

SDG7 Energy Compact of the United Nations Industrial Development Organization 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.	<ul> <li><i>Target:</i> UNIDO is presently in the process of developing quantifiable gender and youth responsive goals that are ambitious for our contribution to 7.1 to be submitted at a later date.</li> <li><i>Time frame:</i> 2022</li> <li><i>Context for the ambition:</i> Through its technical cooperation services and convening activities, UNIDO is supporting increased access to energy and clean cooking.</li> </ul>
□ <b>7.2.</b> By 2030, increase substantially the share of renewable energy in the global energy mix.	Target: Enable decarbonization and creation of a more just transportation sector through the adoption of electric mobility and renewable energy integrated charging infrastructure in at least 10 countries that provides opportunities for women and men to equally lead, participate in and benefit from sustainable transport.
	<ul> <li><i>Time frame: 2021 to 2030</i></li> <li><i>Context for the ambition:</i> UNIDO has been implementing technical cooperation projects on electric mobility across the global south and has developed a good understanding of related gender dimensions. This growing experience in electric mobility solutions can be scaled-up across different countries and projects through capacity-building and pilot projects. Gender mainstreaming</li> </ul>

	strategies complement the efforts ensuring transition to a just and accessible transport system. Therefore, UNIDO will support countries to overcome national and regional barriers to electric mobility, creating equal opportunities for women and men.
☐ <b>7.3.</b> By 2030, double the global rate of improvement in energy efficiency.	<i>Target:</i> Support up to 12 countries and 10,000 companies and organizations to double their rate of energy performance improvement and save at least 1,000 TWh of primary energy in a gender responsive manner.
	<i>Time frame:</i> 2021 to 2030
	<i>Context for the ambition:</i> Industrial energy efficiency is a critical first step in the clean energy transition. Aside from the incredible benefits for our planet and people, energy efficient technology and management practices provide numerous attractive benefits for business and the economy. From reducing operational costs and boosting productivity to improving energy security, industrial energy efficiency is an opportunity too good to ignore. Continued promotion and global deployment of EnMS-ISO 50001 and energy efficiency best-available technologies in industry are a core part of overarching industry de-carbonization efforts. This requires continued creation and/or strengthening of relevant policy-frameworks in a gender-responsive manner and market capacities and service offers.
□ 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	<ul> <li><i>Target:</i> National innovation ecosystems of at least 15 partner countries enhanced under consideration of GEEW and youth empowerment, and interconnected internationally.</li> <li><i>Time frame:</i> 2021 to 2027</li> <li><i>Context for the ambition:</i> As innovation is key to finding transformative solutions to economic, social and environmental challenges, UNIDO supports creation of robust innovation ecosystems in partner countries that gives equality opportunities for women and men. Commercialization and scale-up of cleantech innovations under consideration of GEEW and youth empowerment require coordination of multi-sector stakeholders and dimensions such as the local entrepreneurial culture, D &amp; D consideration and intensions methods.</li> </ul>
infrastructure and clean energy technology.	R&D capacities, policy frameworks, market conditions, financing mechanisms, investment climates, gender norms and roles, as well as youth dimensions. When these diverse sectors and stakeholders come together to constitute the innovation ecosystem, innovations can be supported towards deployment and scale-up, leading the energy transformation in a just and sustainable manner.

