"Are you aware what it means that you are here in this room? It means that you care for the future of our world. That you care about improving the quality of life on earth not only with regard to energy but for all consequences.

BETD2017: BERLIN ENERGY TRANSITION DIALOGUE 2017

Studie: Globale Energiewende ist bezahlbar
IISD Programs

Energy

Guiding the world’s transition to sustainable energy systems

Subsidy Reform, Climate Change Mitigation, Sustainable Energy Supplies

Peter Wooders, Group Director, Geneva, pwooders@iisd.org
Transitioning World Energy Demand

**Transport**: Must move to electric cars (Norway) & freight (mining?) & higher efficiency (where?). *Aviation and Shipping: no clear solutions. Tax fuel for revenue.*

**Electricity Generation**: Fossil Fuel and Nuclear increasingly expensive. Moves to large-scale Renewables underway in many countries (China, Denmark, Germany, India, NZ, etc.)

**Residential, Commercial, Others**: (Electric) appliances ever more efficient. Building standards and architecture being taken further. *Heat buildings with electricity?*

**Industry**: Most industry not sensitive to energy prices. *Steel and cement need alternatives; non-ferrous metals and some chemicals electric-intensive. Trade issue.*
**RE Auctions in 2016**

- **Chile**: Solar projects bid at **2.91¢ / kWh**, wind projects at **3.88 /kWh** and **4.72 /kWh**
- **Germany**: Solar tender awards 128 MW at average price of EUR **7.41 cents/kWh**
- **Morocco**: Wind auction **2.5 cents per kWh**
- **Zambia**: Large scale solar bids ranged from **6.02 /kWh** to **10.6 /kWh**
- **India**: 500 MW solar PV auction at **7.2 cents/kWh**
- **Dubai**: Third phase of DEWA solar project US **2.99 cents/kWh**
- **Morocco wind auction US** **2.5 cents per kWh**

Sources:
- https://www.iea.org/media/pams/repolicyupdate/REDRenewablePolicyUpdateNo10_FINALWEBSITE_20160531.pdf
5% cars electric in Norway

Registrations of light-duty plug-in electric vehicles in Norway by year (2004-2016)

Source: https://en.wikipedia.org/wiki/Plug-in_electric_vehicles_in_Norway#Existing_incentives
European Commission allows state aid for industry electricity costs

European Commission - Press release

State aid: Commission adopts rules on national support for industry electricity costs in context of the EU Emission Trading Scheme

Brussels, 22 May 2012 - The European Commission has adopted a framework under which Member states may compensate some energy-intensive users, such as steel and aluminium producers, for part of the higher electricity costs expected to result from a change to the EU Emission Trading Scheme (ETS) as from 2013. The rules ensure that national support measures are designed in a way that preserves the EU objective of decarbonising the European economy and maintains a level playing field among competitors in the internal market. The sectors deemed eligible for compensation include producers of aluminium, copper, fertilisers, steel, paper, cotton, chemicals and some plastics.

Making the Transition Happen

1. For the vast majority, economic impacts of the transition are low (and often positive), environmental and social benefits are positive.

2. Mitigation and compensation schemes can be designed and implemented for those who are vulnerable – for example, direct cash transfers to poor households and farmers.

3. Significant impacts are limited to those whose businesses and communities rely heavily on energy – Cement; Steel; Non-Ferrous Metals; certain Chemicals; Fossil Fuel companies; Utilities – how can we help these transition?
Egyptian knowledge of scale of subsidies and attitude to them

- Less than 5% of government budget: 3
- 5-14% of budget: 5
- 15-24% of budget: 6
- 25-34% of budget: 7
- 35%+: 11
- Don't know: 68

- Yes: 26
- No: 74
Scaling Up Green Energy Finance: Swapping Fossil Fuel Subsidies for Sustainable Energy Solutions

Launch of “Making the Switch” Nordic report on subsidy SWAPs

Thu, 11 May 2017 11:30-13:00 Room: Bonn

Panelists include:
Anna Laitinen, Ministry of Environment, Finland
Hans Jacob Erikson, Ministry of Energy, Utilities and Climate, Denmark
Laura Merrill, Global Subsidies Initiative, IISD
Oras Tynkkynen, SITRA
Mikko Halonen, Gaia
Further speakers TBC

Light food and drinks available after the event
UK’s final deep coal mine closes

At its height, Kellingley employed more than 2,000 workers. At the same time, up to 500,000 people were working in the coal industry nationally.
Understand impacts (across the value chain); transition as slowly as possible; don’t throw good money after bad; focus on people and communities; need strong, diverse and mobile economy, good welfare system.
Global Energiewende

1. Fiscal policy reform - reforming subsidies and taxing energy and carbon - essential, generates the money for SD

2. It's time to relaunch carbon pricing - without it fossil fuels remain unfairly attractive

3. The energy transition impacts groups of society and parts of the economy - we must develop the good advice and lessons policymakers need now

4. No-one mentioned trade in Berlin! New trade agreements must help us deliver SDGs and the NDCs