goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*2021 - 2030*

SECTION 3: OUTCOMES

3.1. Please add at least one measurable and time-based outcome for **<u>each</u>** of the actions from section 2. *[Please add rows as needed].*

Outcome	*Date*
One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*2021*
Outcome	*Date*

One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*2022*
Outcome One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*Date* *2023*
Outcome One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*Date* *2024*
Outcome One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*Date* *2025*
Outcome One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*Date* *2026*
Outcome One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*Date* *2027*
Outcome One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*Date* *2028*
Outcome One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*Date* *2029*
Outcome One (1) innovation contest for the promotion of Sustainable Development Goal 7 and the energy transition in Panama. The projects that are winners in the contests will be implemented at the national level.	*Date* *2030*

SECTION 4: REQUIRED RESOURCES AND SUPPORT

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

For the development of innovation contests effectively, support and financing for their implementation will be required. This contribution includes support in the conceptualization of the topics to be address annually in the contests in coordination with the SNE, the development of communication schemes, platforms for interaction with the participants, evaluation of proposals, awards, support in the implementation of projects, among other activities. For the implementation of the contests, an annual budget of USD 45,000 is required.

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* USD 45,000 per year is required for the implementation of the contests.
☐ In-Kind contribution	*Description*
☒ Technical Support	*Description* Technical support is required to evaluate the impact of the ex-post contests. This evaluation will be based on the implementation of the projects and determine the lessons learned.
☐ Other/Please specify	*Description*

SECTION 5: IMPACT

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

The development of new alternatives that accelerate the process of access to energy will benefit more than 93,000 families who do not have access to electricity and energy and clean technologies for cooking food. In addition, increasing the share of renewable primary energy in end-use, such as in the transport sector, will reduce the emission of local pollutants that have harmful effects on the health of the country's population. The increase in the use of more efficient equipment will allow people to have economic resources available for other activities by reducing their energy consumption.

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]

The development of the 10 innovation contests between 2021 and 2030 are in line with sustainable development goal 7, with the aim of identifying new alternatives to achieve universal access to energy, increase the use of renewable energy in the total final use of energy and increase the country's energy efficiency indices.

The implementation of innovation contests also promotes the advancement of SDG 9 by fostering innovation and sustainable infrastructure development, SDG 11 by fostering the development of sustainable cities, SDG 10 by reducing inequalities by promoting universal access to energy and equitable gender participation in the country, SDG 12 by promoting sustainable consumption and production, and SDG 13 by promoting the use of renewable energy by contributing to the reduction of greenhouse gases.

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]

Panama's NDCs establish a 24% reduction in emissions from the energy sector in the alternative scenario compared to the 2050 baseline scenario. As part of these contributions, it is necessary to have 30% of renewable installed capacity (solar, wind, biomass, etc.) in the electricity generation matrix by 2050. Additionally, to achieve the reduction of emissions of 24%, the following objectives of penetration of electric mobility in the country by 2050 are considered: 30% of private fleets, 75% in private vehicles, 60% in public transport and 90% of official fleets. In terms of public and private infrastructure, 10% of new road and road works are expected with EERR, EE and bike paths.

Innovation contests are aligned with promoting the advancement of national contributions through the integration of renewable energy into the final use of energy, and the promotion of new energy efficiency schemes.

SECTION 6: MONITORING AND REPORTING

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

The SNE will annually make a report specifying the progress of the energy compacts established in the country by various organizations. This report will be published on the SNE website.

The annual report should contain a section that determines the impacts of the implementation of projects resulting from innovation contests.

SECTION 7: GUIDING PRINCIPLES CHECKLIST

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?

☒Yes ☐No

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

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

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? ☒Yes ☐No

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

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? ☒Yes ☐No

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)? ☒Yes ☐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 ☐No

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

SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

Innovation Contests to Promote Sustainable Development Goal 7 and the Energy Transition 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 of Panama

8.3. Lead entity type

☒ Government	☐ Local/Regional Government	☐ Multilateral body /Intergovernmental Organization
☐ Non-Governmental Organization (NGO)	☐ Civil Society organization/Youth	☐ Academic Institution /Scientific Community
☐ Private Sector	☐ Philanthropic Organization	☐ Other relevant actor

8.4. Contact Information

Jorge Rivera Staff, National Secretary of Energy (jrivera@energia.gob.pa)

Rosilena Lindo, Nacional Sub Secretary of Energy (rlindo@energia.gob.pa)

8.5. Please select the geographical coverage of the Energy Compact

☐Africa ☐Asia and Pacific ☐Europe ☒Latin America and Caribbean ☐North America ☐West Asia ☐Global

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

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