		<ul> <li><i>Target:</i> Regional sustainable energy centres in at least nine economic regions covering more than 120 developing countries are supported to advance conducive and inclusive policies for renewable energy and energy efficiency.</li> <li><i>Time frame:</i> 2021 to 2025</li> <li><i>Context for the ambition:</i> Since 2010, UNIDO assists sub-regional economic communities and their Members States in the establishment and operation of sub-regional sustainable energy promotion centres. The network is presently expanding to Central America, Central Asia and the Himalaya-Hindukush region. To enhance gender equality, empowerment of women and youth, a gender and youth focal point network is being established that fosters knowledge exchange, learning, joint programming and initiatives.</li> <li><i>Target:</i> Raise USD 300 million in financing for climate / clean energy projects and reach financial closure for 40 projects.</li> </ul>
		<i>Time frame:</i> 2021 to 2025
		<i>Context for the ambition:</i> UNIDO supports a global network of climate and clean energy financing experts that aims to bridge the gap between entrepreneurs developing climate and clean energy projects and private sector investors. UNIDO achieves this by providing free business coaching to projects, increasing the chances of attracting investment; and growing its investor outreach. UNIDO provides one-on-one Investment Facilitation services to investment-ready projects, shortening the path to further growth. It also embeds gender considerations in its activities with a view to foster gender-smart investment in climate mitigation and adaptation space.
	By 2030, expand astructure and upgrade	<i>Target:</i> At least 500 innovative renewable and energy efficiency solutions introduced to the market by youth-led, women-led and men-led start-ups and SMEs.
tech mod	nology for supplying ern and sustainable	<i>Time frame:</i> 2021 to 2030
deve	gy services for all in eloping countries, in icular least developed	<i>Context for the ambition:</i> Many partner countries have committed to increasing the share of RE in the national energy mix, and improving EE. In supporting partner countries to achieve these commitments, UNIDO provides commercialization services to innovative solutions in the

countries, small island	renewable energy and energy efficiency space, such as smart optimisation of electricity generation,
developing States, and land-	enhanced grid connection and maintenance etc. The availability of financially and technically viable
locked developing countries,	solutions in the market will be key to achieving ambitions in decarbonisation, decentralisation,
in accordance with their	electrification and digitisation.
respective programs of	
support.	

#### 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:* 10 countries have national industrial strategies, policies, and documents prepared for green hydrogen by 2025 under consideration of gender equality.

#### *Time frame:* 2021 to 2025

*Context for the ambition:* UNIDO aims to support countries with industrial application of green hydrogen with a focus on two main pillars: first, it will convene a multi-stakeholder platform by distributing knowledge on policies, technical guidelines and standards. Second, it will promote technical cooperation by working together with industry and government in developing and in transition countries. The TC component will promote the build-up of green hydrogen clusters, design and implement green hydrogen roadmaps, and advance sector coupling in industrial zones, parks, clusters which contributes to the growth of green hydrogen application in domestic industries. Please refer to UNIDO's Global Programme for Green Hydrogen in Industry for further information.

*Target:* Drive transformative change towards enhancing gender equality and empowering women (GEEW) in the sustainable energy transition by implementing and monitoring a joint energy compact on gender equality and women's empowerment that is measurable, actionable and ambitious jointly with partners of the Gender Energy Compact Coalition.

#### *Time frame:* 2021 to 2030

*Context for the ambition:* Gender equality is not only smart economics and the right thing to do but also a human right. As noted by the <u>HLDE Theme Report</u> on Enabling SDGs through Inclusive, Just Energy Transitions, accelerating the integration of gender-transformative approaches into all energy transition pathways is required to close gender gaps and empower women by, among other things, ensuring gender parity in the employment, policy-, and decision-making process. Please refer to the 'Gender Energy Compact' to catalyze action towards enhancing gender equality and empowering women for more details.

The Vienna Energy Forum will act as a platform to monitor progress and galvanize further action.

*Target:* Inspire transformative change to include and empower youth to lead, participate in and benefit from the sustainable energy transition by promoting youth recommendations for SDG7.

*Timeframe:* 2021 to 2030

*Context for the ambition:* A Call to Action was launched during the Vienna Energy Forum (VEF) virtual series in January 2021 to call upon organizations, governments, private sector, academia and civil society to take urgent action to build adequate skills and develop a conducive environment that supports progress and creates avenues to fully utilize the potential of youth to contribute to the clean energy transition.

The Vienna Energy Forum will act as a platform to monitor progress and galvanize further action.

<b>SECTION 2: ACTION</b>	<b>IS TO ACHIEVE THE AMBITION</b>

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
1. Accelerate the shift of industrial organizations – both large and small – away from fossil fuels	
	2021 to
Achieving SD7 and net-zero emissions by 2050 will require working with governments, the private sector and finance	2030
institutions in emerging and developing economies, to enable industrial enterprises to change the way they think about	
and use energy. With our special focus on small and medium enterprises, UNIDO will ensure that industries of all sizes	
have the chance to meet international energy standards, cut running costs, access the finance, expertise and technology needed to shift away from fossil fuels.	
Concretely this means developing and expanding the UNIDO's support for green Hydrogen in industry, whereby	
UNIDO will convene a multi-stakeholder platform by distributing knowledge on policies, technical guidelines and	
standards. Second, it will promote technical cooperation by working together with industry and government in	
developing and in transition countries. This action also includes increasing promotion and expanding the global	
deployment of EnMS-ISO 50001 and energy efficiency best-available technologies in industry as part of overarching	
industry de-carbonization efforts. Need for continued creation and/or strengthening of relevant policy-frameworks and	

market capacities and service offers. Finally, UNIDO will support decarbonisation of the transportation sector by enabling the adoption of electric mobility that is supported by charging infrastructure integrated with renewable energy and value chain development for electric vehicle value chains.	
<b>Initiatives:</b> Global Programme for Green Hydrogen in Industry; Industrial Energy Efficiency Accelerator; Electric Mobility Programme;	
Action 1: Establish global knowledge management platforms to create and share knowledge.	
Action 2: Engage multiple stakeholders through thematic working groups that focuses on policies and standards, investment which provides solutions for industries.	
Action 3: Review standards and their application in industry.	
Action 4: Publish roadmaps and technical guidelines on regulatory, commercial and market conditions to support clean energy deployment.	
Action 5: Develop report on sector coupling for industrial clusters and value chains.	
Description of action (please specify for which ambition from Section 1)	Start and end date
2. Enable decision makers to chart a low carbon path to economic progress	
As emerging economies and least developed countries pursue their industrial growth targets, UNIDO will help them	2021 to 2030
chart a low-carbon course. In cities, this means industry and services using resilient infrastructure and low-carbon energy systems. In rural areas, it means enabling communities to access affordable and reliable energy to boost their economic opportunities.	2030
Concretely, under the umbrella of the Global Network of Sustainable Energy Centres (GN-SEC) platform, UNIDO provides technical services for the establishment and operation of these centres throughout the preparatory and first operational phase. UNIDO acts also as facilitator and neutral moderator of the complex political process and dialogue between the Member States and the regional energy centres (RECs). The RECs and their Member States are the owner of the progress and decide on the pace. It is envisaged that after the first operational phase the centres have reached self-sufficiency and UNIDO is becoming a technical partner like many others.	
Initiatives: Global Network of Sustainable Energy Centres (GN-SEC);	

A	ction 1: Enable national policy development through training, policy advice and exchange of best practices.	
	ction 2: Support demonstration of clean energy solutions in rural areas to enable off-grid communities to start or spand their enterprises and enhance livelihood opportunities.	
	ction 3: Work with stakeholders to kick-start national markets so that affordable, low carbon technologies are accessible at the national level.	
co	ction 4: Level the playing field by supporting the design and implementation of common standards, industry ommitments and internationally recognized certification schemes so industries worldwide can operate in fair and alanced markets with respect to sustainability.	
pa in pa	ction 5: Support countries and regions to (re)formulate more inclusive and gender-responsive sustainable energy athways, strategies and policies and adopt them. E.g. Instigate the inclusion of a gender and social inclusion perspective new energy access and transition pathways, policies, strategies and compacts, e.g. through enhancing the effective articipation of women with different race, age, and social backgrounds in local energy policy making, planning, nplementation and monitoring.	
D	escription of action (please specify for which ambition from Section 1)	Stant and
2.	escription of action (prease specify for which anothon from Section 1)	Start and
	Foster the rise of local innovators and entrepreneurs	end date
3. UI to thi en By		

Initiatives: Global Cleantech Innovation Programme (GCIP); Private Finance Advisory Network (PFAN);	
Action 1: Create supportive ecosystems by connecting market players and policymakers to create attractive incentives and policy frameworks that support emerging innovations.	
Action 2: Transform innovation into enterprises by providing key business development skills to innovators and entrepreneurs to transform their technological or business model innovations into fast growing, scalable and investible enterprises.	
Action 3: Facilitate investment into innovative solutions through direct investments, mobilization of finance and coaching entrepreneurs who are developing clean energy applications, sustainable industrial products and related equipment in emerging economies.	
Action 4: Develop market awareness to accelerate local market demand for clean energy generation, new technology, energy system services and equipment upgrades in traditional industrial sectors.	
Action 5: Enhance access of Women-owned and-led businesses to productive resources, such as finance, entrepreneurial capacity and business development services.	
Description of action (please specify for which ambition from Section 1)	Start and end date
4. Catalyse action to empower women and youth to have equal opportunities to lead, participate in and benefit from the sustainable energy transition	2021 to 2030
Investing in the economic empowerment of women and youth to realize women and youth's rights and gender equality must be a major priority in all energy-transition strategies. This will include enhancing the education of women and youth and their ability to actively and effectively participate in existing markets, gain access to decent work, and enable meaningful participation for them in economic decision-making at all levels. As sustainable energy employment opportunities are expected to grow significantly within the next decades, regulatory frameworks need to ensure that women can fully participate in and benefit from them.	
Concretely, this means strengthening national ecosystems to promote and support women and youth empowerment / involvement / leadership. Countries should be enabled to (re)formulate gender and youth responsive sustainable energy policies and adopt them. Young people should have increased access to productive resources, such as finance, sustainable energy, entrepreneurial capacity, relevant skills and increasing access to business development services.	

ion 5 Aug		
	e formation of a Multi-stakeholder Energy Compact Coalition and related energy compact on ards Gender Equality and Empowering Women to accelerate a Just, Inclusive and Sustainable	
	lidation, development, implementation and monitoring of the Gender Energy Compact (e.g. onsultations; organize events to promote the energy compact).	
	ice to policy makers on how to mainstream gender in in their individual energy compacts (e.g. eloping guidelines, workshops, etc).	
Action 3: Mainstream	gender in all UNIDO energy programmes and projects	
GEEW: Organise work	der bias in sustainable energy investment to enhance access of women to finance and enhance kshop on GLI and create community of practice on GLI. Develop, disseminate and promote ent E-training in partnership with ITPO to enhance awareness on gender bias in sustainable energy	
	nsultations to develop recommendations on youth engagement in SDG7 including focus on stry (with member states) and conduct informed consultations with youth on youth issues of	
Action 6: Establish par	rtnerships to enhance empowerment of youth.	

# **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].

1.1. Electric mobility:	Date: 2025
<b>1.1.1</b> . Enable decarbonization and creation of a more just transportation sector through the adoption of electric mobility	
and renewable energy integrated charging infrastructure in at least 10 countries that provides equal opportunities for	
women and men to lead, participate in and benefit from sustainable transport. (Baseline: 3 countries)	

1.2. Green hydrogen in industry:	Date: 20
<b>1.2.1.</b> 10 countries have national industrial strategies, policies, and document prepared for green hydrogen by 2025. (Baseline: 0 countries)	
1.3. Industrial energy efficiency:	Date: 20
<b>1.3.1.</b> Support up to 12 countries and 10,000 companies and organizations to double their rate of energy performance improvement and save at least 1,000 TWh of primary energy in a gender responsive manner. (Baseline: 5 countries)	
2. Enable decision makers to chart a low carbon path to economic progress	
2.1. Regional sustainable energy centres:	Date: 20
<b>2.1.1.</b> Regional sustainable energy centres in at least nine economic regions covering more than 120 developing countries are supported to advance conducive and inclusive policies for renewable energy and energy efficiency. (Baseline: 7 regions, 108 developing countries)	
3. Foster the rise of local innovators and entrepreneurs	
<b>3.1 Cleantech innovation:</b> <b>3.1.1</b> . National innovation ecosystems of at least 15 partner countries enhanced under consideration of GEEW and youth empowerment, and interconnected internationally (Baseline: 8 countries)	Date: 20
<b>3.1.2</b> . At least 500 innovative renewable and energy efficiency solutions introduced to the market by youth-led, women-led and men-led start-ups and SMEs. (At least 35% women-led start-ups and SMEs; Baseline: At least 10% women-led start-ups and SMEs)	
3.2 Financing for climate and clean energy projects:	Date 202
<b>3.2.1</b> Raise USD 300 million in financing for climate / clean energy projects and reach financial closure for 40 projects. (Baseline: USD 145 million in finance and 28 projects financially closing)	
4. Catalyse action to empower women and youth to have equal opportunities to lead, participate in and benefit from the su energy transition	ustainable
4.1 Gender Equality and Empowering Women (GEEW):	Date 20.
<b>4.1.1</b> Drive transformative change towards enhancing gender equality and women's empowerment in the sustainable	
energy transition by implementing and monitoring a joint energy compact on gender equality and women's empowerment	
that is measurable, actionable and ambitious jointly with partners of the Gender Energy Compact Coalition. (Baseline: 0)	

4.2 Empower youth:	Date 2030
<b>4.2.1</b> . Inspire transformative change to include and empower youth to lead, participate in and benefit from the sustainable	
energy transition by promoting youth recommendations for SDG7 (Baseline: 0)	

# SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for <u>each</u> of the actions in section 2.

UNIDO aims to raise from now to 2025 \$120 million in donor funding to support programmes highlighted under this compact. Funding sources include bi-lateral funding from countries and funds from multilateral entities such as the Global Environment Facility, Green Climate Fund, Adaptation Fund, etc.

The table below provides indicative funding for different UNIDO programmes.

Programme	Finance and Investment
Electric Mobility	• USD 15,000,000
Cleantech innovation	• USD 24,000,000
Green Hydrogen in Industry	• USD 40,000,000 by 2025
Sustainable Energy Centres	• USD 5,000,000 by 2025
Industrial Energy Efficiency	<ul> <li>USD 250 million grant, USD 5 billion guarantee till 2030 for the Global Voluntary Agreement Scheme in 8- 12 countries</li> <li>USD 10 million grant till 2030 for the Industrial Energy-Decarbonisation Accelerator</li> </ul>
Financing for climate and clean energy projects:	USD 300 million mobilised minimum annually
Gender Equality and Empowering Women (GEEW)	Activities are cross-cutting
Youth Empowerment	Activities are cross-cutting

## **SECTION 5: IMPACT**

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

The table below outlines what countries are planned for certain programmes while also indicating where countries are still being confirmed.

Programme	Countries
Electric Mobility	Albania, Bhutan, Capo Verde, Egypt, Jordan, Malaysia, Philippines, Thailand, Tunisia, (more to be
	confirmed)
Cleantech Innovation	Algeria, Cambodia, Indonesia, Kazakhstan, Moldova, Mongolia, Morocco, Nigeria, South Africa, Turkey,
	Ukraine, Uruguay, Vietnam, Pakistan and Senegal
Green Hydrogen in Industry	The Global Programme aims to work with the following countries with more to be confirmed: Brazil,
	Costa Rica, Morocco, South Africa, Thailand, Vietnam, Ukraine, Uruguay
Sustainable Energy Centres	The network is expanding to Central America, Central Asia and the Himalaya-Hindukush region.
Industrial energy efficiency	Egypt, Ghana, India, Morocco, Palestine, South Africa, Turkey and Ukraine (more to be confirmed)
Financing for climate and clean energy	Sub-Saharan Africa, South Asia, Southeast Asia, the Pacific Islands, Eastern Europe, Central Asia, Latin
projects	America and the Caribbean
Gender Equality and Empowering Women	Global
(GEEW)	
Youth Empowerment	Global

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how <u>each</u> of the actions from section 2 impact advancing the SDGs by 2030.

[up to 500 words, please upload supporting strategy documents as needed]

As a specialized agency of the United Nations, with a unique global mandate to promote and accelerate inclusive and sustainable industrial development, UNIDO is specifically committed to supporting emerging and developing countries, and their industries to advance SDG 7 on sustainable energy by 2030 and achieve net-zero emissions by 2050. UNIDO primarily works at the nexus of SDG7 (energy), SDG13 (climate), SDG9 (industry) SDG 5 (gender equality) and SDG 17 (partnerships). It supports access to affordable, reliable, sustainable and modern energy for all. UNIDO also supports development of resilient infrastructure, promoting sustainable industrialization and fostering innovation.

UNIDO's ambition for the next decade of action encapsulates this mandate, where-in UNIDO will scale-up its suite of technical service packages that target SDG7 targets and leverage its convening power to galvanize international action on decarbonization and innovation in the industrial sector while empowering women and youth to be active players in the energy transition.

#### 1. Accelerate the shift of industrial organizations - both large and small - away from fossil fuels

- Electric Mobility SDG7.2 Enable decarbonization and creation of a more just transportation sector through the adoption of electric mobility and renewable energy integrated charging infrastructure in at least 10 countries that provides equal opportunities for women and men to lead, participate in and benefit from sustainable transport.
- Green hydrogen in industry Other ambitions 10 countries have national industrial strategies, policies, and documents prepared for green hydrogen by 2025 under consideration of gender equality.
- Industrial energy efficiency SDG7.3 Support up to 12 countries and 10,000 companies and organizations to double their rate of energy performance improvement and save at least 1,000 TWh of primary energy in a gender responsive manner.

#### 2. Enable decision makers to chart a low carbon path to economic progress

• Sustainable Energy Centres – SDG 7.A. - Regional sustainable energy centres in at least nine economic regions covering more than 120 developing countries are supported to advance conducive and inclusive policies for renewable energy and energy efficiency.

#### 3. Foster the rise of local innovators and entrepreneurs

- Cleantech innovation SDG 7.A. National innovation ecosystems of at least 15 partner countries enhanced under consideration of GEEW and youth empowerment, and interconnected internationally; and SDG 7.B. At least 500 innovative renewable and energy efficiency solutions introduced to the market by youth-led, women-led and men-led start-ups and SMEs.
- Financing for climate and clean energy projects SDG 7.A. Raise USD 300 million in financing for climate / clean energy projects and reach financial closure for 40 projects.

# 4. Catalyse action to empower women and youth to have equal opportunities to lead, participate in and benefit from the sustainable energy transition

• Support the formation of a Multi-stakeholder Energy Compact Coalition and related energy compact on *Catalyzing Action* towards Gender Equality and Empowering Women to accelerate a Just, Inclusive and Sustainable Energy Transition – Other ambitions / SDG5 - Drive transformative change towards enhancing gender equality and empowering women (GEEW) in the sustainable energy transition by implementing and monitoring a joint energy compact on gender equality and women's empowerment that is measurable, actionable and ambitious jointly with partners of the Gender Energy Compact Coalition.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how <u>each</u> 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]

#### 1. Accelerate the shift of industrial organizations - both large and small - away from fossil fuels

Achieving net-zero emissions will be challenging, particularly for heavy industry, which accounts for 18% of global CO2 emissions and 25% of energy demand. Industrial energy efficiency is a critical first step in the clean energy transition. From reducing operational costs and boosting productivity to improving energy security, industrial energy efficiency is an opportunity too good to ignore. Green hydrogen (GH2) represents a valuable technology option to decarbonize energy value chains associated with 'hard-to-abate' industrial sectors and catalyse production of renewable energy, with the GH2 economy potentially contributing to 7.5 gigatons of annual CO2 abatement by 2050.

Implementation of clean transport systems implies cutting emissions from the operation of the vehicles and from the generation of energy that they use. While the barriers which developing countries face in this transition can differ, certain challenges, such as lack of infrastructure and stakeholder coordination and awareness, appear to be more common and require international technical cooperation.

#### 2. Enable decision makers to chart a low carbon path to economic progress

By looking at the moderate growth rates of Sustainable Energy and Climate Technology (SECT) markets in many developing countries, it becomes obvious there is need for economies of scale and speed. In this context, formal, informal, centralised and decentralized multi-stakeholder partnerships - leveraging flexible networks and resources between a broad range of like-minded partners in developing and developed countries – can become important accelerators.

UNIDO in partnership with sub-regional economic communities (RECs) and their Members States, is establishing regional sustainable energy centers to accelerate the energy and climate transformation by creating economies of scales, equal progress and spill-over effects between countries.

#### 3. Foster the rise of local innovators and entrepreneurs

The Paris Agreement explicitly refers to innovation in its Article 10, paragraph 5. As innovation is key to finding transformative solutions to both economic and environmental challenges, UNIDO supports creation of robust innovation ecosystems in partner countries and identifies and nurtures promising, innovative clean and renewable energy projects by bridging the gap between investors, clean energy entrepreneurs and project developers.

Commercialization and scale-up of cleantech innovations require coordination of multi-sectors and dimensions such as the local entrepreneurial culture, R&D capacities, policy frameworks, market conditions, financing mechanisms, and investment climates. When these diverse sectors and stakeholders come together to constitute the innovation ecosystem, innovations can be supported towards deployment and scale-up, leading the energy transformation.

# 4. Catalyse action to empower women and youth to have equal opportunities to lead, participate in and benefit from the sustainable energy transition

Gender equality youth empowerment is not only smart economics and the right thing to do but also a human right. Investing in the economic empowerment of women to realize women's rights and gender equality and youth must be a major priority in all energy-transition strategies: this will include enhancing the education of youth women and their ability to actively and effectively participate in existing markets, gain access to decent work, and enable meaningful participation for them in economic decision-making at all levels.

## **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.

As a specialized UN agency, UNIDO has adopted results based management (RBM) as a management strategy. The key principles of RBM laid out by the United Nations Joint Inspection Unit, and adopted by UNIDO, are: 1. Vision and Goals; 2. Causality and the Results Chain; 3. Systems Operation and Strategic Management; 4. Performance Measurement; 5. Monitoring and Evaluation.

UNIDO has adopted the sequence of RBM principles set by the United Nations Joint Inspection Unit. These principles are mainstreamed into UNIDO's work and approaches through the following set of policies and tools:

- Medium-term programme framework
- UNIDO Integrated Results and Performance Framework (IRPF)
- UNIDO Quality Assurance Framework

- UNIDO Evaluation Policy and Manual
- Managing for Results: A Guide to UNIDO's Integrated Results and Performance Framework Approaches and Tools

Together, these policies provide RBM reference, guidance and tools to inform all areas of UNIDO activity - from results and resource planning to reporting, to evaluation. They thus facilitate the adoption of narratives and measurements to tell UNIDO's performance and contribution, enhance organizational learning and strengthen accountability mechanisms, and ultimately drive UNIDO's performance and results at scale.

The Integrated Results and Performance Framework (IRPF) is UNIDO's RBM model that underpins the development of intervention logics to UNIDO's activities. The IRPF outlines indicators for outputs, outcomes and impacts that support monitoring UNIDO's results.

UNIDO's monitoring and reporting are carried out in accordance with donor, UNIDO and other requirements as outlined in the project/programme documents and Monitoring, Reporting & Evaluation plan.

In UNIDO, annual data on project and programme results is reported once a year for all IRPF indicators included in a project or programme's LogFrame. These indicators will contribute directly to UNIDO reporting on its progress for the outcomes outlined under this commitment.

Programme	Compact Target	UNIDO Integrated Results Performance Framework Indicator
Electric mobility	<ul> <li>Enable decarbonization and creation of a more just transportation sector through the adoption of electric mobility and renewable energy integrated charging infrastructure in at least 10 countries that provides equal opportunities for women and men to lead, participate in and benefit from sustainable transport.</li> </ul>	<ul> <li>TEC.2: Number of countries showing the adoption of new technologies</li> </ul>
Cleantech innovation	<ul> <li>National innovation ecosystems of at least 15 partner countries enhanced under consideration of GEEW and youth empowerment, and interconnected internationally.</li> <li>At least 500 innovative renewable and energy efficiency solutions introduced to the market</li> </ul>	<ul> <li>GOV.1: Number of institutions established or strengthened</li> <li>TEC.1: Number of new technologies developed</li> <li>POL.1: Number of new or revised policies adopted</li> </ul>

	by youth-led, women-led and men-led start- ups and SMEs.	
Green hydrogen in industry	<ul> <li>10 countries have national industrial strategies, policies, and documents prepared for green hydrogen by 2025 under consideration of gender equality.</li> </ul>	<ul> <li>PAO.1: Number of industrial strategies and industria policy documents drafted / prepared</li> </ul>
Sustainable Energy Centres	<ul> <li>Regional sustainable energy centres in at least nine economic regions covering more than 120 developing countries are supported to advance conducive and inclusive policies for renewable energy and energy efficiency.</li> </ul>	GOV.2: Number of actors participating in enhanced
Industrial energy efficiency	<ul> <li>Support 8 to 12 countries and 10,000 companies and organizations to double their rate of energy performance improvement and save at least 1,000 TWh of primary energy in a gender responsive manner.</li> </ul>	GOV.2: Number of actors participating in enhanced
Financing for climate and clean energy projects	<ul> <li>Raise USD 300 million in financing for climate / clean energy projects and reach financial closure for 40 projects.</li> </ul>	<ul> <li>INV.2: Number of projects or businesses financed</li> <li>INV.3: Value (\$) of investments leveraged</li> </ul>
Gender Equality and Women's Empowerment (GEEW)	<ul> <li>Drive transformative change towards enhancing gender equality and empowering women (GEEW) in the sustainable energy transition by implementing and monitoring a joint energy compact on gender equality and women's empowerment that is measurable, actionable and ambitious jointly with partners of the Gender Energy Compact Coalition.</li> </ul>	• To be determined
Youth Empowerment	<ul> <li>Inspire transformative change to include and empower youth to lead, participate in and benefit from the sustainable energy transition by promoting youth recommendations for the SDG7.</li> </ul>	To be determined

## **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?

 $\boxtimes$ Yes  $\Box$ 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?*  $\boxtimes$  Yes  $\square$ 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? Set INo

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050?  $\boxtimes$  Yes  $\square$ 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)?  $\boxtimes$  Yes  $\square$ 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?  $\boxtimes$  Yes  $\square$ No

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

### SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

Accelerating and scaling-up inclusive and sustainable industrial development for a just and inclusive energy transition

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)

United Nations Industrial Development Organization (UNIDO)

8.3. Lead entity type

 □ Government
 □ Local/Regional Government
 ⊠ Multilateral body /Intergovernmental Organization

 □ Non-Governmental Organization
 □ Civil Society organization/Youth
 □ Academic Institution /Scientific

 (NGO)
 □ Philanthropic Organization
 □ Other relevant actor

8.4. Contact Information

Mr. Tareq Emtairah, Director, Energy Department, <u>t.emtairah@unido.org</u>; Alternate: Ms. Rana Ghoneim, Chief, Energy Systems and Infrastructure, <u>r.ghoneim@unido.org</u>;

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)

 $\boxtimes$  Energy Access  $\boxtimes$  Energy Transition  $\boxtimes$  Enabling SDGs through inclusive just Energy Transitions  $\boxtimes$  Innovation, Technology and Data  $\boxtimes$  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.

Programme	Additional information
Electric Mobility	n/a
<b>Cleantech innovation</b>	https://www.unido.org/our-focus-safeguarding-environment-clean-energy-access-productive-use-climate-policies-and-networks/global-
	cleantech-innovation-programme
Green hydrogen in	Video clip on Global Hydrogen Programme of UNIDO: <u>https://www.youtube.com/watch?v=J_Pv-ciQG8s</u>
industry	
Sustainable Energy	https://www.gn-sec.net/
Centres	
Industrial energy	https://www.industrialenergyaccelerator.org/
efficiency	
Financing for climate	https://pfan.net/
and clean energy	
projects	
Gender Equality and	UNIDO Policy on Gender Equality and the Empowerment of Women: <u>https://www.unido.org/sites/default/files/files/2019-</u>
Women's	11/DGB 2019 16 Policy on Gender Equality and the Empowerment of Women 1.pdf
Empowerment	
(GEEW)	UNIDO Gender Strategy: https://www.unido.org/sites/default/files/files/2019-11/UNIDO%20Gender%20Strategy%20ebook.pdf
	https://www.viennaenergyforum.org/news-events/join-the-deep-dive-workshop-gender-and-energy/

Youth empowerment	Vienna Energy Forum Call to Action: https://www.viennaenergyforum.org/call-action/
	https://vimeo.com/570488556